

COUNTY OF BERNALILLO, NEW MEXICO

**COMPREHENSIVE ANNUAL
FINANCIAL
REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2007



**STATE OF NEW MEXICO
COUNTY OF BERNALILLO**

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

Fiscal Year Ended June 30, 2007

COUNTY OF BERNALILLO GOVERNMENT

Board of County Commissioners

Thaddeus Lucero, County Manager

Daniel J. Mayfield, Deputy County Manager for Budget and Finance

Prepared by:

The Accounting Department



COUNTY OF BERNALILLO, NEW MEXICO

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Wissenschaftliche Grundlagen der
Kulturwissenschaften

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Die Kulturwissenschaften beschäftigen sich mit der Erforschung der menschlichen Kultur in all ihren Facetten. Sie verbinden dabei Erkenntnisse aus verschiedenen Disziplinen wie der Soziologie, der Anthropologie, der Linguistik und der Geschichtswissenschaften. Ziel ist es, die Rolle der Kultur in der Gesellschaft zu verstehen und die Wechselwirkungen zwischen Kultur und Gesellschaft zu analysieren. Dabei spielen auch die Medien, die Kunst und die Literatur eine zentrale Rolle.

Methoden der Kulturwissenschaften

Die Methoden der Kulturwissenschaften sind vielfältig und interdisziplinär. Sie reichen von der qualitativen Forschung über die ethnographische Methode bis hin zur quantitativen Sozialforschung. Ein zentraler Aspekt ist die Feldforschung, bei der die Forscher in die Lebenswelt der untersuchten Gruppe eintreten. Dabei werden Interviews, Beobachtungen und die Analyse von Texten genutzt. Ein weiterer wichtiger Aspekt ist die hermeneutische Methode, die die tiefere Bedeutung von Texten und Handlungen aufzudecken sucht. Die Medienforschung nutzt dabei auch quantitative Methoden wie die Inhaltsanalyse, um die Verbreitung und Wirkung von Medienbotschaften zu untersuchen.

Die Rolle der Kulturwissenschaften

Die Kulturwissenschaften spielen eine wichtige Rolle in der Gesellschaft. Sie helfen, die kulturelle Identität einer Nation zu verstehen und die Rolle der Kultur in der Entwicklung einer Gesellschaft zu analysieren. In der Politik spielen sie eine wichtige Rolle bei der Entwicklung von Kulturpolitik und bei der Förderung der kulturellen Vielfalt. In der Wirtschaft sind sie wichtig für das Verständnis von Konsumverhalten und für die Entwicklung von Marketingstrategien. In der Bildung helfen sie, die kulturelle Bildung zu fördern und das kulturelle Erbe zu bewahren.

County of Bernalillo

State of New Mexico

BOARD OF COUNTY COMMISSIONERS

ALAN B. ARMIJO, CHAIR
DISTRICT 1

E. TIM CUMMINS, VICE CHAIR
DISTRICT 4

TERESA L. CORDOVA, PhD., MEMBER
DISTRICT 2

DEANNA ARCHULETA, MEMBER
DISTRICT 3

MICHAEL BRASHER, MEMBER
DISTRICT 5

THADDEUS LUCERO, COUNTY MANAGER



ONE CIVIC PLAZA, N.W.
ALBUQUERQUE, NEW MEXICO 87102
ADMINISTRATION (505) 768-4000
FAX (505) 768-4329

KAREN L. MONTOYA, ASSESSOR

MARGARET C. TOULOUSE, CLERK

MERRI RUDD, PROBATE JUDGE

DARREN P. WHITE, SHERIFF

PATRICK J. PADILLA, TREASURER

November 15, 2007

Board of County Commissioners

Alan B. Armijo, Chair

E. Tim Cummins, Vice Chair

Deanna Archuleta, Member

Michael Brasher, Member

Teresa L. Cordova, Ph.D., Member

One Civic Plaza, 10th Floor

Albuquerque, New Mexico 87102

Dear Commissioners:

County Management hereby submits the Comprehensive Annual Financial Report (CAFR) of the County of Bernalillo (the County), New Mexico, for fiscal year ending June 30, 2007.

New Mexico State Statute 12-6-3, NMSA 1978 Compilation requires that an annual audit of a governmental unit's accounting records and Comprehensive Annual Financial Report be performed by independent public accountants. Federal law also requires that a single audit be performed for federal grant funds in conformance with the provisions of the Single Audit Act of 1984 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." All information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the independent auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in the Single Audit Section.

County management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls that were established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Moss Adams LLC, Certified Public Accountants, have issued an unqualified opinion on the County's comprehensive annual financial report for the year ended June 30, 2007. The independent auditors' report is located at the front of the financial statements.

Management's discussion and analysis (MD&A) immediately follows the independent auditors report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE COUNTY

Bernalillo County is located in the central region of the state and is the economic and population hub of New Mexico. Its boundaries encompass the entire City of Albuquerque. With an estimated population of 615,099 in 2006, the County ranks 96th in population of the nation's 3,141 counties. It comprises 31 percent of New Mexico's population and 77 percent of the three county Albuquerque Metropolitan Statistical Area, (MSA); Sandoval and Valencia being the other two counties.

The County provides public safety, highways and streets, sanitation, cultural and recreational services, public improvements, building, planning and zoning, and general administrative services. The County has a Commission-Manager form of government in which most of the day-to-day administrative duties are delegated to the County Manager. All legislative power within the County is vested in a five-member Board of Commissioners, each of whom are elected for four-year terms from single member districts, with a two-term limit. The executive functions are divided; the powers are shared by the Board and five elected County officials: the Treasurer, Assessor, Clerk, Probate Judge, and Sheriff.

The County maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. The County's legal level of budgetary control is at the fund level, except for the Emergency Medical Services and Fire Districts funds, whose legal level of budgetary authority is at the program or district level. Appropriations within a fund may be adjusted under the authority of the County Manager or Deputy County Managers as long as the total fund appropriations remain the same. Appropriation adjustments between funds require approval of the Board and the New Mexico State Department of Finance and Administration (DFA). The Local Government Division of DFA is the agency responsible for regulating the budgetary affairs of the County. Budget adjustments that do not require DFA approval are limited to transfers of budget between departments within a fund or transfers between line items within a department within a fund. State statutes prohibit the County from making expenditures in excess of the final approved budget at the fund level. The appropriated amounts reflected in the accompanying financial statements are at the function and activity level for the general fund and by object class for all other funds.

Local economy

Bernalillo County, with the City of Albuquerque (2006 population estimate of 504,949) making up 82 percent of its population, has emerged as a hub for commerce and industry in the Southwest. It accounts for nearly half of all economic activity in New Mexico. In the 2007

Forbes List of "Best Places for Business and Careers," Albuquerque placed 6th out of the 200 largest metro areas in the Country. Albuquerque was ranked 34th in the "Cost of Doing Business" category, 56th in the "Job Growth" category and 82nd in the "Income Growth" category.

Economic growth in the Albuquerque MSA slowed during the first half of 2007, in line with the State of New Mexico as a whole. After non-farm growth of 3.7 percent in 2006, employment growth slowed to 2.0 percent in the first quarter and 1.7 percent in the second quarter of 2007. Personal income growth remained steady at 6.2 percent. The unemployment rate dropped from 4.2 percent a year ago to 3.5 percent in the first and second quarters of 2007. The construction sector suffered a major setback as employment growth fell from a 9.1 percent increase in 2006 to a 1.0 percent decline in the first two quarters of 2007. This decline was influenced by a severe winter and the conclusion of several large-scale construction projects including the UNM Hospital expansion, the Center of Integrated Nanotechnologies and the Microsystems Engineering and Sciences Applications (MESA) facility. New housing permits in the City of Albuquerque were down 5.9 percent with single-family permits down 27.1 percent while multi-family permits increased 143.1 percent. The total dollar value of construction contracts awarded during the second quarter of 2007 was down 2.9 percent from a year ago. Residential contracts decreased 34.5 percent while contracts for other than buildings decreased by 39.6 percent. On the upside, contracts for non-residential buildings increased by 200 percent. The Albuquerque MSA added 6,567 jobs from the second quarter of 2006 to the second quarter of 2007 lead by the leisure and hospitality sector (3.4 percent increase) educational and healthcare services sector (2.7 percent increase), professional and business services (2.1 percent), and government (1.7 percent). Each of these sectors added approximately 1,300 jobs. The information sector also made a noticeable contribution adding 633 jobs for an increase of 6.7 percent. Retail trade was the only other sector to add more than 200 jobs, posting a 1.0 percent increase with 433 jobs. Overall, employment growth came from four sectors posting strong gains with minimal growth in the other sectors and slight decreases in the natural resources, mining and construction as well as financial sectors.

Long-term financial planning

The financial condition of the County is strong. The County has made an enormous effort to incorporate comprehensive financial planning in its long-range vision. DFA requires that 3/12 of budgeted expenditures be reserved at year-end to maintain an adequate cash flow until the next significant property tax collection. The DFA reserve requirement of \$62,116,232 in the general fund represents 42.3 percent of the total general fund balance of \$146,704,783. The County has an unreserved, designated fund balance of \$74,202,179 or 50.6 percent of the total general fund balance. The fund balance in the general fund has been designated for unencumbered carryover in the amount of \$39,709,114, future capital projects in the amount of \$10,000,000, fiscal year 2008 salary adjustments in the amount of \$4,100,000, building funds in the amount of \$15,000,000 and for budget stabilization in the amount of \$5,393,065.

A portion of the unencumbered carryover amount has been designated to the current implementation of the new County-wide Enterprise Resource Planning Financial Management system that the County plans to have operational on July 1, 2008. Additional unreserved fund balance amounts have been designated for MDC operations and to allow County Departments

and Elected Offices to carryover fiscal year 2007 budgeted balances into fiscal year 2008 in accordance with the County's two-year budget plan.

Relevant financial policies

After researching the concept of two-year budgets, including examining other cities' and counties' experiences with the process, management decided to transition to a two-year budget. Approval provided for an appropriation for two fiscal years at once, with funding being available to departments for one year at a time. Departments were given a base budget and salary projections for each of the two years. Departments had the opportunity to evaluate their budgets prior to commencement of the second year. Any necessary changes will be presented to the Board of County Commissioners as adjustments to the base budget. The biennial budget process has encouraged a long-term view of financial planning and shifted the emphasis from the process itself to a more careful examination of resource allocation choices.

Major initiatives

On July 1, 2006 Bernalillo County formed a new department for the purpose of consolidating its efforts around substance abuse programs it operates. This new department, the Department of Substance Abuse Programs (DSAP), administers roughly \$5 million in funding for services and programs that reduce DWI and substance abuse in our community. The primary source of this funding is liquor excise taxes collected by the State of New Mexico and distributed to all 33 counties in New Mexico in accordance with the Local DWI Program Act (11-6A-1 through 11-6A-6 NMSA 1978). Through this funding mechanism Bernalillo County provides a comprehensive array of DWI and substance abuse related programs and services including youth prevention services, enhanced DWI law enforcement efforts, alternative sentencing programs for DWI offenders, and substance abuse treatment services for convicted offenders in the Metropolitan Detention Center. Additionally, DSAP provides the only public inebriate detoxification program in the county at the Metropolitan Assessment and Treatment Services (MATS) facility. The MATS facility houses the county's 42-bed detoxification program and the county also leases space within MATS to the State of New Mexico for its chemical dependency hospital known as Turquoise Lodge, and to the University of New Mexico for its Forensic Case Management program. Bernalillo County is presently expanding service offerings on the MATS campus by constructing an 80-bed aftercare facility to help homeless substance abusers transition to productive community life by providing housing and other supportive services to this fragile population.

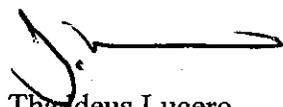
AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report for the fiscal year ended June 30, 2006. This was the third consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Budget and Finance Division. We also would like to express our appreciation to all departments who assisted and contributed to the preparation of this report. The Board of County Commissioners is recognized for its stewardship in conducting the financial operations of the County in a responsible and progressive manner.

Sincerely,



Thaddeus Lucero
County Manager



Daniel J. Mayfield
Deputy County Manager for Budget and Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Bernalillo
New Mexico

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

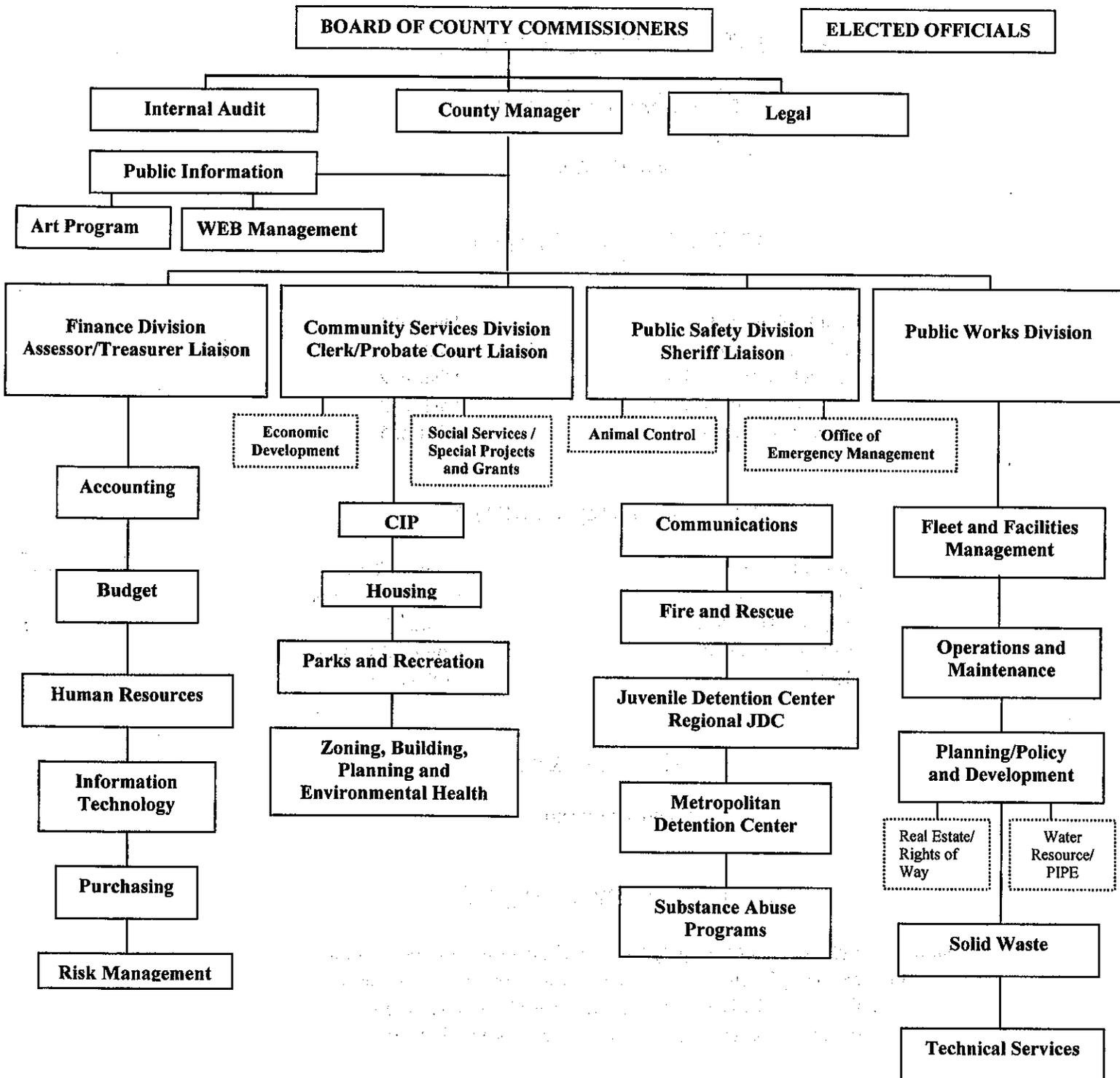
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

BERNALILLO COUNTY ORGANIZATIONAL CHART



COUNTY OF BERNALILLO

PRINCIPAL OFFICIALS

June 30, 2007

COUNTY COMMISSIONERS

Alan B. Armijo, Chair	District 1
E. Tim Cummins, Member, Vice Chair	District 4
Teresa L. Cordova, Ph.D.	District 2
Deanna A. Archuleta, Member	District 3
Michael Brasher, Member	District 5

COUNTY ELECTED OFFICIALS

Darren P. White	County Sheriff
Patrick J. Padilla	County Treasurer
Margaret Toulouse	County Clerk
Karen L. Montoya	County Assessor
Merri Rudd	Probate Judge

COUNTY MANAGER

Thaddeus Lucero

DEPUTY COUNTY MANAGERS

Daniel J. Mayfield, CGFM, Deputy County Manager for Budget and Finance
Julie M. Baca, Deputy County Manager for Community Services
John P. Dantis, Deputy County Manager for Public Safety
Timothy West, Deputy County Manager for Public Works

COUNTY OF BERNALILLO, NEW MEXICO

CONTRIBUTORS

June 30, 2007

Daniel J. Mayfield, CGFM
Deputy County Manager for Budget and Finance

Financial Reporting Personnel

Jeff P. Lovato, MBA
Accounting Director

Ruth Lott
Financial Projects Coordinator

Bonnie Ulibarri-Romero, CPA
Financial Administrator, CAFR Coordinator

Andi Lako, MBA
Financial Administrator

Anthony Infantino, MBA
Financial Administrator

Sueko Solosky
Financial Services Administrator

Cindy Torres
Accounting Officer

Leticia Carreon
Accountant Senior

Jessie Fairbanks
Accountant Senior

Virginia C. Montoya
Accountant Senior

Treasurer's Office

Fidel A. Bernal, CPA
Chief Deputy Treasurer

Emily Madrid
Accounting Manager



Independent Auditors' Report

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

We have audited the accompanying basic financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information and the respective budgetary comparison of each major general and special revenue fund of Bernalillo County, New Mexico (County), as of and for the year ended June 30, 2007, 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, non-major enterprise funds, internal service fund and the fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements and schedules and the respective budgetary comparison of each governmental fund as of and for the year ended June 30, 2007, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2007, and the respective changes in financial position, and the budgetary comparisons for the general 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 financial position of each nonmajor governmental fund, nonmajor enterprise funds, internal service fund and fiduciary fund of the County, as of June 30,

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

2007, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended, in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects the respective budgetary comparisons for the year then ended in conformity with the cash basis of accounting and more fully described in Note III A, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 30, 2007 on our consideration of the County's internal control over financial reporting and 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 *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements the combining and individual fund financial statements, and the budgetary comparisons of the County. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as is required by the US Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Not-for-Profit Organization*, and is not a required part of the basic financial statements. Also, the schedules listed as other supplementary information in the table of contents are presented for the purposes of additional analysis and are not a required part of

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

the basic financial statements of the County. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and the combining and individual funds presented as supplemental information, and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The accompanying introductory and the statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and combining and individual fund financial statements and, accordingly, we express no opinion on them.

Mess Adams LLP

Albuquerque, New Mexico
November 30, 2007



COUNTY OF BERNALILLO NEW MEXICO
Management's Discussion and Analysis
June 30, 2007

As management of the County of Bernalillo (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

- The government-wide assets of the County exceed its liabilities as of June 30, 2007 by \$480,254,992, an increase of \$88,423,768 or a 22.6% increase. Of this amount, \$302,723,060 is invested in capital assets, net of related debt. Of the remaining balance, \$106,094,221 is restricted for specific purposes and \$71,437,711 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- As of June 30, 2007, the County's governmental activities and business type activities have net assets of \$475,718,369 and \$4,536,623 respectively.
- The fund balance in the County's general fund increased from \$97,463,295 in FY06 to \$146,704,783 in FY07, an increase of \$49,241,488 or a 50.5% increase. Of this amount, \$62,116,232 or 42.3% of the general fund is for the DFA required reserve and \$39,709,114 or 27.1% is for subsequent year's expenditures.
- The County was able to maintain adequate reserves in the amount of \$62,116,232 as required by the State of New Mexico Department of Finance and Administration, Local Government Division – 3/12 of the General Fund Budget for FY08.
- During the year, the County sold \$10,000,000 of General Obligation Bonds (Series 2006). This included \$2,686,000 for roads, \$4,085,000 for storm drains, \$2,349,000 for parks and recreation, \$680,000 for Sheriff's facilities improvements and \$200,000 for ADA facilities improvements.
- The County has \$386,166,953 in available bonding capacity or 81.34% of allowable bonding capacity per the New Mexico State Constitution (see page 151).
- The County property valuations increased 5.4% from \$11.26 billion in FY06 to \$11.86 billion in FY07 (see page 144).
- After FY07, the County was upgraded by Standard & Poor's Rating Service to AAA from AA+ for its General Obligation Bonds and maintained its Aa1 rating with Moody's Investors Service, Inc. and AA+ rating with Fitch Ratings. The County was upgraded by Standard & Poor's Rating Service to AAA from AA+ for its Gross Receipt Tax Revenue Bonds and maintained its AA rating with Fitch Ratings.

Overview of the Financial Statements

This discussion and analysis is 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. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of related cash flows. For example, property taxes are recognized as revenues in the year for which they are levied. 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 are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements differentiate functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-type activities). The governmental activities of the County include general government, public works, public safety, health and welfare, and culture and recreation. The Business-type activities of the County include Solid Waste, Bernalillo Housing Authority, Seybold Village Handicapped Project, the Juvenile Detention Center, and El Centro Familiar. The government-wide financial statements can be found on pages 25-26 of this report.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. For this purpose, the County considers revenues to be available if they are collected within 60 days of the current fiscal period. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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.

In addition to the General fund, the County maintains forty-six other individual governmental funds of which nineteen are classified as Special Revenue funds, eleven are classified as Debt Service funds, and sixteen are classified as Capital Projects funds. Information for the General fund and the TRAN Debt Service fund, both of which are considered to be major funds, is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its General fund. A budgetary comparison statement for the General fund is presented on page 31. In addition, the County adopts an annual budget for other non-major funds. A budgetary comparison statement is presented in the aggregate and individually for all those funds.

The basic governmental fund financial statements can be found on pages 27-30 of this report.

Proprietary funds. The County maintains two different types of 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 Solid Waste, Bernalillo Housing Authority, Seybold Village Handicapped Project, the Regional Juvenile Detention Center, and the El Centro Familiar. An *Internal service fund* is used to account for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis. The County's internal service fund is the Risk Management fund, which is used to account for its risk management activities. Because the services provided by the Risk Management fund predominantly benefit governmental rather than business-type functions, this fund is included within *governmental activities* in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 32-34 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial 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. The basic fiduciary funds financial statements can be found on page 35 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found on pages 37-68 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the Notes to the Financial Statements. Combining and individual fund statements and schedules can be found on pages 69-121 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The County's governmental-wide net assets exceed liabilities by \$480,254,992 for the fiscal year ending June 30, 2007. By far the largest portion of the County's net assets (63 percent) reflects its investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment) less any debt, used to acquire those assets, that is still outstanding. In the prior year, the County's investment in capital assets was 67% of net assets. The County uses these capital assets to provide services to the 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.

County of Bernalillo Net Assets

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Assets:						
Current and other assets	\$343,370,899	\$281,394,443	\$3,585,866	\$ 3,798,216	\$346,956,765	\$285,192,659
Capital assets	514,707,039	481,156,828	4,919,507	4,949,500	519,626,546	486,106,328
Total assets	858,077,938	762,551,271	8,505,373	8,747,716	866,583,311	771,298,987
Liabilities:						
Long-term liabilities	267,122,552	269,118,143	967,627	2,799,457	270,123,675	271,917,600
Other liabilities	115,237,017	106,395,961	3,001,123	1,154,202	116,204,644	107,550,163
Total liabilities	382,359,569	375,514,104	3,968,750	3,953,659	386,328,319	379,467,763
Net Assets:						
Invested in capital assets, net of related Debt	299,526,749	259,799,155	3,196,311	4,204,373	302,723,060	264,003,528
Restricted	106,094,221	43,396,414	-	-	106,094,221	43,396,414
Unrestricted	70,097,399	83,841,598	1,340,312	589,684	71,437,711	84,431,282
Total net assets	\$475,718,369	\$387,037,167	\$4,536,623	\$4,794,057	\$480,254,992	\$391,831,224

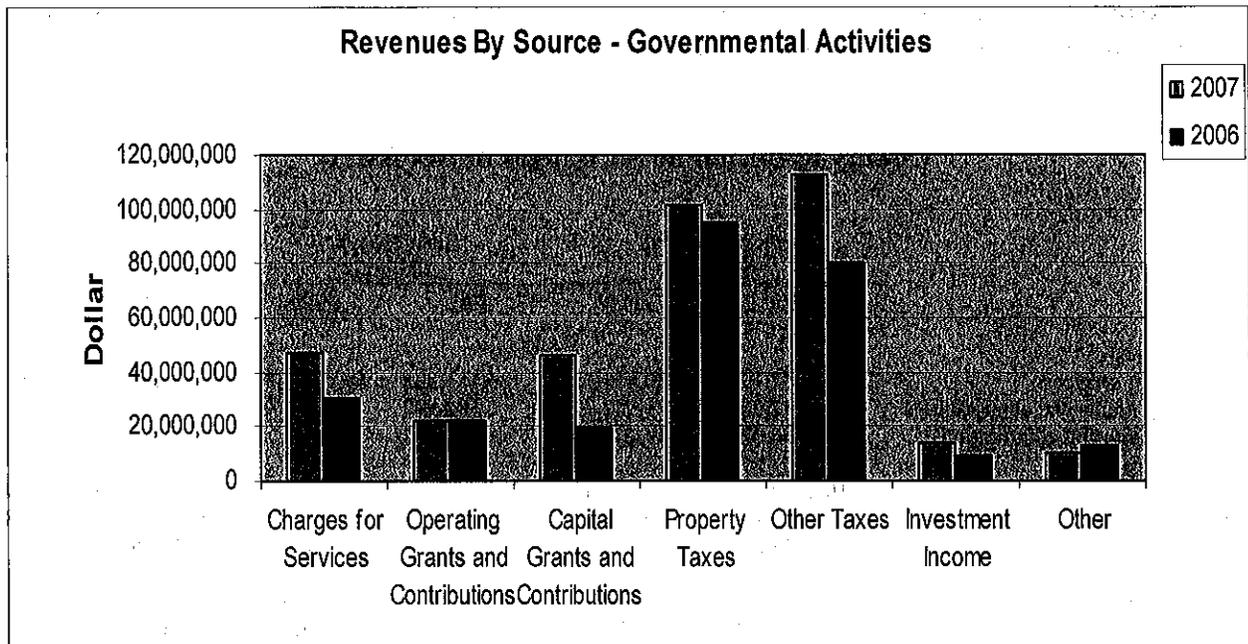
Restricted net assets in the amount of \$106,094,221 represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$71,437,711 may be used to meet the government's ongoing obligations to citizens and creditors.

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

Governmental activities. Governmental activities during the year increased the County's net assets by \$88,681,202 in FY07 as compared to \$21,772,518 in FY06.

County of Bernalillo's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$47,052,175	\$30,857,136	\$5,151,503	\$5,495,303	\$52,203,678	\$36,352,439
Operating grants and contributions	21,737,089	21,947,700	582,992	196,975	22,320,081	22,144,675
Capital grants and contributions	45,766,629	19,257,667	482,594	-	46,249,223	19,257,667
General revenues:						
Property taxes	101,617,379	95,070,478	-	-	101,617,379	95,070,478
Other taxes	112,599,176	80,668,274	-	-	112,599,176	80,668,274
Investment income	13,833,232	9,043,065	103,533	50,653	13,936,765	9,093,718
Grants and contributions not restricted to specific programs	-	-	-	534,517	-	534,517
Other	12,949,329	13,182,736	117,150	107,233	13,066,479	13,289,969
Total revenues	355,555,009	270,027,056	6,437,772	6,384,681	361,992,781	276,411,737
Expenses:						
General government	47,569,157	46,477,713	-	-	47,569,157	46,477,713
Public works	32,604,280	45,618,719	-	-	32,604,280	45,618,719
Public safety	129,957,959	108,438,819	-	-	129,957,959	108,438,819
Health and welfare	25,862,321	19,199,026	-	-	25,862,321	19,199,026
Culture and recreation	15,337,172	14,202,035	-	-	15,337,172	14,202,035
Interest on long-term debt	15,221,474	14,318,226	-	-	15,221,474	14,318,226
Solid Waste	-	-	4,483,095	4,257,715	4,483,095	4,257,715
Housing Authority	-	-	847,572	469,038	847,572	469,038
Seybold Village	-	-	172,947	168,763	172,947	168,763
Juvenile Detention Center	-	-	1,158,479	1,273,084	1,158,479	1,273,084
El Centro Familiar	-	-	354,557	404,069	354,557	404,069
Total expenses	266,552,363	248,254,538	7,016,650	6,572,669	273,569,013	254,827,207
Increase (decrease) in net assets before transfers	89,002,646	21,772,518	(578,878)	(187,988)	88,423,768	21,584,530
Transfers in (out)	(321,444)	-	321,444	-	-	-
Capital contributions	-	-	-	16,688	-	16,688
Increase in net assets	88,681,202	21,772,518	(257,434)	(171,300)	88,423,768	21,601,218
Net assets –beginning	387,037,167	365,264,649	4,794,057	5,175,390	391,831,224	370,440,039
Prior period adjustment	-	-	-	(210,033)	-	(210,033)
Net assets – beginning as restated	387,037,167	365,264,649	4,794,057	4,965,357	391,831,224	370,230,006
Net assets – ending	\$475,718,369	\$387,037,167	\$4,536,623	\$4,794,057	\$480,254,992	\$391,831,224

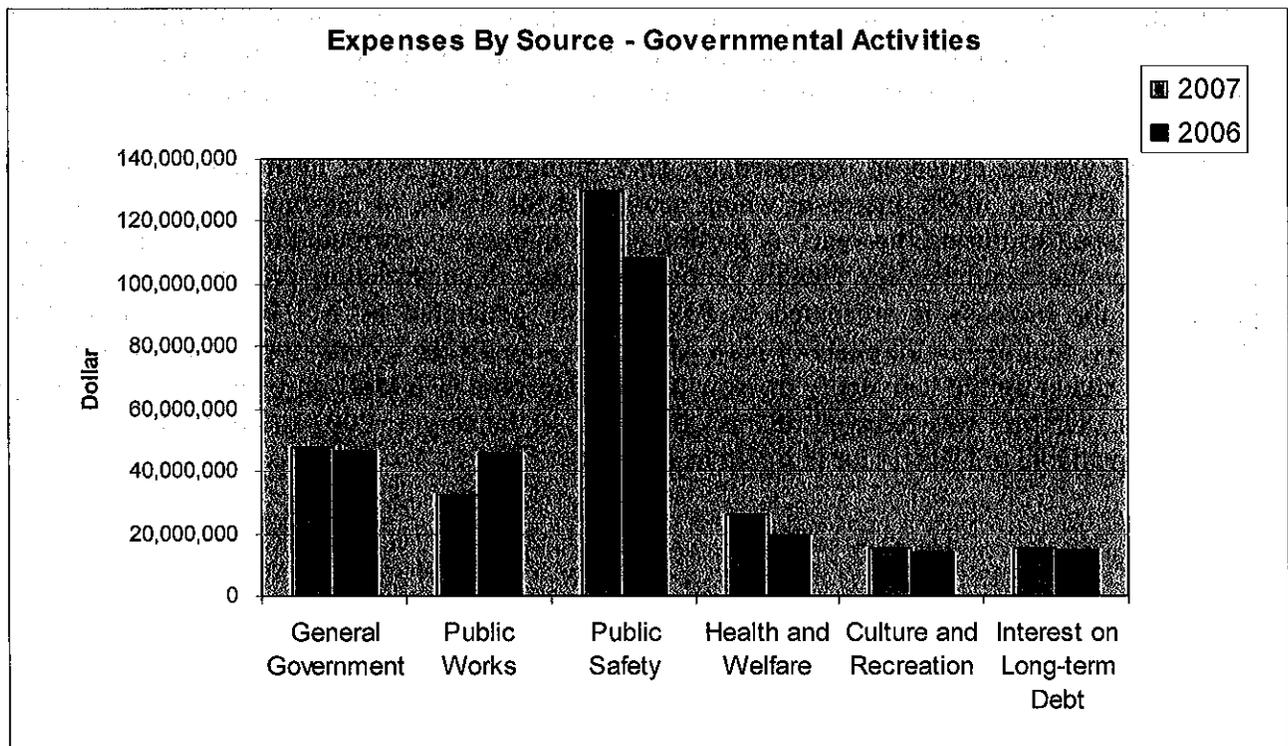


Governmental Activities revenues increased by \$85.5 million from \$270.0 million in FY06 to \$355.5 million in FY07, an increase of 31.7%. Key elements in the growth of governmental activities revenues are as follows:

- Program revenues Charges for Services increased by \$16.2 million from \$30.8 million in FY06 to \$47.0 million in FY07, a 52.6% increase, which accounts for 18.9% of the increase in governmental activities revenues during the year. The increase is attributed to an increase in the fees collected for services for the Metropolitan Detention Center (MDC). The MDC's operation was taken over by the County in FY07 and the County collected \$14.2 million in fees from the City of Albuquerque to offset the cost of MDC operations. The remainder of the increase is due to an increase in the fees collected for services for the Regional Correction Center (RCC) from \$13.0 million in FY06 to \$16.9 million in FY07.
- Program revenues Capital Grants and Contributions increased by \$26.5 million from \$19.3 million in FY06 to \$45.8 million in FY07, a 137.3% increase, which accounts for 31.0% of the increase in governmental activities revenues during the year. A significant part of the increase was attributed to an increase in the Valley Utility Water/Wastewater construction project revenues of \$13.5 million from \$4.7 million in FY06 to \$18.2 million in FY07. In addition, there was a \$5.4 million increase in revenues in the Storm Sewer construction projects from \$.3 million in FY06 to \$5.7 million in FY07 with a significant portion related to the Isleta Phase II storm sewer project. There was also an increase in revenues in the South Valley Health Commons Phase II construction project of \$3.4 million and \$2.8 million for the Hiland Theatre Renovation and the Fisher & Smith Gymnasium construction project.
- General revenues property taxes increased \$6.5 million from \$95.1 million in FY06 to \$101.6 million in FY07, a 6.8% increase, which accounts for 7.6% of the increase in governmental activities revenues during the year. The increase is attributed to an increase in the taxable property

valuation within the County of \$608.2 million from \$11.260 billion in FY06 to \$11.868 billion in FY07 and an increase in the County's operational non-residential mill levy rate from 9.783 to 10.650 per \$1,000 of assessed taxable value. The increase is also due to a slight increase in the current property tax collection rate from 96.12% in FY06 to 96.36% in FY07.

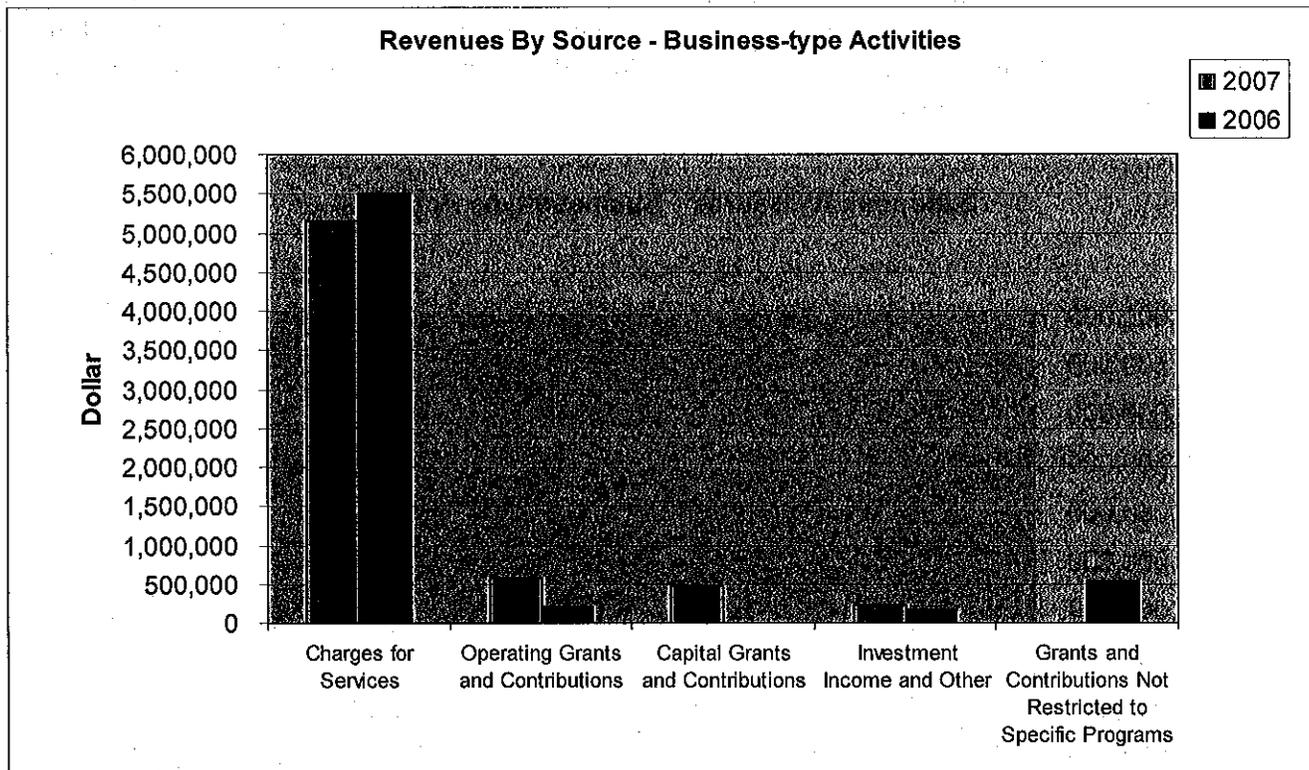
- General revenues other taxes increased \$31.9 million from \$80.7 million in FY06 to \$112.6 million in FY07, a 39.5% increase, which accounts for 37.3% of the increase in governmental activities revenues during the year. The increase is attributed to a 1/8% tax rate increase in the County's gross receipt tax rate for Metropolitan Detention Center (MDC) operations, from 5.5625% to 5.6875% (5.0 state portion), which was effective on July 1, 2006 and an additional tax rate increase of 1/8 % from 5.6875% to 5.8125% for the County's health care program which was effective on January 1, 2007. Also, the overall taxable gross receipts reported by the State for Bernalillo County increased by 7.5% during the year from \$15.307 billion in FY06 to \$16.454 billion in FY07.
- General revenues investment income increased \$4.8 million from \$9.0 million in FY06 to \$13.8 million in FY07, a 53.3% increase. The increase is attributed to better investment management by the County Treasurer, an investment committee which oversees investment strategy monthly, and an increase in the rate of return on investments.



Governmental activities expenses increased by \$18.3 million from \$248.3 million in FY06 to \$266.6 million in FY07, a 7.4% increase. Key elements in the changes of governmental activities expenses, other than a 4% one time non-recurring payment for non-represented and bargaining groups, offers of employment to over 500 MDC City employees, honoring of the longevity of employment of MDC employees, and an adjustment to fund a 10% increase in healthcare insurance premium cost, are as follows:

- General government expenses increased by \$1.1 million from \$46.5 million in FY06 to \$47.6 million in FY07, a 2.4% increase. The increase in general government expenses is primarily attributed to the one time 4% non-recurring payment for non-represented and bargaining groups and enhancement of employee healthcare benefits.
- Public works expenses decreased by \$13.0 million from \$45.6 million in FY06 to \$32.6 million in FY07, a 28.5% decrease. The decrease is attributed to more expenses incurred for projects in FY06 than in FY07. A portion of the decrease is attributed to \$5.8 million in costs incurred in FY06 associated with the development of the west-side industrial park (Tempur-Pedic). A significant portion of the remaining decrease is attributed to the costs incurred for Phase II of the Isleta Boulevard Reconstruction, costs associated with the Valley Utilities Project (VUP), completion of the Golf Course Road project and other projects in FY06.
- Public safety expenses increased by \$21.5 million from \$108.4 million in FY06 to \$129.9 million in FY07, a 19.8% increase. The majority of the increase is attributed to Bernalillo County taking over sole operation of the Metropolitan Detention Center (MDC) at the start of FY07. The City of Albuquerque contributed \$14 million to offset operational costs, but the majority of the budgeted costs were incurred by the County. Services included the administration and operation of the MDC, the administration of the Community Custody Program (CCP), and the addition of the new Health Services Unit (HSU). The remaining increase in public safety expenditures was the result of higher salary and benefit costs for the Fire Department and the Sheriff's Department.
- Health and welfare expenses increased by \$6.7 million from \$19.2 million in FY06 to \$25.9 million in FY07, a 34.9% increase, which accounted for 36.8% of the increase in governmental activities expenses during the year. A portion of the increase is attributed to \$3.3 million in costs incurred for the South Valley Health Commons Phase II construction project. The remaining portion of the increase is attributed to \$3.4 million, generated by a 1/16% Healthcare Gross Receipts Tax, remitted to the State of New Mexico to support the county-supported Medicaid fund which was made by the University of New Mexico Hospital (UNMH) on behalf of the County in prior years. UNMH was relieved of this obligation on January 1, 2007 to ensure that additional funds are available to UNMH for indigent health care.

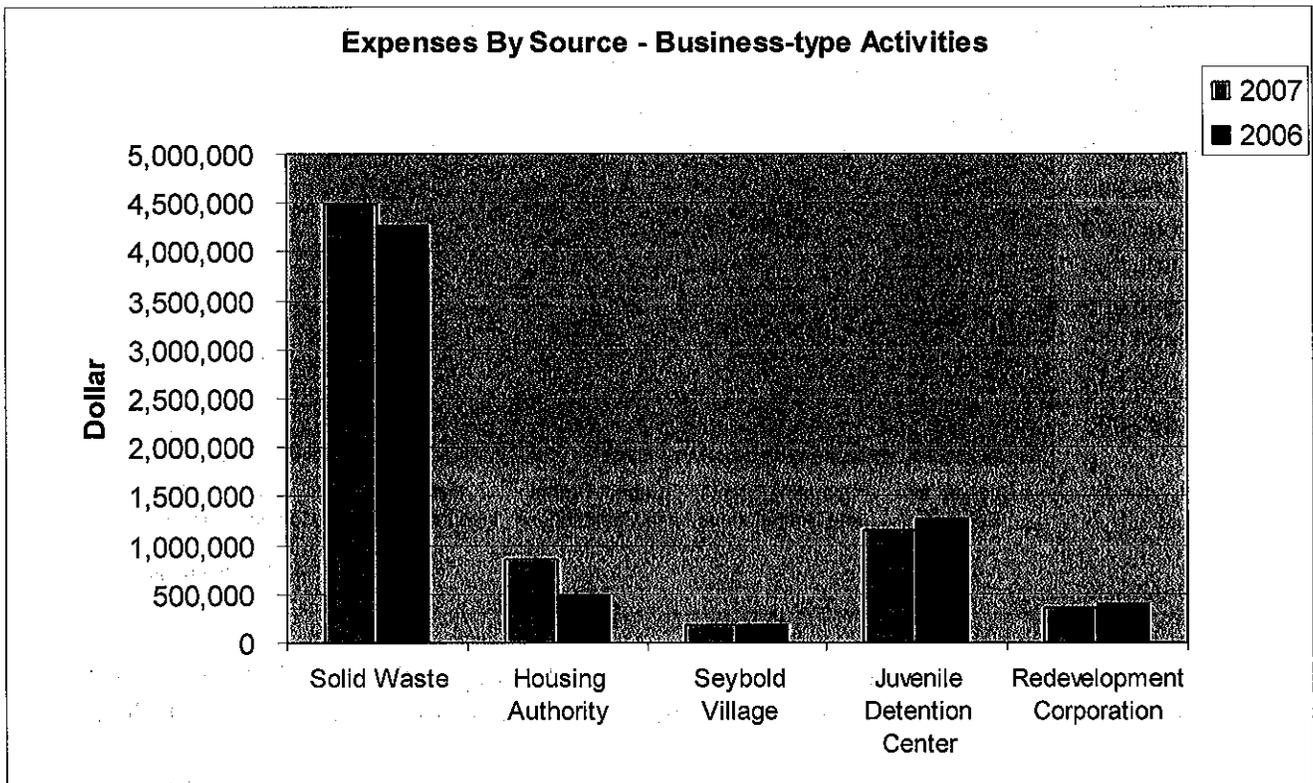
Business-type activities. Business-type activities net assets decreased by \$257,434 during the current fiscal year. The Solid Waste fund, the Bernalillo Housing Authority, the Seybold Village Handicapped Project, and the El Centro Familiar incurred losses of \$522,202, \$12,541, \$52,119, and \$5,471 respectively before capital contributions and operating transfers out. These losses represent the degree to which ongoing program expenses have outstripped ongoing program revenues. Overall, the Business-type activities experienced a \$1,371,305 operating loss (program revenues less expenses) before non-operating revenues of \$792,427.



Business-type activities revenue increased from \$6.385 million in FY06 to \$6.438 million in FY07, a .083% increase. Key elements in the increase of business-type activities revenues are as follows:

- Revenue Program charges for services decreased from \$5.5 million in FY06 to \$5.1 million in FY07, a 7.3% decrease. The decrease was attributed to the last quarter late billing, collection and distribution of solid waste fees to the County from Waste Management, our billing and collection agency. The fees were collected and distributed to the County in FY08.
- Revenue Program operating grants and contributions increased from \$196,975 in FY06 to \$582,992 in FY07, an increase of 196.0%. The increase was attributed to an increase in the subsidy provided for the operation of the East Mountain Transfer Station and for the Low Income Assistance Program. In addition, there was an increase in revenues collected from our recycling program. The increase is also attributed to a change in reporting category from “grants and contributions not restricted to specific programs” in FY06 to “program revenues operating grants and contribution” and “program revenues capital grants and contributions” in FY07, with a minor increase in revenues.

- Revenue Program capital grants and contributions increased from zero in FY06 to \$482,594 in FY07. The increase was attributed to a change in reporting category from “grants and contributions not restricted to specific programs” in FY06 to “program revenues operating grants and contribution” and “program revenues capital grants and contributions” in FY07, with a minor increase in revenues.
- General revenues investment income increased from \$50,653 in FY06 to \$103,533 in FY07, an increase of 104.4%. The increase was attributed to increased investments in the Bernalillo Housing Authority, the El Centro Familiar, and the Seybold Village Handicapped Project and also a higher rate of return on investments.



Business-type activities expenses increased from \$6.6 million in FY06 to \$7.0 in FY07, a 6.1% increase. Key elements in the increase of business-type activities expenses are as follows:

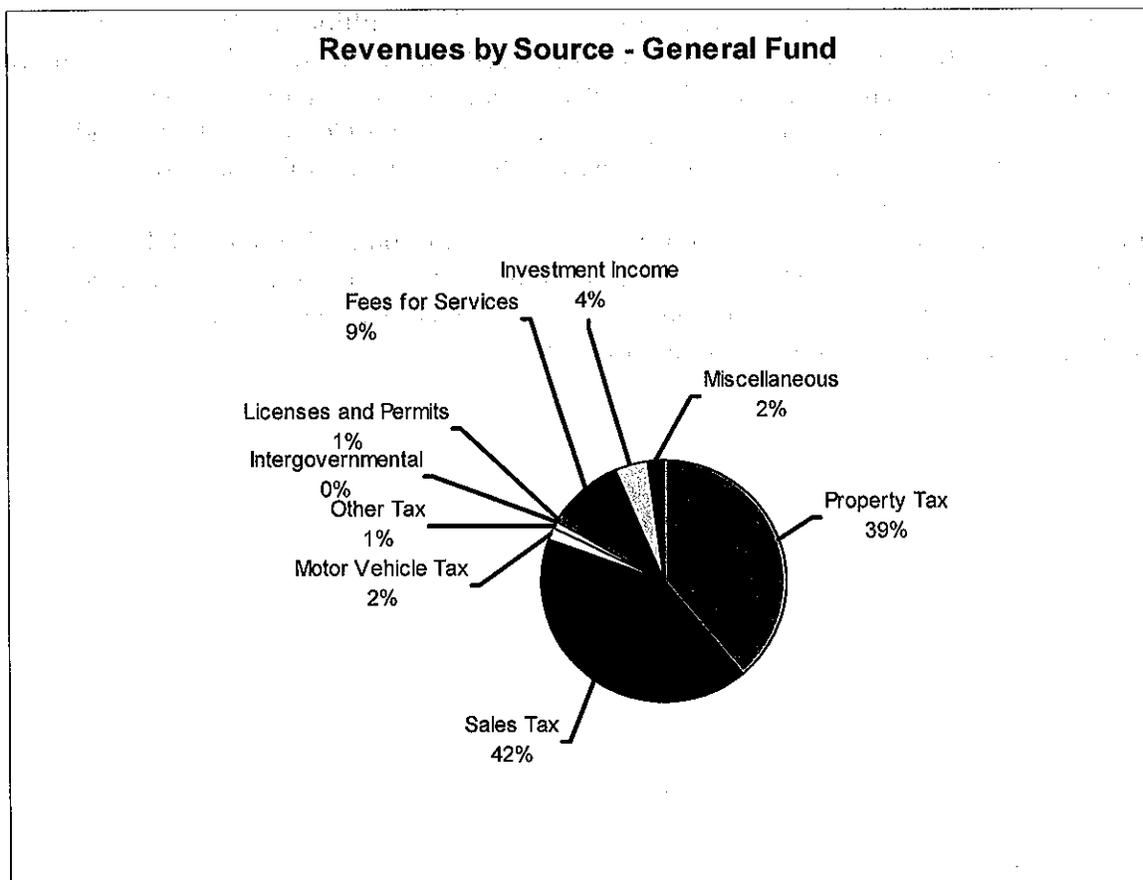
- Contractual expenses in the Solid Waste Fund increased from \$2.9 million in FY06 to \$3.1 million in FY07. A significant portion of the increase was attributed to the increase in fees paid to Waste Management to bill and collect for solid waste services provided by the County.
- Grant expenses in the Housing Authority increased from \$221,863 to \$431,161 which was reflective of an increase in home rehabilitation grant funds.

Financial Analysis of the County's Funds

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$238,154,800. Approximately 46.4% of this total, \$110,433,688 constitutes unreserved fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed: 1) to DFA 3/12 reserve requirement \$62,116,232, 2) \$39,947,137 in encumbrances to liquidate contracts and purchase orders of the prior period, 3) \$22,504,690 to pay debt service, and 4) \$3,153,053 for a variety of other restricted purposes.

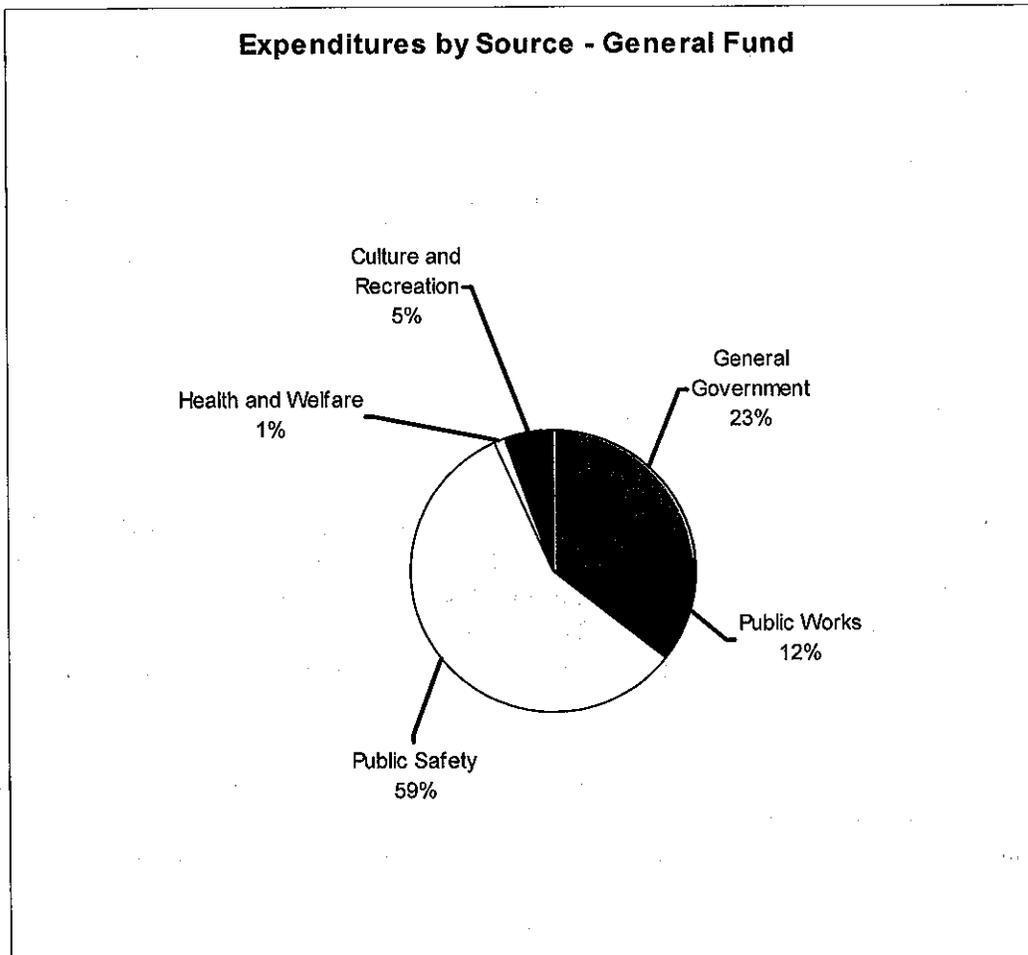
General Fund. The County's general fund balance increased \$49,241,488 during the current fiscal year. Key factors in this growth are based on the increase in local taxes from the previous year combined with less than expected incurred expenditures during the year.



General Fund revenues increased \$49.1 million from \$185.5 million in FY06 to \$234.6 million in FY07, an increase of 26.5%. Key elements in the growth of General Fund revenues are as follows:

- Property taxes revenue increased by \$5.8 million or by 7.0% from \$83.0 million in FY06 to \$88.8 million in FY07. The increase is attributed to an increase in the taxable valuation within the County of \$608.2 million from \$11.260 billion to \$11.868 and an increase in the County's operational non-residential mill levy rate from 9.783 to 10.650 per \$1,000 of assessed taxable value. The increase is also due to a slight increase in the current property tax collection rate from 96.12% in FY06 to 96.36% in FY07.
- Gross receipt tax revenue increased by \$29.4 million from \$70.7 million in FY06 to \$100.1 in FY07, a 41.6% increase, which accounts for 59.5% of the increase in general fund revenues during the year. The increase is attributed to a 1/8% tax rate increase in the County's gross receipt tax rate, for MDC operations, from 5.5625% to 5.6875% (5.0 state portion) which was effective on July 1, 2006 and an additional tax rate increase of 1/8 % from 5.6875% to 5.8125 for the County's health care program which was effective on January 1, 2007. Also, the overall taxable gross receipt reported by the State for Bernalillo County increased by 7.5% during the year from \$15.307 billion in FY06 to \$16.454 billion in FY07.
- Fees for services increased by \$13.3 million from \$7.8 million in FY06 to \$21.1 million in FY07, a 170.5% increase, which accounts for 27.1% of the increase in general fund revenues during the year. The increase is attributed to an increase in the fees collected for MDC operations. The MDC's operation was taken over by the County in FY07 and the County collected \$14.2 million in fees from the City of Albuquerque to offset operational costs.
- Investment income increased \$5.4 million from \$4.6 million in FY06 to \$10.0 million in FY07, an increase of 117.4%. The increase is attributed to better investment management by the County Treasurer, an investment committee which oversees investment strategy monthly, and an increase in the rate of return on investments.

General Fund expenditures increased \$23.2 million from \$146.3 million in FY06 to \$169.5 million in FY07, a 15.8% increase. Key elements in the increase in General Fund expenditures, other than a 4% one time non-recurring payment for non-represented and bargaining groups, are as follows:



- General government expenditures increased by \$3.1 million from \$37.3 million in FY06 to \$40.4 million in FY07, an 8.3% increase, which accounted for 13.4% of the increase in General Fund expenditures. A significant portion of the increase is attributed to \$2.3 million in preliminary costs associated with the implementation of the County’s new Enterprise Resource Planning (ERP) system. The remaining portion of the increase is attributed to costs incurred for elections during FY07.
- Public Safety expenditures increased by \$24.4 million from \$73.9 million in FY06 to \$98.3 million in FY07, a 33.5% increase, which accounted for the majority of the increase in General Fund expenditures. A significant portion of the increase is attributed to Bernalillo County being the sole operator of the Metropolitan Detention Center (MDC) at the start of FY07. The City of Albuquerque contributed \$14 million to offset operational costs, but the majority of the \$54.8 million budgeted costs were incurred by the County. Services included the administration and

operation of the MDC, the administration of the Community Custody Program (CCP), and the addition of the new Health Services Unit (HSU). The remaining increase in public safety expenditures was the result of higher salary and benefit costs for the Fire department and the Sheriff's department.

Additional comparison of General, Special Revenue, and Debt Service Fund revenue and expenditures of prior years can be found in the statistical section of this report.

Special Revenue funds. As of the end of fiscal year 2007, the County's Special Revenue funds reported combined ending fund balances of \$16,096,242, an increase of \$5,158,642. Of the fund balance, \$133,361 is reserved for advances to other funds, \$10,169,790 is reserved for encumbrances, \$900,000 is reserved for detox services and the remaining fund balance of \$4,893,091 is unreserved undesignated.

Debt Service funds. As of the end of fiscal year 2007, the County's Debt Service funds reported combined ending fund balances of \$21,202,244, an increase of \$356,982. All of the fund balance is reserved to pay debt service.

Capital Projects funds. As of the end of fiscal year 2007, the County's Capital Project funds reported combined ending fund balances of \$52,849,085, a decrease of \$690,411. During the year, as capital projects are completed the cost of the projects are reclassified as capital assets and removed from the capital project fund. Of the fund balance, \$21,444,657 is reserved for encumbrances, \$66,010 is reserved for a note receivable and the remaining fund balance of \$31,338,418 is unreserved undesignated.

Proprietary funds. The County proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Other factors concerning the finances of these funds have been discussed in the business-type activities section of the MD&A.

Budgetary Highlights Original Budget – Final Budget Comparison.

General Fund. General fund total original budgeted revenues did not change during the fiscal year. General fund total original budgeted expenditures increased \$8 due to rounding differences. Significant changes between the original budget and the final amended budget are summarized as follows:

- The Finance and Administration original expenditure budget decreased \$6.9 million from \$16.4 million to \$9.5 million. The decrease was attributed to reclassification of \$7.5 million of budgeted funds for the new county-wide Enterprise Resources Planning (ERP) financial reporting system to the "other" budget category.
- The General County original expenditure budget increased \$2.6 million from \$21.0 million to \$23.6 million. The increase was primarily attributed to the new Senate Bill 88 gross receipt tax monies which were earmarked for the phase-in of fire department staff, public safety capital needs, fleet replacement, public works infrastructure, and increase funding for the MDC.

- The Other original expenditure budget increased by \$3.0 million from \$10.7 million to \$13.7 million due to the reclassification of budgeted funds for the new county-wide Enterprise Resource Planning (ERP) financial reporting system. The other final expenditure budget is inclusive of \$7.5 million from the “Finance and Administration” category and \$3.0 million from the “MDC” category.
- The Public Works original expenditure budget increased \$1.9 million from \$20.3 to \$22.2 million. A significant portion of the increase in budgeted expenditures was attributed to an increase for equipment and machinery for anticipated cost for use in the road maintenance program. The remainder of the increase is for anticipated cost for DP equipment and software and for operation of a carwash facility.
- The Sheriff original expenditure budget increased \$2.6 million from \$29.5 million to \$32.1 million. A significant portion of the expenditure budget increase was \$1.3 million for the Metropolitan Assessment and Treatment Services (MATS) 50-bed 4 to 6 month new transitional housing facility. The remainder of the budget increase was for public safety vehicles.
- The Metropolitan Detention Center (MDC) original expenditure budget decreased \$3.0 million from \$63.6 to \$60.6 million. A significant portion of the decrease was attributed to the reclassification of budgeted funds to the “other” category and represents MDC’s support of the new County ERP system for FY07.

General Fund Budgetary Highlights – Budget to Actual

General Fund revenues exceeded budgetary estimates by \$18,224,788 or by 8.7%. General Fund expenditures were less than budgetary estimates by \$54,333,246 or by 24.7% thus eliminating the need to draw upon existing fund balance. During the year the County incurred an excess of revenues over expenditures and other financing sources in the amount of \$46,131,011. Individual significant differences between the General Fund final budget and actual amounts are summarized as follows:

- Property tax revenue had a positive variance of \$6,568,787. The budget projections had projected a 95% collection rate of current property taxes within the County as of June 30, 2007. The actual collection rate was 96.36%. The significant reason for the positive variance was that current property tax collections were \$6,330,725 greater than budget (8.2% of budget) which was reflective of the 5.4% increase in the assessed taxable property valuation from the 2006 assessed taxable valuation which was higher than expected. In addition, interest on current tax collections, delinquent tax collections and interest on delinquent tax collections exceeded projections by \$591,529.
- Gross receipt tax (GRT) revenue had a positive variance of \$4,274,746. On July 1, 2006 a 1/8% gross receipt tax increase took effect for MDC operations. On January 1, 2007 a 1/16% gross receipt tax increase took effect for the County’s Healthcare Gross Receipts Tax Program. Although the GRT could potentially be a volatile revenue source, the historical trend has been positive for the County. In FY07 the County had another strong year for GRT revenues and that is reflected in the positive variance.

- Investment income revenue had a positive variance of \$6,275,405. The increase was attributed to a significant increase in cash on hand to invest and an improved local and national economy which resulted in the ability to invest at higher interest rates than what had been anticipated. The increase is also attributed to better investment management by the County Treasurer and an investment committee which oversees investment strategy monthly.
- Miscellaneous revenue had a positive variance of \$2,379,768. Of the increase, \$1.4 million is attributed to funds which were receipted to an unallocated revenue clearing account for future allocation to appropriate accounts once they are determined. This account is not a budgeted item. The remainder of the increase has to do with a 1 million dollar reimbursement for the Hiland Theatre renovation.
- Finance expenditures had a positive variance of \$2,389,396. A significant portion of the variance was attributed to lower property insurance premiums of \$901,618, less than expected insurance deductibles of \$324,819, less than expected expenditures for Law Enforcement Officer liability claims in the amount of \$264,291 and lower than expected fleet replacement costs of \$179,248. The remaining variance balance pertained to minor adjustments in various other operating categories some of which had a negative variance effect.
- General County expenditures had a positive variance of \$15,465,856. This variance was primarily attributed to lower expenses of \$5,234,725 for items earmarked to be paid for with the new Senate Bill 88 gross receipt tax monies and \$3,700,000 budgeted for the South Valley Health Center which will be expended in FY08. There was also \$1,878,615 budgeted for specific salaries that were not incurred, \$1,027,300 budgeted for capital improvements and outlays that did not materialize, \$593,155 less in space contingency expenditures that did not occur, and budgeted expenditures of \$300,000 for autos that did not materialize. In addition, there were \$292,308 less in telephone expenditures and \$785,641 less in prior year carryover expenditures that did not materialize, and \$556,020 in anticipated election expenses that were not paid out of current year funds. The remaining variance balance pertained to minor adjustments in various other operating categories some of which had a negative variance effect.
- Other expenditures had a positive variance of \$10,605,431. A significant portion of this variance pertained to the implementation of the County's new Enterprise Resource Planning financial system which will begin on July 1, 2007. Initial expenditures of \$728,954 were incurred in FY07 and the majority of the budgeted expenditures of \$10,056,180 will be incurred in FY08. The new financial system is scheduled to be operational on July 1, 2008.
- Sheriff expenditures had a positive variance of \$4,268,177. A portion of the variance was attributed to \$1,163,663 for the purchase of new public safety vehicles which did not materialize. There was a positive balance of \$1,300,000 for the Metropolitan Assessment and Treatment Services (MATS) 50-bed 4 to 6 month new transitional housing facility which was not spent prior to year-end. There was also \$1,823,000 in prior year capital carryover funds that were not expended prior to year-end. The remaining variance balance pertained to minor adjustments in various other operating categories some of which had a negative variance effect.

- Metropolitan Detention Center expenditures had a positive variance of \$15,041,548. A significant portion of this variance was due to less than expected costs for salaries and fringe benefits of \$6,274,873. There was also \$3,671,429 of carryover budgeted funds which were not expended, less than expected operating costs expended of \$2,960,220, budgeted funds of \$1,000,000 for canteen commissary supplies which were not expended, and \$441,000 budgeted for public safety vehicles which did not materialize. The remaining variance balance pertained to minor adjustments in various other operating categories some of which had a negative variance effect.
- Culture and recreation expenditures had a positive variance of \$2,025,464. The variance was in part attributed to \$808,181 in carryover costs which were not expended and less cost associated with funding City of Albuquerque mandates in the amount of \$443,238. The remainder was attributed to less than expected cost in various operating items.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business type activities as of June 30, 2007 amounts to \$519,626,546 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, construction in progress, and infrastructure. Each year the Board of County Commissioners updates the Capital Improvements Program (CIP) in order to plan, both long and short range financing for the County's capital projects. The CIP process provides for the development and submittal of requests for the annual and six-year requests for the Capital Improvements Program. A wide range of public facilities and equipment is considered in the CIP. There are statutory requirements that provide for design, construction, major repair, reconstruction or replacement of facilities such as buildings, jails, courthouses, roadways, bridges, parks, and some heavy equipment. The County can use several types of funding for the CIP that includes General Obligation Bonds, Revenue Bonds, Special Assessment District Bonds, Federal grants and State grants and appropriations.

Citizen involvement is solicited to determine and prioritize the needs of the County by holding public meetings. The Board of County Commissioners holds periodic advertised meetings at various locations within each Commission District to solicit public input and discuss the public's requests. Capital improvement projects selected by the Board and adopted in the CIP that are to be funded by General Obligation Bonds are placed on the ballot in the next General Election. The General Obligation Bond schedule is based on a two-year cycle and issuance is currently limited to \$18 million dollars by the Board of County Commissioners in order to maintain the same property tax rate. Other Capital improvement projects are included in the State of New Mexico Infrastructure Program for funding consideration. Major capital asset events during the current fiscal year included the following:

- The work on the Valley Utilities Project (VUP), started in FY02, is progressing and is expected to take close to ten years to complete at a cost of nearly \$110 million. Construction started on the South Valley Water Expansion Project Phase 1 transmission line. It will make available a distributed drinking water system to 50 residences along Pajarito Road and will provide the water supply side to support the design and construction of the remaining infrastructure in future years to service 3,200 properties. The contractor has completed all the line work and is currently working on punch list items, disinfecting, and pressure testing the line. It is on schedule and work will be completed by early August 2007.

- The design for the Isleta Boulevard Reconstruction Project, Phase 2, was substantially completed and construction started in FY06. The project was deemed to be substantially completed on June 1, 2007. The project punch list items are scheduled to be completed in July 2007.
- Construction began on the South Valley Health Commons which will consist of a new 41,000 square foot clinic, renovation and addition to the existing PSR building and demolition of the existing First Choice Clinic. It will provide facilities for First Choice Community Healthcare, NM Department of Health and its Women, Infants and Children Program, and UNMH's Family Practice and Psycho-Social Rehabilitation Programs. The project is 31% complete and is on schedule to be completed 20 months from notice to proceed.
- Construction was completed on the Metropolitan Detention Center (MDC) Health Services Unit. A Certificate of Occupancy was issued on August 9, 2006.
- Phase I renovations to bring Hiland Theater into building code compliance and complete major structural improvements commenced. Re-roofing was completed in June 2007 and exterior façade improvements will follow.
- Edith Boulevard improvements will include reconstruction of Edith from Candelaria to Montano. The project will widen the existing two-lane roadway to a five-lane facility with curb, gutter, sidewalks, bike lanes and new storm drainage. Pre-final design was submitted for review on November 8, 2006 and the final design phase is in progress with expected design completion in July 2007. The contract is expected to be awarded to a contractor in November or December 2007.

County of Bernalillo's Capital Assets

(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$123,977,888	\$122,476,209	\$ 435,352	\$ 435,352	\$124,413,240	\$122,911,561
Buildings	169,573,454	173,807,704	3,342,077	3,501,579	172,915,531	177,309,283
Machinery and equipment	8,687,064	9,306,552	1,127,281	977,731	9,814,345	10,284,283
Infrastructure	147,171,654	149,159,238	-	-	147,171,654	149,159,238
Leasehold improvements	2,529,724	2,233,853	-	-	2,529,724	2,233,853
Construction in progress	60,863,593	22,748,760	14,797	34,838	60,878,390	22,783,598
Art	1,903,662	1,424,512	-	-	1,903,662	1,424,512
Total	\$514,707,039	\$481,156,828	\$4,919,507	\$4,949,500	\$519,626,546	\$486,106,328

Additional information on the County's capital assets can be found in note IV-C. on pages 47-48 of this report.

Debt administration. The Bernalillo County Budget and Finance Division has analyzed the existing debt position of the County and has assessed the impact of future financing requirements on the County's ability to service additional debt. Review and analysis of the County's debt position is performed to provide a capital financing plan for infrastructure and other improvements. Long-term

financing projections are linked with economic, demographic and financial resources expected to be available to repay the debt. Decisions regarding the use of debt are based upon a number of factors including, but not limited to, the long-term needs of the County and the amount of resources available to repay the debt. The debt policy is not expected to anticipate every future contingency in the County's capital program or future operational needs. Sufficient flexibility is required to enable County management to respond to unforeseen circumstances or new opportunities, when appropriate.

The County will maintain direct tax supported debt at a manageable level that takes into account economic factors including population, assessed valuation, and other current and future tax-supported essential needs. The decision to issue bonds, by either competitive or negotiated sale, is based upon which alternative will provide the County with lower costs. The Board of County Commissioners decides on an issue-by-issue basis which method of sale would be most appropriate. The County encourages the use of competitive sales for all issues unless circumstances dictate otherwise. Negotiated sales are considered if the sale is a complex financing structure. If a negotiated sale is anticipated, the Budget and Finance Division and County Bond Counsel establish a list of pre-qualified underwriters.

General Obligation Bonds. During the year, the County sold \$10,000,000 of general obligation bonds (series 2006). This included \$2,686,000 for roads, \$4,085,000 for storm drains, \$2,349,000 for parks and recreation, \$680,000 for Sheriff's facilities improvements and \$200,000 for ADA facilities improvements. At the end of the current fiscal year, the County had total general obligation debt outstanding of \$88,580,000. The County has outstanding general obligation bonds for capital facilities including road improvements, storm drain improvements, library books, public safety improvements and park facility improvements. General obligation bonds are backed by the full faith and credit of the County government and are supported by ad valorem taxes. The tax rate depends upon debt service schedules and property valuation and is set by the New Mexico Department of Finance and Administration. In fiscal year 2007, this tax is approximately \$.83 per \$1,000 of assessed taxable value in ad valorem taxes to support general obligation bonds, which constitute direct and general obligations of the County. These bonds have retirement dates ranging from February 1, 2010 through February 1, 2027. The ratio of net general obligation bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators of the County's debt position. The State's Constitution provides for a legal debt limit of four percent (4.0%) of taxable valuation. The ratio for the County is less than one percent (0.75%) of the \$11.8 billion taxable value of property within Bernalillo County, as of June 30, 2007. The County may currently issue up to an additional \$386.2 million of general obligation bonds. The net general bonded debt per capita is \$139.15. The lowest per capita amount in the last ten fiscal years was \$111.91 in fiscal year ended June 30, 1998. The County's ratings on uninsured general obligation bonds as of June 30, 2007 were:

- Moody's Investors Service, Inc. Aa1
- Standard & Poor's Rating Service AA+
- Fitch Agency AA+

At the end of the current fiscal year, the County had total revenue bond debt outstanding of \$175,500,000. The County has seven outstanding revenue bonds: the 1996B series, the 1997 series, the 1998 refunding series, the 1999 series, the 2002 series, the 2004 series, and the 2005 partial refunding series. These bonds are payable from net pledged gross receipt tax revenues. Although the bonds are

general obligations of the County, the County intends to pay the bonds solely from the net pledged revenues. The net revenue bonded debt per capita is \$290.34. The lowest per capita amount in the last nine fiscal years was \$151.96 in fiscal year ended June 30, 1998. The pledged revenue coverage of gross receipts tax revenues to debt service requirements is 4.64. The lowest pledged revenue coverage in the last nine fiscal years was 2.19 in fiscal year 2002. These bonds have retirement dates ranging from November 15, 2011 through April 1, 2027. Standard and Poor's has rated the County's revenue bonds AA+.

General Obligation and Revenue Bonds Outstanding

	Governmental Activities		Business-type Activities	
	2007	2006	2007	2006
General obligation bonds	\$ 88,580,000	\$ 83,475,000	\$ -	\$ -
Revenue bonds	175,500,000	181,510,000	1,740,000	1,780,000
Total	<u>\$264,080,000</u>	<u>\$264,985,000</u>	<u>\$1,740,000</u>	<u>\$1,780,000</u>

The County's total outstanding bond debt decreased by \$945,000 during the current fiscal year. Additional information on the County's long-term debt can be found in note IV.F on pages 56-61 of this report and in the statistical section of this report.

Economic Factors and Next Year's Budgets and Rates

The County's Board of Commissioner and Manager considered many factors when setting the fiscal year 2008 budget. According to forecasts by the University of New Mexico's Bureau of Business and Economic Research, the outlook for the New Mexico economy is one of restrained growth. Non-farm employment growth reached 3.0 percent in 2006, but is expected to attain only 1.7 percent in 2007 and 2008, 1.8 percent in 2009, and 1.5 percent annually thereafter. New Mexico personal income growth will reach 5.9 percent in 2007, but growth will gradually decline each year thereafter, reaching 4.5 percent by 2012. The unemployment rate will remain near 4.0 throughout. The outlook for the Albuquerque MSA economy is moderate economic growth for the next several years. Following a robust 3.7 percent gain in 2006, the Albuquerque MSA employment growth will slip to 1.7 percent in 2007. There will be a slight rebound in 2008 and 2009 (1.9 percent and 2.1 percent, respectively), with employment growth reaching 1.5 percent by 2012. Albuquerque MSA personal income growth will drop from 8.3 percent last year to 6.4 percent in 2007 and will show a pattern of slow growth from 2008 through 2012. The unemployment rate will remain close to 3.5 percent annually.

The major slow down to the Albuquerque economy was the construction sector, where employment growth fell from a 9.1 percent increase in 2006 to a 1.0 percent decline in the first half of 2007. The drop-off in construction employment was due to a harsh winter, a continuing decline in housing construction, and the completion of several large construction projects, including the UNM Hospital

expansion, the Center for Integrated Nanotechnologies, and the Microsystems Engineering and Sciences Application (MESA) facility. Next year will bring a small recovery. Upcoming construction projects include a new cancer center at the University of New Mexico, a power plant in Rio Communities (just southwest of Belen), a 150-room Hilton Garden Inn in the uptown area, a 4-story Holiday Inn Hotel & Suites near I-40 and 12th, some road and highway projects funded under GRIP 2, two more sound stages at Albuquerque Studios, and the completion of Phase II at ABQ Uptown. Housing construction overall will remain depressed through 2007, however, but a modest recovery is expected to commence toward the end of 2008.

Strength in the economy will come from information, educational & health services and professional & business services. The government sector will continue to provide thousands of jobs, even though annual growth will only be 1.5 to 2.0 percent each year. Near term growth will occur with the expansion at Verizon Wireless, the arrival of PR Newswire, and hundreds of jobs in the film industry, including at Albuquerque Studios and Sony Pictures Imageworks special effect studios in Albuquerque, and Lions Gate Studios in Rio Rancho. Another source of growth will be in the health services sector. Coming sources of health care employment include a new hospital in Rio Rancho and new medical offices at Kaseman Hospital, expansions at the Lovelace Downtown Albuquerque Medical Center and at the Lovelace Women's Hospital, at the UNM Children's Hospital and Critical Care Pavilion, at the new UNM Cancer Center, at the county-operated hospital in Valencia County, and at the Enchanted Hills Medical Plaza in Rio Rancho. In the manufacturing sector, employment growth will increase as Eclipse Aviation, Tempur-Pedic, Advent Solar, Merrilat Cabinets and other smaller manufacturers continue to expand. In addition, new firms Tesla Motors and LoPrestiFury Aviation plan to hire hundreds over the next few years.

Request for Information

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Deputy County Manager for Budget and Finance, One Civic Plaza, NW – 10th Floor, Albuquerque, New Mexico 87102.



COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF NET ASSETS
JUNE 30, 2007

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 222,457,451	\$ 2,178,249	\$ 224,635,700
Accounts receivable, net	67,090,827	1,247,560	68,338,387
Accrued interest receivable	2,111,921	176	2,112,097
Note receivable	242,013	-	242,013
Due from grantor	29,944,397	-	29,944,397
Internal balances	1,015,989	(1,015,989)	-
Inventory	253,130	-	253,130
Prepaid assets	1,804,516	1,370	1,805,886
Deferred charges	1,136,376	-	1,136,376
Cash-restricted	16,681,279	-	16,681,279
Capital assets held for sale	-	1,174,500	1,174,500
Investment in joint venture	633,000	-	633,000
Capital assets not being depreciated:			
Land	123,977,888	435,352	124,413,240
Art	1,903,662	-	1,903,662
Construction in progress	60,863,593	14,797	60,878,390
Capital assets (net of accumulated depreciation):			
Building	169,573,454	3,342,077	172,915,531
Machinery and equipment	8,687,064	1,127,281	9,814,345
Infrastructure	147,171,654	-	147,171,654
Leasehold improvements	2,529,724	-	2,529,724
Total assets	<u>858,077,938</u>	<u>8,505,373</u>	<u>866,583,311</u>
LIABILITIES			
Accounts payable	15,936,970	340,962	16,277,932
Interest payable	4,077,103	-	4,077,103
Retainage payable	1,972,233	-	1,972,233
Tax anticipation note payable	60,000,000	-	60,000,000
Accrued payroll	3,737,290	55,841	3,793,131
Unearned revenue	14,119,127	477,034	14,596,161
Due to grantor	239,206	-	239,206
Deposits held in trust for others	-	31,936	31,936
Noncurrent liabilities:			
Due within one year	15,155,088	61,854	15,216,942
Due in more than one year	267,122,552	3,001,123	270,123,675
Total liabilities	<u>382,359,569</u>	<u>3,968,750</u>	<u>386,328,319</u>
NET ASSETS			
Invested in capital assets, net of related debt	299,526,749	3,196,311	302,723,060
Restricted for:			
Public safety	5,645,262	-	5,645,262
Culture and recreation	3,749	-	3,749
Health and welfare	3,845,914	-	3,845,914
Debt service	5,823,411	-	5,823,411
Capital projects	22,336,391	-	22,336,391
General government	6,323,262	-	6,323,262
Reserve requirement	62,116,232	-	62,116,232
Unrestricted	70,097,399	1,340,312	71,437,711
Total net assets	<u>\$ 475,718,369</u>	<u>\$ 4,536,623</u>	<u>\$ 480,254,992</u>

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



**BERNALILLO COUNTY, NEW MEXICO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007**

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-type Activities	
Primary government:						
Governmental activities:						
General government	\$ 47,569,157	\$ 47,003,455	\$ 442,797	\$ 6,658	\$ 6,658	\$ 6,658
Public works	32,604,280	-	17,536	3,705,821	3,705,821	3,705,821
Public safety	129,957,959	-	5,207,981	(123,905,500)	(123,905,500)	(123,905,500)
Culture and recreation	15,337,172	48,720	260,933	(10,286,328)	(10,286,328)	(10,286,328)
Health and welfare	25,862,321	-	15,807,842	(6,295,647)	(6,295,647)	(6,295,647)
Interest on long-term debt	15,221,474	-	-	(15,221,474)	(15,221,474)	(15,221,474)
Total governmental activities	<u>266,552,363</u>	<u>47,052,175</u>	<u>21,737,089</u>	<u>(151,996,470)</u>	<u>(151,996,470)</u>	<u>(151,996,470)</u>
Business-type activities:						
Solid waste	4,483,095	3,646,753	314,140	-	(522,202)	(522,202)
Housing Authority	847,572	191,210	-	452,903	(203,459)	(203,459)
Seybold Village Handicapped Project	172,947	30,942	54,556	29,691	(57,758)	(57,758)
Regional Juvenile Detention Center	1,158,479	1,171,934	-	-	13,455	13,455
El Centro Familiar	354,557	110,664	214,296	-	(29,597)	(29,597)
Total business-type activities	<u>7,016,650</u>	<u>5,151,503</u>	<u>582,992</u>	<u>482,594</u>	<u>(799,561)</u>	<u>(799,561)</u>
Total primary government	<u>\$273,569,013</u>	<u>\$ 52,203,678</u>	<u>\$ 22,320,081</u>	<u>(151,996,470)</u>	<u>(799,561)</u>	<u>(152,796,031)</u>
General revenues:						
Property taxes				101,617,379	-	101,617,379
Gross receipts taxes				107,167,291	-	107,167,291
Motor vehicle taxes				3,788,667	-	3,788,667
Cigarette taxes				6,454	-	6,454
Gas taxes				1,636,764	-	1,636,764
Investment income				13,833,232	103,533	13,936,765
Miscellaneous				12,949,329	117,150	13,066,479
Transfers				(321,444)	321,444	-
Total general revenue and transfers				<u>240,677,672</u>	<u>542,127</u>	<u>241,219,799</u>
Change in net assets				88,681,202	(257,434)	88,423,768
Net assets - beginning				387,037,167	4,794,057	391,831,224
Net assets - ending				<u>\$ 475,718,369</u>	<u>\$ 4,536,623</u>	<u>\$ 480,254,992</u>

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

COUNTY OF BERNALILLO, NEW MEXICO
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2007

	General	TRAN Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 120,625,389	\$ 31,302,446	\$ 68,928,167	\$ 220,856,002
Accounts receivable, net	59,765,052	-	7,325,775	67,090,827
Accrued interest receivable	1,441,446	-	670,475	2,111,921
Note receivable	176,003	-	66,010	242,013
Due from other funds	11,069,076	-	145,573	11,214,649
Due from grantor	-	-	29,944,397	29,944,397
Inventory	253,130	-	-	253,130
Prepaid assets	127,549	-	-	127,549
Advances to other funds	1,497,000	-	133,361	1,630,361
Cash - restricted	-	-	16,681,279	16,681,279
Total assets	<u>\$ 194,954,645</u>	<u>\$ 31,302,446</u>	<u>\$ 123,895,037</u>	<u>\$ 350,152,128</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 4,534,316	\$ -	\$ 11,190,248	\$ 15,724,564
Retainage payable	6,471	-	1,965,762	1,972,233
TRAN payable	30,000,000	30,000,000	-	60,000,000
Accrued payroll	3,568,949	-	168,341	3,737,290
Unearned revenue	9,782,309	-	8,500,299	18,282,608
Due to other funds	357,817	-	10,186,610	10,544,427
Due to grantor	-	-	239,206	239,206
Advances from other funds	-	-	1,497,000	1,497,000
Total liabilities	<u>48,249,862</u>	<u>30,000,000</u>	<u>33,747,466</u>	<u>111,997,328</u>
Fund balances:				
Reserved for:				
Notes receivable	176,003	-	66,010	242,013
Advances to other funds	1,497,000	-	-	1,497,000
Inventory	253,130	-	-	253,130
Prepaid items	127,549	-	133,361	260,910
Debt service	-	1,302,446	21,202,244	22,504,690
Encumbrances	8,332,690	-	31,614,447	39,947,137
Reserve requirement	62,116,232	-	-	62,116,232
Detox services	-	-	900,000	900,000
Unreserved, designated for:				
Subsequent years' expenditures	39,709,114	-	-	39,709,114
Salary adjustment	4,100,000	-	-	4,100,000
Capital projects	10,000,000	-	-	10,000,000
Building funds	15,000,000	-	-	15,000,000
Stabilization	5,393,065	-	-	5,393,065
Unreserved, undesignated for:				
General fund	-	-	-	-
Special revenue fund	-	-	4,893,091	4,893,091
Capital projects fund	-	-	31,338,418	31,338,418
Total fund balances	<u>146,704,783</u>	<u>1,302,446</u>	<u>90,147,571</u>	<u>238,154,800</u>
Total liabilities and fund balances	<u>\$ 194,954,645</u>	<u>\$ 31,302,446</u>	<u>\$ 123,895,037</u>	<u>\$ 350,152,128</u>

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

**COUNTY OF BERNALILLO, NEW MEXICO
 RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET ASSETS
 JUNE 30, 2007**

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

Total Fund Balance Governmental Funds (page 27)	\$ 238,154,800
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	514,707,039
Investments in joint ventures are not reported in the Governmental funds.	633,000
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,136,376
Internal service funds are used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	1,601,449
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(282,277,640)
Accrued Interest Payable	(4,077,103)
Recognition of property tax revenue (less allowance for uncollectible accounts) on full accrual basis. Governmental funds recognize property tax revenue on the modified accrual basis.	5,840,448
Net assets governmental activities. (page 25)	<u>\$ 475,718,369</u>

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2007

	General	TRAN Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property	\$ 88,818,674	\$ -	\$ 12,652,734	\$ 101,471,408
Sales	100,136,138	-	7,031,153	107,167,291
Motor vehicle	3,788,667	-	-	3,788,667
Cigarette	4,326	-	2,128	6,454
Gas	1,636,764	-	-	1,636,764
Intergovernmental	48,558	-	67,503,880	67,552,438
Licenses and permits	2,815,096	-	740,470	3,555,566
Fees for services	21,117,081	-	22,330,808	43,447,889
Investment income	10,011,400	-	3,821,832	13,833,232
Miscellaneous	6,073,430	-	4,404,296	10,477,726
Total revenues	234,450,134	-	118,487,301	352,937,435
EXPENDITURES				
Current:				
General government	40,433,424	-	9,459,711	49,893,135
Public works	19,900,477	-	3,707,842	23,608,319
Public safety	98,279,653	-	21,600,701	119,780,354
Health & welfare	1,911,342	-	22,993,326	24,904,668
Culture and recreation	8,994,906	-	5,018,035	14,012,941
Capital outlay	-	-	48,317,057	48,317,057
Debt service:				
Principal	-	-	12,594,320	12,594,320
Interest	-	2,475,000	12,985,278	15,460,278
Bond issuance cost	-	-	75,948	75,948
Total expenditures	169,519,802	2,475,000	136,652,218	308,647,020
Excess (deficiency) of revenues over expenditures	64,930,332	(2,475,000)	(18,164,917)	44,290,415
Other financing sources (uses)				
Transfers in	824,875	2,775,000	15,164,911	18,764,786
Transfers out	(16,650,638)	-	(2,114,148)	(18,764,786)
Bonds issued	-	-	10,000,000	10,000,000
Discount on revenue bond	-	-	(60,633)	(60,633)
Sale of capital assets	136,919	-	-	136,919
Total other financing sources (uses)	(15,688,844)	2,775,000	22,990,130	10,076,286
Net changes in fund balances	49,241,488	300,000	4,825,213	54,366,701
Fund balance - beginning	97,463,295	1,002,446	85,322,358	183,788,099
Fund balance - ending	\$146,704,783	\$ 1,302,446	\$ 90,147,571	\$ 238,154,800

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

**COUNTY OF BERNALILLO, NEW MEXICO
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2007**

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

Net changes in fund balances total governmental funds (page 29)	\$ 54,366,701
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	34,942,356
The net effect of sale of capital assets is to increase net assets. In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of capital assets sold.	(1,392,145)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	145,971
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,730,901
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.	(2,112,582)
Change in net assets of governmental activities (page 26)	<u>\$ 88,681,202</u>

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

**Bernalillo County
General Fund
Statement of Revenues and Expenditures - Budget and Actual (Non-GAAP Budgetary Basis)
For the Month Ended June 30, 2007**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Property	\$ 81,881,568	\$ 81,881,568	\$ 88,450,355	\$ 6,568,787
Gross receipts tax	90,500,000	90,500,000	94,774,746	4,274,746
Motor vehicle	3,700,000	3,700,000	3,530,674	(169,326)
Cigarette	3,700	3,700	3,445	(255)
Gas	1,524,794	1,524,794	1,781,174	256,380
Intergovernmental	100,000	100,000	48,558	(51,442)
Payments in lieu of taxes			128,863	128,863
Licenses and permits	4,689,900	4,689,900	2,812,626	(1,857,274)
Fees for services	20,584,619	20,584,619	21,003,755	419,136
Investment income	3,090,000	3,090,000	9,365,405	6,275,405
Miscellaneous income	2,804,830	2,804,830	5,184,598	2,379,768
Total revenues	<u>208,859,411</u>	<u>208,859,411</u>	<u>227,084,199</u>	<u>18,224,788</u>
Other financing sources				
Transfers in		843,687	843,202	(485)
Tran & Other Proceeds	60,000,000			
Sale of capital assets	100,000	100,000	136,919	36,919
Total other financing sources	<u>60,100,000</u>	<u>943,687</u>	<u>980,121</u>	<u>36,434</u>
Total revenues and other financing sources	268,959,411	209,803,098	228,064,320	18,261,222
Prior year cash balance budgeted	22,147,093	26,381,967		
Total Budget	<u>291,106,504</u>	<u>236,185,065</u>		
Expenditures				
Current:				
General government:				
County commission	576,089	573,122	552,217	20,905
County manager	1,296,300	1,315,443	1,195,803	119,640
Public information	621,808	576,715	618,228	(41,513)
Information technology	5,894,242	5,654,512	5,237,984	416,528
Finance and administration	16,397,317	9,450,418	7,061,022	2,389,396
General county	20,978,584	23,555,953	8,090,097	15,465,856
Human resources	1,396,985	1,514,938	1,587,720	(72,782)
Zoning	2,431,013	3,116,881	2,823,301	293,580
Legal	1,378,578	1,405,238	961,952	443,286
County clerk	3,384,120	3,519,491	2,969,939	549,552
Assessor/reappraisal	2,879,602	2,744,652	2,667,117	77,535
Treasurer	2,030,835	1,942,816	1,922,228	20,588
Other	10,745,473	13,751,862	3,146,431	10,605,431
Total general government	<u>70,010,946</u>	<u>69,122,041</u>	<u>38,834,039</u>	<u>30,288,002</u>
Public works:	<u>20,307,914</u>	<u>22,221,067</u>	<u>20,070,218</u>	<u>2,150,839</u>
Public safety:				
Fire	12,317,592	12,028,839	11,981,506	47,333
Sheriff	29,554,810	32,165,413	27,897,236	4,268,177
Animal care & regulation	985,472	983,832	834,770	149,062
Juvenile detention center	6,532,358	6,706,965	6,520,001	186,964
Metropolitan detention center	63,640,506	60,589,668	45,548,120	15,041,548
Communications department	2,541,989	2,503,850	2,688,403	(184,553)
Total public safety	<u>115,572,727</u>	<u>114,978,567</u>	<u>95,470,036</u>	<u>19,508,531</u>
Culture and recreation	11,498,077	11,076,565	9,051,101	2,025,464
Health & welfare	1,962,000	1,985,442	1,838,927	146,515
Debt service:				
Principal	245,895	213,895	-	213,895
Total debt service	<u>245,895</u>	<u>213,895</u>	<u>-</u>	<u>213,895</u>
Total Expenditures	<u>219,597,559</u>	<u>219,597,567</u>	<u>165,264,321</u>	<u>54,333,246</u>
Other financing uses				
Transfers out	-	16,587,508	16,668,988	(81,480)
Total expenditures and other financing uses	<u>\$ 219,597,559</u>	<u>\$ 236,185,075</u>	<u>\$ 181,933,309</u>	<u>\$ 54,251,766</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses			<u>\$ 46,131,011</u>	

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2007

	Business-type Activities	Governmental
	Enterprise Funds	Activities-
	Total	Internal
	Nonmajor	Service Funds
ASSETS		
Current assets:		
Cash and investments	\$ 2,178,249	\$ 1,601,449
Accounts receivable, net	1,247,560	-
Accrued interest receivable	176	-
Due from other funds	635,347	212,406
Capital assets held for sale	1,174,500	-
Prepaid assets	1,370	1,676,967
Total current assets	<u>5,237,202</u>	<u>3,490,822</u>
Noncurrent assets:		
Capital assets:		
Land	435,352	-
Buildings	6,163,254	-
Construction in progress	14,797	-
Equipment, machinery, and furniture	1,916,763	-
Less accumulated depreciation	<u>(3,610,659)</u>	<u>-</u>
Total noncurrent assets	<u>4,919,507</u>	<u>-</u>
Total assets	<u>10,156,709</u>	<u>3,490,822</u>
LIABILITIES		
Current liabilities:		
Accounts payable and other current liabilities	340,962	212,406
Compensated absences	8,264	-
Accrued payroll	55,841	-
Due to other funds	1,517,975	-
Unearned revenue	477,034	1,676,967
Current portion of note payable	13,590	-
Current portion of revenue bonds	<u>40,000</u>	<u>-</u>
Total current liabilities	<u>2,453,666</u>	<u>1,889,373</u>
Noncurrent liabilities:		
Compensated absences	157,017	-
Deposits held in trust for others	31,936	-
Advance from other funds	133,361	-
Note payable	1,144,106	-
Revenue bonds payable	<u>1,700,000</u>	<u>-</u>
Total noncurrent liabilities	<u>3,166,420</u>	<u>-</u>
Total liabilities	<u>5,620,086</u>	<u>1,889,373</u>
NET ASSETS		
Invested in capital assets, net of related debt	3,196,311	-
Unrestricted	<u>1,340,312</u>	<u>1,601,449</u>
Total net assets	<u>\$ 4,536,623</u>	<u>\$ 1,601,449</u>

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

**COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended June 30, 2007**

	Business-type Activities - Enterprise Funds Total Nonmajor	Governmental Activities- Internal Service Funds
Operating revenues:		
Administrative and service fees	\$ 4,818,687	\$ 5,992,670
Rental income:		
Tenants	139,415	-
Other income	507,541	-
Total operating revenues	5,465,643	5,992,670
Operating expenses:		
Salaries and wages	1,907,940	-
Contractual services	3,171,523	5,992,670
Materials and supplies	293,205	-
Other services and charges	635,053	-
Landfill expenses	29,671	-
Grant expenditures	431,161	-
Depreciation	368,395	-
Total operating expenses	6,836,948	5,992,670
Operating income (loss)	(1,371,305)	-
Non-operating revenues (expenses):		
Interest income	103,533	-
Interest expense	(179,702)	-
Operating grants	751,446	-
County contributions	117,150	-
Total nonoperating revenue	792,427	-
Income (loss) before contributions	(578,878)	-
Capital contributions	321,444	-
Change in net assets	(257,434)	-
Total net assets - beginning	4,794,057	1,601,449
Total net assets - ending	\$ 4,536,623	\$ 1,601,449

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2007

	Business-type Activities- Enterprise Funds Total Nonmajor	Governmental Activities- Internal Service Funds
Cash flows from operating activities:		
Receipts from administration and service fees	\$ 5,346,934	\$ 5,992,670
Receipts from rents	151,191	-
Payments to employees for services	(1,268,858)	-
Payments to vendors for goods and services	(5,479,953)	(5,992,916)
Miscellaneous cash received	10,922	-
Net cash used by operating activities	(1,239,764)	(246)
Cash flows from noncapital financing activities:		
Operating grants/subsidies received	298,543	-
Contributions from other funds	117,150	-
Contributions to other funds	(103,837)	-
Transfers out from other funds	166,125	-
Payments to other funds	478,673	-
Net cash provided by noncapital financing activities	956,654	-
Cash flows from capital and related financing activities:		
Principal paid on bond maturities	(40,000)	-
Proceeds from payments of capital debt	290,391	-
Interest paid on bonds	(179,702)	-
Acquisition of capital assets	(228,706)	-
Capital grants received	452,903	-
Net cash provided by capital and related financing activities	294,886	-
Cash flows from investing activities:		
Interest received on investments	103,532	-
Net increase (decrease) in cash and cash equivalents	115,308	(246)
Cash and cash equivalents, beginning of year	2,062,941	1,601,695
Cash and cash equivalents, end of year	\$ 2,178,249	\$ 1,601,449
Reconciliation of operating loss to net cash flows used by operating activities:		
Operating income (loss)	\$ (1,371,305)	\$ -
Adjustments to reconcile operating income to net cash flows:		
Depreciation expense	368,395	-
(Increase) decrease in:		
Accounts receivable	(1,010,874)	-
Allowance for uncollectable accounts	832,178	-
Prepaid expenses	21,000	(542,923)
Deposits held in trust	9,374	(15,454)
Increase (decrease) in:		
Deferred revenue	155,774	542,923
Accounts payable	(360,910)	15,208
Due to other funds	165,084	-
Tenants payable	1,196	-
Accrued compensated absences	(49,676)	-
Net cash flows used by operating activities	\$ (1,239,764)	\$ (246)
Noncash capital activities:		
Contributions of capital assets from government	\$ 321,444	\$ -

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2007

	<u>Agency Funds</u>
ASSETS	
Cash and investments	\$ 12,395,957
Receivables:	
Property taxes	24,771,701
Other	<u>709,858</u>
Total assets	<u>\$ 37,877,516</u>
LIABILITIES	
Deposits held in trust for others	\$ 13,105,815
Future collectable taxes	<u>24,771,701</u>
Total liabilities	<u>\$ 37,877,516</u>

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

NOTES TO FINANCIAL STATEMENTS

**COUNTY OF BERNALILLO, NEW MEXICO
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NOTES TO THE FINANCIAL STATEMENTS**

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**COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007**

I. Summary of significant accounting policies

The financial statements of the County of Bernalillo (County) have been prepared in conformity with generally accepted accounting principles as applied to governmental entities. The significant governmental accounting policies are described below.

A. Reporting entity

The County was established by the laws of the Territory of New Mexico of 1876, under the provisions of the act now referred to as Section 4-1-1 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 (sheriff, fire, emergency medical, etc.), highways and streets, sanitation, health and social services, low rent housing assistance, culture-recreation, public improvements, planning and zoning, and general administration services.

The County's basic financial statements include all activities and accounts of the County's "financial reporting entity."

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body, and either it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens, on the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, activities, or level of services performed or provided by the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. There are no agencies, organizations or activities meeting any of the above criteria that are excluded from the County's reporting entity.

**COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007**

Some organizations are included as component units because of their fiscal dependency on the primary government if they are unable to adopt a budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government.

There are no component units during the fiscal year ended June 30, 2007.

B. Government-wide and fund financial statements

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Fiduciary fund financial statements are reported using the accrual basis of accounting and have no measurement focus. 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 in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available*

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007

when they are collectible within 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. 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 made.

Property taxes, gross receipts taxes, motor vehicle taxes, cigarette taxes, gasoline taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Derived gross receipts tax revenue is recognized when the underlying exchange transaction takes place. A small portion of the gross receipts tax revenue is derived from an estimate of delinquent taxes not yet collected and available. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

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

The *TRAN Debt Service fund* accounts for the accumulation of resources and payment of tax revenue anticipation notes principal and interest from County resources.

Additionally, the government reports the following fund types

Internal service funds account for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis. The County's internal service fund is the Risk Management fund, which is used to account for its risk management activities.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both 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.

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

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and/or delivering goods in connection with proprietary fund's principal ongoing operations. Approximately 85% of the operating revenues of the County's five proprietary funds consist of user and administrative fees.

The modified accrual basis of accounting is followed by the governmental fund types and agency funds for financial statement purposes. Under the modified accrual basis of accounting, revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period (amounts collected within 60 days after year end).

Those revenues susceptible to accrual are property taxes, gross receipts taxes, investment income and charges for services. Grant revenues are recognized as revenues when the related costs are incurred. All other revenues are recognized when they are received and are not susceptible to accrual, because they are usually not measurable until payment is actually received. Expenditures are recorded as liabilities when they are incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The County reports unearned revenue on its combined balance sheet. Unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the County before it has legal claim to them, as when grant monies are received prior to the incurrance of qualifying expenditures. In subsequent periods when both revenue recognition criteria methods are met or when the County has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

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

**COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007**

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

The County's cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments in the County's cash are stated at cost, which approximates fair value except for GNMA's and PEFCOs, which are recorded at fair market value using quoted market prices for financial statement purposes. Interest income, realized gains and losses on investment transactions, and amortization of premiums/discounts on investment purchases are included for financial statement purposes as investment income and are allocated to participating funds based on the specific identification of the source of funds for a given investment.

State Statute Sections 6-10-44 and 6-10-10(f), NMSA 1978, as amended, authorize the County Treasurer to invest in United States Treasury certificates, United States Treasury bonds or negotiable securities of the United States, bonds or negotiable securities of the State of New Mexico or of any county, municipality, or school district and yield maintenance repurchase agreements with the advice and consent of the County Board of Finance. The Treasurer's investment procedures must be consistent with Bernalillo County Investment Policy.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year that are expected to be paid back within the year are referred to as "due to/from other funds." Lending/borrowing arrangements not expected to be paid back within the year are referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances."

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

All property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 10.6% of outstanding property taxes at June 30, 2007.

The County is responsible for assessing, collecting and distributing property taxes for other governmental entities and its own operational and debt service purposes. Property taxes are assessed on November 1 of each year based on the assessed value on the prior January 1 and are payable in two equal installments by November 10 of the year in which the tax bill is prepared and by April 10 of the following year. Property taxes are delinquent if not paid by December 10 and May 10. Taxes on real property are a lien from January 1 of the year for

COUNTY OF BERNALILLO, NEW MEXICO
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which the taxes are imposed. Collections and remittance of County property taxes are accounted for in the County Treasurer Agency Funds. The billings are considered past due 60 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

3. Inventories and prepaid items

The inventories in the general fund consist of fuel, vehicle parts, and fluids. Inventories are recorded using first-in, first-out cost method. The costs of inventories in governmental fund types are recorded as expenditures when purchased; therefore, the inventory amount is not available for appropriation.

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

4. Capital assets

Capital assets, which include property, plant, equipment, software, and infrastructure assets (e.g., roads, bridges, 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 more than \$1,000 and estimated useful life in excess of one year and after July 1, 2005 an individual cost of \$5,000. Purchased or constructed assets are recorded at historical cost or estimated cost. Donated capital assets are recorded as estimated fair market value at the date of the donation.

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

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

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	10-80
Buildings and other improvements	15-40
Machinery and equipment	5-10

**COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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5. *Restricted Assets*

Certain resources are set aside for repayment of General Obligation and Special Revenue Bonds, and are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited to the applicable bond covenants.

6. *Compensated absences*

County employees may accumulate limited amounts of vacation pay which are payable to the employee upon termination or retirement. For governmental funds, expenditures are recognized during the period in which vacation costs become payable from available, expendable resources. A liability for amounts earned but not payable from available, expendable resources is reported in the government-wide financial statements. For proprietary funds, vacation costs are recognized as a liability when earned.

County employees may accumulate limited amounts of sick leave. For governmental funds, expenditures are recognized during the period in which sick leave costs become payable from available, expendable resources. For proprietary funds, sick leave costs are recognized when vested or taken, whichever occurs first.

7. *Long-term obligations*

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

8. *Net Assets*

The government-wide and business-type activities fund financial statements utilize a net assets presentation. Net assets are categorized as follows:

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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Investment in capital assets, net of related debt – This category reflects the portion of net assets that are associated with capital assets less outstanding capital asset related debt.

Restricted net assets – This category reflects the portion of net assets that have third party limitations on their use.

Unrestricted net assets – This category reflects net assets of the County, not restricted for any project or other purpose.

9. Fund Equity Reservation and Designations

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted. Designations represent tentative managerial plans that are subject to change. Fund equity was reserved for:

Reserved for debt service - Amounts legally restricted for the payment of long-term debt.

Reserved for inventory - Segregates a portion to indicate that although supplies inventory is an asset, it does not represent an available, spendable resource.

Reserved for note receivable - Segregates a portion to indicate that although the notes receivable is an asset, it does not represent an available, spendable resource.

Reserved for advances to other funds - The amount of advances to other funds not available for appropriation and/or expenditure.

Reserved for prepaid items - Segregates a portion to indicate that although prepaid items are an asset, it does not represent an available, spendable resource.

Reserved for encumbrances - Represents the amounts that were budgeted as current year expenditures, which were unspent at year-end and which were encumbered and rebudgeted for the subsequent year.

Reserve for reserve requirement – Represents the 3/12 of budgeted expenditures in the general fund that is required by the New Mexico Department of Finance and Administration to maintain an adequate cash flow.

Reserve for Detox services – represents amount for funding that may have to be returned if adequate funding is not received.

Unreserved designated for subsequent years' expenditures - Represents the amounts, other than carryover expenditures, that are required to be designated for subsequent years' expenditures.

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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Unreserved, undesignated – Amounts, which have not been reserved or designated for any purpose. These funds are available for unrestricted usage by the County.

10. Cash Flows

For purposes of the Statement of Cash Flows, the various enterprise funds consider all highly liquid assets (excluding restricted assets) with maturity of three months or less when purchased to be cash equivalents.

11. Bond Premiums/Issuance Costs

In governmental fund types, bond premiums and issuance costs are recognized in the current period. Bond premiums are presented, separately as other financing sources.

12. Presentation

Certain reclassifications of prior year information have been made to conform to current year presentation.

13. Use of Estimates

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

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government –wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets –governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds and bond anticipation notes payable	\$ (265,055,264)
Capital leases payable	(1,350,110)
Long-term note payable	(3,897,062)
Compensated absences	(11,975,204)
Net adjustment to reduce fund balance – total governmental funds	<hr/>
To arrive at net assets – governmental activities	\$ <u>(282,277,640)</u>

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that, “Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 48,309,386
Expenses	6,273,477
Capital contributions - Infrastructure	2,150,159
Depreciation expense	<u>(21,790,666)</u>
Net adjustment to decrease net changes in fund balances – total Governmental funds to arrive at changes in net assets of Governmental activities	<u>\$ 34,942,356</u>

Another element of that reconciliation states that, “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. The details of this difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (10,000,000)
Bond issuance cost	75,948
Discount	60,633
Principal repayments:	
General obligation bonds	4,895,000
Revenue bonds	6,010,000
Long-term note	1,689,320
Net adjustment to decrease net changes in fund balances – Total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 2,730,901</u>

Another element of that reconciliation states that “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.” The details of this difference are as follows:

**COUNTY OF BERNALILLO, NEW MEXICO
 NOTES TO THE FINANCIAL STATEMENTS
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Compensated absences	\$ (1,993,385)
Accrued interest	265,286
Amortization of deferred charge on refunding	(281,453)
Amortization of bond discounts	(26,482)
Amortization of issuance cost	<u>(76,548)</u>
Net adjustment to decrease net changes in fund balances – total Governmental funds to arrive at changes in net assets of Governmental activities	<u>\$ (2,112,582)</u>

III. Stewardship, compliance and accountability

A. Budgetary information

Actual amounts on the budgetary basis financial statements are prepared on the cash basis of accounting which recognizes revenues when received and expenditures when paid. Annual budgets are adopted for the general, internal service, most special revenue, debt service funds, and some proprietary funds. The proprietary funds, and the following governmental funds did not adopt annual operating budgets during the current fiscal year:

Special Revenue:

- Grants
- Public Works Grants
- Section 8 Housing – Vouchers
- Sheriff’s Investigative Fund
- Law Enforcement Block Grants

Debt Service:

- Series 1996 Reserve
- Series 1996B Reserve
- Series 1997 Reserve
- Refunding Series 1998 Reserve
- Refunding Series 2005 Reserve
- All Capital Projects Funds
- Proprietary Funds
 - Bernalillo County Housing Authority
 - Seybold Village Handicapped Project
 - El Centro Familiar

Budget amounts for Capital Projects Funds and certain Special Revenue Funds are individual project budgets authorized by the County Commission for the entire length of the project. The County Manager has administrative authority to make line item changes within a specific capital project without County Commission approval if the total change does not exceed 10 percent of the original budget. Once the County Commission has approved grant applications for projects, the County Manager is authorized to expend any funds awarded as a result of the grant application.

The County Manager is responsible for preparing the budget from requests submitted by division directors. The appropriated budget is prepared by line item within object class, program, department and fund; revenues expected to be available are estimated to provide for balanced budgeting. The comprehensive budget package is brought before the County

COUNTY OF BERNALILLO, NEW MEXICO
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Commissioners for approval by resolution. The proposed budget is then submitted by June 1 to the New Mexico Department of Finance and Administration Local Government Division (DFA) for approval. DFA certifies a pending budget by July 1 with final certification of the budget by the first Monday of September. The expenditure section of the budget, once adopted, is legally binding. Based on the final certified budget submitted, DFA certifies the allowable tax rates for property taxes in September.

Transfers of appropriations within a fund may be made with cognizant Deputy County Manager or elected official approval. Increases or decreases in the budget of a fund or transfers of appropriations between funds must be presented to the County Commission for approval by resolution and must subsequently have DFA approval. Amendments made to the original budget are included in the budgetary comparison statements of this report, which reflect actual to budget.

Budgets and amendments to the budgets for all funds are adopted in a legally permissible manner. The legal level of budgetary control is the fund level. Expenditures may not legally exceed budgeted appropriations at the fund level except for the Emergency Medical Services and Fire District funds, whose legal level of budgetary authority is at the program or district level. All outstanding encumbrances must be rebudgeted in the next year's budget. During the year, several supplementary appropriations were necessary.

Budgetary compliance – non GAAP financial statements

The County prepares its annual budget on a non-GAAP basis of accounting as described above. A reconciliation of the general fund non-GAAP statement to the GAAP statement is as follows:

	<u>General Fund</u>
Net changes in fund balance – GAAP basis	\$ 48,233,817
(Increases) decreases in assets:	
Accounts receivable	(34,912,138)
Due to/from other funds	(11,037,431)
Accrued interest	(578,067)
Inventory	980,458
Increase (decrease) in liabilities:	
Accounts payable	33,047,639
Deferred revenue	9,572,609
Accrued payroll	824,124
Net changes in fund balance – Budget to Actual	<u>\$ 46,131,011</u>

**COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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B. Deficit fund equity

There is a deficit fund balance in the Series 2004 GRT Revenue Bond Debt Service Fund in the amount of \$140,113. A FY08 General Fund revenue transfer will cover the deficit in this fund. There is unreserved/undesignated deficit fund balance in the Public Works Grants Fund, Grants Fund, the Law Enforcement Block Grant Fund, Public Health Fund, in the amount of \$1,422,505, \$7,890,875, \$16,679, and \$816,949 respectively. The deficit fund balances are primarily attributed to large encumbrance balances at year-end. The County expects to bill the granting agency in the future to cover the deficits in the grant funds. There is an unreserved/undesignated deficit fund balance of \$1,099,882 in the DWI Services Fund. \$245,391 is attributed to encumbrance balances at year-end. The County expects that FY08 grant and operating revenue will be sufficient to cover the remaining deficit. There is a deficit net asset balance of \$623,005 in the Solid Waste Fund. The County expects that FY08 operating revenue will be sufficient to cover the deficit.

IV. Detailed notes on all funds

A. Cash and investments

As of June 30, 2007, the County had the following investments.

Investment Type	Fair Value	Weighted Maturity Average (Months)
Federal Home Loan Bank	\$ 88,369,566	15.37
Federal Mortgage Acceptance Corp.	20,053,286	2.47
Federal National Mortgage Assoc.	22,516,215	1.97
Hypo Bond	30,000,000	0.85
Repurchase Agreements	16,681,279	15.83
Certificates of Deposits	35,300,000	0.50
Total fair value	\$ 212,920,346	
Portfolio weighted average maturity		1.93

Interest Rate Risk. The County's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The County's investments shall be in accordance with State Law, 6-10-10, and 6-10-10.1 NMSA 1978, including but not limited to the following: Treasury Bills, Notes, Bonds, Strips, and US Government securities which are backed by the full faith and credit of the U.S. Government. Negotiable securities of the State of New Mexico or any county, municipality, or school district with the advice and consent of the Board of Finance per 6-10-44 NMSA 1978, 6-10-10F NMSA 1978, 6-10-10 NMSA 1978.

As of June 30, 2007, the County's investments in U.S. Agencies with the Federal Home Loan Bank, the Federal Mortgage Acceptance Corporation, and the Federal National Mortgage

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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Association were all rated Aaa by Moody's Investors Service and AAA by Standard & Poor's. The County's investments in HYPO bonds and Repurchase Agreements were rated Aaa by Moody's Investors Service and AAA by Standard & Poor's.

Concentration of Credit Risk. The County's investment policy places no limit on the amount the County may invest in any one issuer. More than 16 % of the County's investments are in Certificates of Deposit with the County's local banks with maturities ranging from 15 days to 1 year. The County's investments in U.S. agencies total 41.5% with the Federal Home Loan Bank, 9.4% with the Federal Mortgage Acceptance Corporation, and 10.6% with the Federal National Mortgage Association and the remainder of 14.1% is invested in HYPO Bonds and 7.8% is invested in Repurchase Agreements. Of the total investments of \$212,920,346, 16.4 % is invested with Bayerische, 14.6 % is invested with Brookstreet Securities, 14.1 % is invested with Jefferies & Co., 8.3 % is invested with Coastal Securities, 7.1 % is invested with Multi-Bank Inc., 7.1 % is invested with UBS Financial Securities and 5.6 % is invested with Southwest Securities.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2007, \$16,446,098 of the County's investment in CD's was exposed to custodial credit risk of that, \$16,241,340 with New Mexico Bank & Trust and \$224,758 with Charter Bank was uninsured and uncollateralized. All other cash balances are not exposed. They are fully collateralized and the collateral is held in the County's name. The County's investments in U.S. Agencies carry the explicit guarantee of the U.S. Government. The remaining investments are not exposed to custodial credit risk. All are fully collateralized and the collateral is held in the County's name. A reconciliation of cash and investments for the County follows:

Bank accounts	\$	40,790,700
Petty cash on hand		1,890
Reconciling items		0
Carrying amount of investments		212,920,346
Total cash and investments	\$	<u>253,712,936</u>

Statement of Net Assets

Primary Government

Cash and investments:	\$224,635,700
Cash-restricted	16,681,279

Statement of Fiduciary Net Assets

Total cash, investment	<u>\$253,712,936</u>
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The County is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to one half of the public money in each account (section 6-10-17 NMSA 1978). The pledged collateral is stated at market value as of June 30, 2007.

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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B. Receivables

	General	Nonmajor Governmental Funds	Enterprise Funds	Agency Funds	Total
Property Taxes	\$ 7,024,759	\$ 1,054,674	\$ -	\$ 26,311,380	\$34,390,813
Gross Receipts Taxes	22,536,773	2,750,551	-	-	25,287,324
Gasoline Taxes	149,714	-	-	-	149,714
Motor Vehicle Tax	251,082	-	-	-	251,082
Cigarette Tax	1,222	569	-	-	1,791
Transportation Fees	453,541	-	-	-	453,541
Clerk's Fees	-	2,636	-	-	2,636
Solid Waste Fees	-	-	3,530,545	-	3,530,545
Special Assessments	-	-	-	708,867	708,867
Intergovernmental	168,309	3,797	-	-	172,106
Due from other governments	229,912	2,927,137	478,979	-	3,636,028
TRAN	29,488,200	-	-	-	29,488,200
Other	695,128	744,221	43	991	1,440,383
Gross Receivables	60,998,640	7,483,585	4,009,567	27,021,238	99,513,030
Less: allowance for Uncollectibles	(1,233,588)	(157,810)	(2,762,007)	(1,539,679)	(5,693,084)
Net total receivables	\$ 59,765,052	\$ 7,325,775	\$ 1,247,560	\$ 25,481,559	\$93,819,946

Note receivable

On April 27, 2004 the County Commission approved a \$200,000 loan to the Mid-Region Council of Governments (MRCOG) for renovations at the office building at 809 Copper Avenue NW that is owned by the County and leased to MRCOG under a lease purchase agreement. The money will be repaid over 15 years with interest at 3.9% and principle payments of \$1,470. The balance of this note was \$176,003 at June 30, 2007.

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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C. Capital assets

Capital asset activity for the year was as follows:

	Balance			Balance
	June 30, 2006	Increases	Decreases	June 30, 2007
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 122,476,209	\$ 1,681,719	\$ (180,040)	\$ 123,977,888
Construction in progress	22,748,760	43,428,506	(5,313,673)	60,863,593
Art	1,424,512	479,150	-	1,903,662
Total capital assets, not being				
Depreciated	146,649,481	45,589,375	(5,493,713)	186,745,143
Capital assets, being depreciated:				
Buildings	239,184,886	5,376,730	-	244,561,616
Machinery and equipment	60,013,884	4,622,129	(10,410,372)	54,225,641
Infrastructure	220,785,493	6,049,065	(645,911)	226,188,647
Leasehold improvements	2,804,000	409,396	-	3,213,396
Total capital assets being				
Depreciated	522,788,263	16,457,320	(11,056,283)	528,189,300
Less Accumulated depreciation for:				
Buildings	(65,377,182)	(9,610,980)	-	(74,988,162)
Machinery and equipment	(50,707,332)	(4,536,674)	9,705,429	(45,538,577)
Infrastructure	(71,626,255)	(7,529,487)	138,749	(79,016,993)
Leasehold improvements	(570,147)	(113,525)	-	(683,672)
Total accumulated depreciation	(188,280,916)	(21,790,666)	9,844,178	(200,227,404)
Total capital assets, being depreciated, net	334,507,347	(5,333,346)	(1,212,105)	327,961,896
Governmental activities capital assets, net	\$ 481,156,828	\$ 40,256,029	\$ (6,705,818)	\$ 514,707,039

General government expenses include an impairment loss of \$690,699 related to the direct electronic recording machines that have become impaired due to change in state statute.

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007

	Balance June 30, 2006	Increases	Decreases	Balance June 30, 2007
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 435,352	\$ -	\$ -	\$ 435,352
Construction in progress	34,838	-	(20,041)	14,797
Total capital assets, not being depreciated	470,190	-	(20,041)	450,149
Capital assets, being depreciated:				
Buildings	6,126,254	37,000	-	6,163,254
Machinery and equipment	3,020,039	321,444	(1,424,720)	1,916,763
Total capital assets being depreciated	9,146,293	358,444	(1,424,720)	8,080,017
Less accumulated depreciation for:				
Buildings	(2,624,675)	(196,501)	-	(2,821,177)
Machinery and equipment	(2,042,308)	(171,894)	1,424,720	(789,482)
Total accumulated depreciation	(4,666,983)	(368,395)	1,424,720	(3,610,659)
Total capital assets, being depreciated, net	4,479,310	(9,951)	-	4,469,358
Business-type activities capital assets, net	\$ 4,949,500	\$ (9,951)	\$ (20,041)	\$ 4,919,507

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 2,594,120
Public safety	9,380,251
Culture and recreation	925,554
Public works	8,032,757
Health and welfare	857,984
Total depreciation expense-governmental activities	<u>\$ 21,790,666</u>

Business-type activities:	
Solid waste	\$ 173,455
Housing Authority	63,501
Seybold Village	69,529
El Centro Familiar	61,910
Total depreciation expense-business-type activities	<u>\$ 368,395</u>

**COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007**

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of June 30, 2007, is as follows:

<u>Due to</u>	<u>Due from</u>			<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental</u>	<u>Enterprise Funds</u>	
General fund	\$ -	\$ 9,766,388	\$ 1,302,688	\$ 11,069,076
Nonmajor fund	145,411	162	-	145,573
Enterprise funds	-	420,060	215,287	635,347
Internal service funds	212,406	-	-	212,406
Total	\$ 357,817	\$ 10,186,610	\$ 1,517,975	\$ 12,062,402

Advances. For the purpose of financing cost-reimbursement grants, the general fund advanced the grants fund \$1,397,000 and the public works grants fund \$100,000. The environmental fund financed the initial start-up of the solid waste fund through an advance of which \$133,361 is outstanding at June 30, 2007.

During the year, the County makes various transfers of monies to fund debt service payments, capital projects, and to reimburse the General fund for cost incurred on behalf of other funds. Interfund transfers for the year ended June 30, 2007 were as follows:

Transfer to general fund from:

Non major governmental funds \$ 824,875

Transfer to TRAN debt Service from
General Fund

2,775,000

Transfers to debt service funds from:

General Fund 13,406,915

Nonmajor governmental funds 632,838

Total transfers to debt service funds 14,039,753

Transfers to capital projects funds from:

General Fund 55,232

Transfers to special revenue funds from:

General Fund 413,491

Non major governmental funds 656,435

Total transfers to special revenue funds \$ 1,069,926

**COUNTY OF BERNALILLO, NEW MEXICO
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E. Leases

Capital Leases

The County is obligated to the State of New Mexico for the acquisition of voting machines. These lease agreements qualify as capital leases and are recorded at the present value of their future minimum payments. The County does not pay interest on the capital lease obligation. Assets under capital leases totaled \$2,695,850 for machinery and equipment. The following is a schedule of the future minimum lease payments under capital leases at June 30, 2007:

	Governmental Activities
2008	\$ -
2009	212,282
2010	212,282
2011	212,282
2012	212,282
2013-2014	500,982
Total minimum lease payments	<u>\$ 1,350,110</u>

Operating Leases

During the fiscal year ended June 30, 2007, the County leased equipment, and office space under operating leases. The County's expenditures on those leases for the fiscal year ended June 30, 2007, were \$1,350,155. The County's future minimum rental commitments, accounted for as operating leases at June 30, 2007, are as follows:

	Amount
2008	\$ 6,600
2009	4,850
2010	3,600
Total	<u>\$ 15,050</u>

The County shares building expense on One Civic Plaza (City/County Building) on a year-to-year basis. A joint City/County annual operating budget for the building is established one month prior to the commencement of the fiscal year.

During the year, the County, as lessor, leased various office spaces at a cost of approximately \$6.4 million and a carrying amount of \$2.9 million under operating leases. Rental revenue was \$1,646,767 and depreciation expense on those assets was \$244,499.

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007

F. Long-term debt

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2007, was as follows:

	Balance			Amounts	
	June 30, 2006	Additions	Deletions	Balance June 30, 2007	Due within One Year
Governmental Activities:					
Bonds:					
G.O. bonds	\$ 83,475,000	\$ 10,000,000	\$ (4,895,000)	\$ 88,580,000	\$ 5,600,000
Revenue bonds	181,510,000	-	(6,010,000)	175,500,000	5,995,000
Deferred amounts:					
Bond premiums	4,502,472	-	(405,609)	4,096,863	-
Bond discounts	(426,125)	(60,633)	26,482	(460,276)	-
Refunding	(2,942,776)	-	281,453	(2,661,323)	-
Total bonds	266,118,571	9,939,367	(11,002,674)	265,055,264	11,595,000
Other liabilities:					
Capital leases	1,350,110	-	-	1,350,110	-
Long-term note	5,586,382	-	(1,689,320)	3,897,062	2,392,345
Compensated absences	9,981,819	8,468,739	(6,475,354)	11,975,204	1,167,743
Governmental activity					
Long-term liabilities	\$ 283,036,882	\$ 18,408,106	\$ (19,167,348)	\$ 282,277,640	\$ 15,155,088

	Balance			Amounts	
	June 30, 2006	Additions	Deletions	Balance June 30, 2007	Due within One Year
Business-type Activities:					
Bonds payable:					
Revenue bonds	\$ 1,780,000	\$ -	\$ (40,000)	\$ 1,740,000	\$ 40,000
Compensated absences	208,560	225,571	(268,850)	165,281	8,264
Note payable	867,305	366,400	(76,009)	1,157,696	13,590
Business-type activity					
Long-term liabilities	\$ 2,855,865	\$ 591,971	\$ (384,859)	\$ 3,062,977	\$ 61,854

Compensated absences for governmental activities are generally liquidated by the general fund.

COUNTY OF BERNALILLO, NEW MEXICO
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General Obligation Bonds are direct obligations of the County for which its full faith and credit are pledged and are payable from taxes levied on property located within the County. During fiscal year 2007 the County issued \$10,000,000 in general obligation bonds. The general obligation bonds outstanding as of June 30, 2007 are comprised of the following issues:

Issue	Amount	Interest Rate	Final Maturity
Series 1997	\$ 7,680,000	4.50%-4.75%	December 1, 2017
Series 1999	14,075,000	4.50%	August 1, 2019
Series 2000	1,355,000	5.10%-5.90%	February 1, 2010
Series 2001	4,600,000	4.10%-4.80%	October 1, 2021
Series 2002	14,445,000	3.25%-4.70%	February 15, 2022
Series 2002A	6,840,000	3.25%-4.25%	February 15, 2017
Series 2003	9,060,000	3.15%-4.65%	June 15, 2023
Series 2004	3,029,000	4.00%-4.40%	October 15, 2021
Series 2005	12,235,000	3.38%-4.00%	February 1, 2020
Series 2005A	5,261,000	4.00%-5.00%	February 1, 2025
Series 2006	10,000,000	4.00%-4.25%	February 1, 2027
Total	<u>\$ 88,580,000</u>		

The annual debt service requirement to maturity for general obligation bonds is as follows:

Year Ending	Governmental Activities	
	Principal	Interest
June 30,		
2008	\$ 5,600,000	\$ 4,107,404
2009	5,755,000	3,818,499
2010	6,250,000	3,597,531
2011	6,050,000	3,364,829
2012	5,105,000	3,143,425
2013-2017	28,971,000	12,568,895
2018-2022	25,924,000	6,885,862
2023-2024	4,925,000	2,380,050
	<u>\$ 88,580,000</u>	<u>\$ 39,866,495</u>

The Gross Receipts Tax Revenue Bonds are limited obligations of the County, payable solely from gross receipts tax revenues. The gross receipts tax revenue bonds outstanding as of June 30, 2007 are comprised of the following issues:

**COUNTY OF BERNALILLO, NEW MEXICO
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Issue	Amount	Interest Rate	Final Maturity
Series 1996B	\$ 57,875,000	4.95%-5.70%	April 1, 2027
Series 1997	11,800,000	5.00%-5.75%	October 1, 2017
Refunding Series 1998	46,700,000	4.20%-5.25%	April 1, 2027
Series 1999	3,405,000	5.00%	October 1, 2026
Series 2002	1,280,000	3.00%-3.50%	November 15, 2011
Series 2004	11,000,000	3.25%-5.25%	June 15, 2025
Partial Refunding Series 2005	43,440,000	3.50%-5.25%	October 1, 2026
	<u>\$ 175,500,000</u>		

The annual debt service requirement to maturity for gross receipts tax revenue bonds is as follows:

Year Ending	Governmental Activities	
	Principal	Interest
June 30,		
2008	\$ 5,995,000	\$ 9,008,461
2009	6,260,000	8,728,578
2010	6,580,000	8,418,579
2011	6,845,000	8,099,148
2012	6,850,000	7,782,191
2013-2017	38,150,000	33,627,363
2018-2022	46,490,000	22,750,405
2023-2027	58,330,000	9,311,368
	<u>\$ 175,500,000</u>	<u>\$ 107,726,093</u>

At June 30, 2007, the following general obligation bonds were authorized and unissued.

Approved by Voters on	Purpose	Authorized
November 2, 2004	Storm Drain	\$ 3,500,000
November 7, 2006	Road Construction and Repair	9,400,000
November 7, 2006	Public Safety	4,300,000
November 7, 2006	Parks and Recreation	2,200,000
November 7, 2006	Library Books	1,000,000
November 7, 2006	Facility Management	1,100,000
Total		<u>\$ 21,500,000</u>

Prior Refunding. In prior years, the County defeased certain general obligation and gross receipts tax revenue bonds by placing cash in an irrevocable trust to provide for all future debt

**COUNTY OF BERNALILLO, NEW MEXICO
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service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At June 30, 2007, \$44,735,000 of gross receipts tax revenue bonds and \$6,275,000 of general obligation bonds outstanding are considered defeased.

Long-Term Notes. January, 2005, the County entered into an agreement with the New Mexico State Department of Transportation for a loan in the amount of \$7,401,160 to finance a portion of the construction of Isleta Boulevard reconstruction project. The loan and interest of \$275,840 are to be repaid over four years with pledged federal revenues. The principal payments for the years ended June 30, 2008 and 2009 are \$2,392,345 and \$1,504,717 respectively for a total of \$3,897,062.

Business-type activities long-term debt

The annual requirement to amortize the Multifamily Housing Refunding and Improvement Revenue Bonds outstanding as of June 30, 2007, is as follows:

	<u>Principal</u>	<u>Interest</u>
2008	\$ 40,000	\$ 101,790
2009	45,000	99,450
2010	45,000	96,817
2011	50,000	94,185
2012	50,000	91,260
2013-2017	310,000	407,453
2018-2022	405,000	305,955
2023-2027	535,000	173,744
2028-2029	260,000	23,107
Total	<u>\$ 1,740,000</u>	<u>\$ 1,393,761</u>

G. Short-term debt

Tax and Revenue Anticipation Notes

On December 14, 2006, and June 30, 2007 the County issued tax and revenue anticipation notes (TRANS) in the amount of \$30,000,000, and \$30,000,000 respectively. The County issues TRANS in advance of property tax collections, depositing the proceeds in its general fund. These notes are used to finance current expenditures pending receipt of tax payments in May and November.

COUNTY OF BERNALILLO, NEW MEXICO
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Short-term debt activity for the year ended, was as follows:

	Balance June 30, 2006	Additions	Deletions	Balance June 30, 2007
Governmental Activities:				
Bonds and notes payable:				
Tax anticipation notes	\$ 55,000,000	\$ 60,000,000	\$ (55,000,000)	\$ 60,000,000

H. Special assessment bonds

The County, acting as the agent for the property owners, issued Special Assessment District Improvement Bonds to finance street and road improvements. The bonds are payable from and secured by a pledge of district special assessments. For redemption purposes, the bonds are numbered consecutively. All or any part of the bonds are subject to redemption in numerical order at the option of the County on any interest payment date prior to maturity, at a price equal to the principal amount thereof plus accrued interest to the redemption. The bonds bear interest from their issue date and are paid semiannually thereafter until paid. The bonds are not a debt of the County, and the County did not pledge its full faith and credit for payment of the bonds. The payment of the bonds is not secured by any encumbrance, mortgage, or other pledge of property of the County except for district special assessments. No property of the County, subject to foregoing exception, shall be liable to be forfeited or taken in payment of the bonds.

The activities relating to the collection of special assessments and the payments on special assessment bonds are included in the agency fund accounts.

The following is a summary of Special Assessment Bonds payable as of June 30, 2007:

Improvement Bonds	Interest Rate	Date Issued	Date Series Matures	Amount of Original Issue	Bonds Outstanding June 30, 2007
Comanche Griegos BC-83-1A	7.25%	12/03	12/15/23	\$1,390,000	\$240,000
Comanche Griegos BC-83-1B	6.25%	12/03	12/15/23	\$2,085,000	\$1,785,000

At June 30, 2007, the Second Street, East Mountain, Paradise Hills, South Valley, and Heatherland Hills special assessment bonds had been fully paid. The remaining potential assets were as follows:

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	Second Street BC-85-3	East Mountain BC-85-4	Paradise Hills BC-84-2	South Valley BC-84-1	Heatherland Hills BC-85-5
Cash and investments	\$ -	\$ 15,903	\$ 10,559	\$ 18,805	\$ -
Accounts receivable:					
Billed, but uncollected	1,804	20,021	17,083	56,650	959
Total	\$ 1,804	\$ 35,924	\$ 27,642	\$ 75,455	\$ 959

In accordance with State Statute Section 4-55A-28, NMSA, 1978 Compilation, the Board of County Commissioners may transfer to the general fund money obtained from the levy of an assessment for an improvement district if:

1. Bonds or assignable certificates were issued to finance the improvement; and
2. The funds obtained by the bonds or assignable certificates were spent for the improvement; and
3. The assessments were levied and collected for the payment of the bonds or assignable certificates; and
4. Either the bondholders or assignable certificate holders are barred by the statute of limitations or a court judgment or decree from collecting the indebtedness; or
5. The bonded indebtedness or assignable certificates have been paid.

I. Conduit bonds

The County has acted from time to time as the issuer of conduit bonds, the proceeds of which have been immediately loaned to a private borrower. The County will require a complete analysis by an independent consultant at the expense of any and all applicants. The County signed its rights with respect to such bonds to various trustees that monitor amounts due and payable by the borrower pursuant to a lease, loan or other agreement. The County has no obligation to repay all or any portion of such bonds in the event the private borrowers fail to make their payments when due.

Industrial Revenue Bonds

In fiscal year 2007, the County issued Industrial Revenue Bonds for Prime Therapeutic LLC in the amount of \$9,500,000 and for Verizon Wireless LLC in the amount of \$28,000,000 consisting of two separate bond issues. As of June 30, 2007, there were ten series of Industrial Revenue Bonds outstanding with an original issuance cost of \$158,888,543. The remaining principal balance outstanding as of June 30, 2007 is not available.

COUNTY OF BERNALILLO, NEW MEXICO
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Multifamily Housing Revenue Bonds

From time to time, the County has issued Multifamily Housing Revenue Bonds to provide financial assistance to private sector entities for the acquisition, construction and rehabilitation of commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State of New Mexico nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2007, there were eleven series of project revenue bonds outstanding, with an aggregate principal amount payable of \$93,074,000.

J. Fund balance reservations

The New Mexico Department of Finance and Administration (DFA) requires that 3/12 of budgeted expenditures in the general fund be reserved as subsequent-year expenditures to maintain an adequate cash flow until the next significant property tax collection. The DFA required reserve balance for FY07 is \$62,116,232. Another portion of the general fund balance is unreserved and designated for subsequent years' expenditures in the amount \$74,202,179 which includes \$39,709,114 designated for unencumbered carryover, \$4,100,000 for next year one-time salary adjustment, \$10,000,000 designated for capital projects, \$15,000,000 designated for building funds, and \$5,393,065 for budget stabilization. The remainder of the general fund balance is designated for other reserved expenditures.

K. Financial data schedule reconciliation

The Seybold Village Handicapped Project Enterprise Fund was presented in two columns on the Financial Data Schedule (FDS). The net assets reconcile to the financial statements as follows:

<u>Net Assets</u>	<u>Amount</u>
Net Assets – Low Rent 14.850	\$ 1,390,060
Net Assets– CFP 14.872	17,453
Net Assets– Seybold Village Handicapped Project	<u>\$ 1,407,513</u>

The Section 8 Housing-Voucher Special Revenue Fund was presented in accordance with generally accepted accounting standard as applied to governmental funds. The FDS equity balance was adjusted to include the effects of compensated absences that are not reflected in the governmental fund presentation as follows:

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<u>Net Assets</u>	<u>Amount</u>
Net Assets –Housing Choice Voucher 14.871	\$ 86,565
Compensated Absences	61,636
Fund balance – Section 8 Housing-Vouchers	<u>\$ 148,201</u>

The Housing Authority Enterprise Fund was presented in accordance with generally accepted accounting standards as applied to enterprise funds. The FDS equity balance was adjusted to include the effects of compensated absences that are reflected in the business-type activities enterprise fund presentation as follows:

<u>Net Assets</u>	<u>Amount</u>
Net Assets – State/Local	\$ 2,290,395
Compensated Absences	(61,636)
Fund balance – Housing Authority	<u>\$ 2,228,759</u>

V. Other information

A. Risk management

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County joined with other county governments to form a Workers' Compensation Pool in July 1987 and a Multiline Pool in January 1989. These public entity risk pools operate as a common risk management and insurance program for workers' compensation and property and casualty coverage. The County pays an annual premium to the pools for general insurance coverage.

The pools are authorized by joint powers agreements entered into by each county as a separate and independent governmental and legal entity pursuant to the provisions of NMSA 1978 Sections 11-1-1 et seq. The agreements for formation of the Pools provide that the pools be self-sustaining through member premiums and reinsure through commercial companies for claims in excess of \$300,000 and \$250,000, respectively, for each insured event. Both pools are funded entirely by member premiums and are administered by the New Mexico County Insurance Authority.

The Workers' Compensation Pool provides workers' compensation coverage for every County employee. There are 28 counties in this pool, which for fiscal years ended 2007 and 2006 contributed a total of \$7,081,211 and \$5,110,819 respectively. The premium that each county pays depends upon the payroll total and the loss experience specific to that county. For fiscal years ended 2007 and 2006, the County contributed \$1,915,153 and \$663,192 respectively, to the Worker's Compensation Pool. The self-insured retention level for the pool during the period of coverage July 1, 2006 through June 30, 2007 was \$300,000 (that is

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the maximum amount of coverage for each insured event before obtaining reinsurance). The pool has reinsurance coverage for losses above that amount from County Reinsurance Limited.

The Multiline Pool provides property and casualty coverage for 24 counties. The coverage includes buildings and contents, automobile physical damage, general liability, personal injury (including civil rights), host and liquor liability, automobile liability, public officials errors and omissions, money and securities, commercial blanket bond (employee fidelity), and depositors' forgery. The total premiums for this pool were \$7,237,437 and \$6,852,290 for the years ending December 31, 2007, and 2006, respectively. The County paid premiums to the Multiline Pool in calendar years 2007 and 2006 of \$1,692,937 and \$1,608,346, respectively.

The self-insured retention level for this pool during the period of coverage January 1, 2006 through December 31, 2007 is \$150,000 for property and \$250,000 for liability per occurrence (that is the maximum amount of coverage for each insured event before obtaining reinsurance). The pool has reinsurance coverage for losses above that amount from County Reinsurance Limited, to a policy limit of \$2,000,000. Additionally, the pool has purchased another excess liability policy in the amount of \$3,000,000.

The pooling agreements require the pools to be self-sustaining; it is not possible to estimate the range of contingent losses to be borne by the County. The Pool Boards retain a \$3,000,000 equity prior to evaluating any refunds to the participating counties based upon losses expensed and losses incurred. The pools retain the risk of loss to be shared proportionately by pool participants. The County does not retain the sole risk of losses incurred by the County. There were no payments in excess of insurance coverage for the years ended June 30, 2007, 2006, and 2005.

The New Mexico County Insurance Authority has published its own financial reports for the fiscal year ended June 30, 2006, which can be obtained from the New Mexico Association of Counties, 613 Old Santa Fe Trail, Santa Fe, New Mexico, 87501.

The County carries commercial insurance for all other risks of loss, including law enforcement liability, emergency medical, foreign jurisdiction and excess liability, boiler and machinery, and sheriff reserve and rescue personnel. There were no payments in excess of insurance coverage for the years ended June 30, 2007, 2006, and 2005.

B. Contingencies

Litigation. The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County. Insurance deductibles related to outstanding claims are \$10,000 per claim. Occasionally, the County or its elected officials are named as parties to suits that are not

COUNTY OF BERNALILLO, NEW MEXICO
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covered by any insurance policy and the County's Attorney's Office provides representation for such claims. At present there is only one claim that is not covered by insurance. That claim is pending in the federal district court and the claim does not appear to seek damages in excess of \$50,000.

Grant Compliance. The County receives significant financial assistance from the U.S. government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantor. As of June 30, 2007, management estimates that no material liabilities will result from such audits.

County Medicaid 1/16 Gross Receipts Tax Equivalent. Under State Statute Section 27-10-4, NMSA 1978 Compilation, a county which does not enact an ordinance imposing a county health care gross receipts tax pursuant to State Statute Section 7-20E-18, NMSA 1978 Compilation is required to dedicate to the county-supported Medicaid fund "an amount equal to a gross receipts tax rate of 1/16 of one percent applied to the taxable gross receipts tax reported during the prior fiscal year by persons engaging in business in the county." For the first half of FY07 the County complied with this statute through an arrangement with University of New Mexico Hospital (UNMH). University Hospital transferred the equivalent of 1/16 percent gross receipt tax from revenues it received to comply with the statute. During the second half of FY07 the County imposed a 1/16 percent increase in gross receipts tax to comply with the ordinance and to relieve UNMH from the obligation. The County will continue to impose the tax in FY08 which will generate approximately \$10 million annually.

Other. At June 30, 2007, the County is committed to \$23,219,864 under construction contracts for capital assets.

C. Joint ventures

Regional Juvenile Detention Center. The Regional Juvenile Detention Center (RJDC) was established by a joint powers agreement between Bernalillo, Sandoval, and Valencia counties on June 26, 1996. The County managed and operated the facility, which was the primary juvenile detention center for Sandoval and Valencia counties and served as the adjunct to the County's Juvenile Detention Center. Sandoval and Valencia counties contributed one hundred percent of the operating costs of RJDC. The County received a seven percent administrative fee for its management services.

On June 26, 2007 this joint powers agreement was terminated with Administrative Resolution AR 45-2007. Valencia County pulled out of the agreement. Valencia County now houses their juveniles through a Cost of Care Agreement with Bernalillo County.

A new joint powers agreement between Bernalillo and Sandoval County was approved at the same meeting. The RJDC was moved to a unit at the newly named Bernalillo County

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Juvenile Detention and Youth Services Center on July 1, 2007. Sandoval County funds the unit with a \$944,768 budget. Bernalillo and Sandoval counties share cost of care revenues on a 50/50 percent basis. Valencia County now houses their juveniles through a cost of care agreement with Bernalillo County.

Torrance County/Bernalillo County Regional Landfill. The County and the Torrance County Solid Waste Authority (TCSWA) entered into a joint powers agreement on April 21, 1998 for the construction and operation of a regional landfill. The County contributed \$633,000 toward the initial costs of acquiring, constructing, designing, developing, and equipping the facility, which constitutes its total equity interest. The County's ownership interest is commensurate with the proportion of funds it provided. It is the intent of the parties to establish tipping fees in an amount sufficient to recover all of the operating costs of the landfill.

Upon termination of the agreement, assets and surplus funds will be distributed pro rata between the parties in accordance with their then existing ownership interests.

TCSWA will operate the facility and is designated as the fiscal agent. The financial report of the Torrance County/Bernalillo County Regional Landfill can be obtained from the Torrance County Solid Waste Authority, 515 Allen Street, Estancia, New Mexico 87016.

D. Retiree Health Care Act

The Retiree Health Care Act (Act) (Chapter 10, Article 7C NMSA 1978) provides comprehensive core group health insurance for persons who have retired from certain public services in New Mexico. The Retiree Health Care Authority is the administrator of the plan. The purpose is to provide eligible retirees, their spouses, dependents, and surviving spouses and dependents with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into the Retiree Health Care Fund and by co-payments or out-of-pocket payments of eligible retirees. Monies flow to the Retiree Health Care Fund on a pay-as-you-go basis from eligible employers and eligible retirees. Eligible employers consist of institutions of higher education, school districts, or other entities participating in the Public School Insurance Authority, state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Educational Retirement Act, Public Employees Retirement Act, Volunteer Firefighters Retirement Act, Judicial Retirement Act, or the Magistrate Retirement Act.

Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the Retiree Health Care Act on the person's behalf, unless that person retires before the employer's NMRHCA effective date, in which event the time period for contributions becomes the time between the employer's effective date and the date of retirement; or (2) retirees defined by the Act who retired prior to July 1, 1990; and former legislators who served at least two years.

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Each participating employer makes contributions to the fund in the amount of 1.3 percent of each participating employee's annual salary. Each participating employee contributes to the fund an employee contribution equal to .65 percent of the employee's annual salary. Each participating retiree pays a monthly premium for the medical plus basic life plan and an additional participation fee of five dollars (\$5.00) if the eligible participant retired prior to the employer's NMRCHA effective date or is a former legislator and made no contributions to the plan.

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

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the Retiree Health Care Authority, 4308 Carlisle Blvd, NE, Suite 104, Albuquerque, New Mexico 87109.

For the fiscal year ended June 30, 2007, the County remitted \$933,930 in employer contributions and \$466,970 in employee contributions to the Retiree Health Care Authority.

As a phase I government, the County will have to implement GASB 45 in FY08 and is in the process of determining the effect of this pronouncement.

E. Public employees' retirement system

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

Funding Policy. Plan members are required to contribute 9.15-16.65% of their gross salary and the County is required to contribute 9.15-21.25% depending upon the division of the gross covered salary. The contribution requirements of plan members and the County are

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established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. County contributions are currently required for PERA retirees that return to work and retirees are required to contribute after their salary reaches \$25,000. The County's contributions to PERA for the years ending June 30, 2007, 2006, and 2005 were \$9,292,843, \$7,088,026, and \$6,532,575 respectively equal to the amount of the required contributions for each year. In accordance with Chapter 10, Article 11, Section 5 NMSA 1978, the County has elected to make contributions of seventy-five percent of its employees' member contributions under the General-management, blue collar, white collar, sheriff, fire and Juvenile Detention Center (JDC) plans. The following table outlines the divisions the County participates in and the contributions for the year ending June 30, 2007.

Covered Division	<u>Employee</u>		<u>Employer</u>	
	Percent	Dollars	Percent	Dollars
General-management, blue collar and white collar	13.15%	\$5,174,638	9.15%	\$3,600,603
General-other	9.15	20,415	9.15	20,417
Sheriff	16.30	1,971,039	18.50	2,237,075
Fire	16.20	1,040,513	21.25	1,364,869
JDC	16.65	2,069,884	16.65	2,069,880

VI. Significant effects of subsequent events

On August 14, 2007 the County sold \$10,400,000 of general obligation bonds that were approved by voters on November 7, 2006. The bonds mature in serial amounts from August 1, 2014 through August 1, 2027. Interest rate coupon amounts range from 4.00 percent through 4.54 percent.

On October 16, 2007 the County sold \$8,400,000 of general obligation bonds that were approved by voters on November 2, 2004 and November 7, 2006. The bonds mature in serial amounts from August 1, 2013 through August 1, 2027. Interest rate coupon amounts range from 4.00 percent through 4.35 percent.

COUNTY OF BERNALILLO, NEW MEXICO

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The authority for the creation of the special revenue funds is by state statute, executive order, or specific authority.

Public Works Grants. To account for various federal, state and other grant funding sources received by the County Public Works Division. The grants are restricted to specific purposes as agreed to between the County and the funding source as enumerated in the grant agreement/contract.

Emergency Medical Services. To account for grants from the State of New Mexico Department of Health to be utilized for equipment, supplies, and training for emergency medical service purposes. This fund was created by the authority of state statute (see Section 24-10A-6, NMSA 1978 Compilation).

DWI Services To account for grants from the State of New Mexico, Department of Finance and Administration for alcohol detoxification and treatment facilities.

Recreation. To account for recreational funds. Financing is provided by cigarette taxes. The fund was created by authority of state statute (see Section 7-12-15, NMSA 1978 Compilation).

Clerk's Bilingual. To account for an appropriation from the State Legislature to assist counties with supplemental funding for bilingual voter education and materials in accordance with the Federal Voting Rights Act of 1965.

Farm and Range. To account for soil conservation, predator control, and secondary road activities within the County. Financing is provided by the Taylor Grazing Act. Expenditures may be made only for the purposes specified in the grant. The fund was created by authority of state statute (see Section 6-11-6, NMSA 1978 Compilation).

Valuation. To account for fees collected from "revenue recipients" pursuant to Section 7-38-38.1, NMSA 1978 Compilation. Expenditures from the county property valuation fund may be made pursuant to a property valuation program presented by the county assessor and approved by the majority of the County Commissioners.

Fire Districts No. 1 through 11 and 13. To account for the operations and maintenance (excluding salaries and benefits) of the 11 fire districts. Funding is provided by allotments from the New Mexico State Fire Marshal's Office. The funds were created under the authority of state statute (see Section 59A-53-5, NMSA 1978 Compilation).

Law Enforcement Protection. To account for a state grant restricted to equipment purchases and training programs to enhance law enforcement effectiveness. The fund was created under the authority of state statute (see Section 29-13-4, NMSA 1978 Compilation).

County Indigent. To account for the 1/8 of one percent portion of the county gross receipts tax adopted through County Ordinance 86-17, expenditure of which is restricted to indigent care. An agreement was signed with several providers for the provision of health and dental services to indigent patients. The fund was created by authority of state statute (see Section 7-20E-9, NMSA 1978 Compilation).

COUNTY OF BERNALILLO, NEW MEXICO

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

Energy Research and Development Agency (ERDA). These funds represent settlement of a dispute between the State of New Mexico and the federal government regarding payment of gross receipts tax by three defense contractors doing business within New Mexico. Expenditures are used for capital outlay for the various fire districts within Bernalillo County.

Section 8 Housing Vouchers Fund accounts for Department of Housing and Urban Development (HUD) Section 8 existing housing and vouchers programs including housing assistance payments. The funds were created to account for grant activity under HUD contract, ACC Part I, Number FW-5325.

Regional Correction Center. To account for monies received from the U.S. Marshall Service through a Cooperative Agreement Program and Intergovernmental Agreement for the lease of a County owned jail facility under the authority of Section 33-3-27 NMSA, 1978.

Sheriff's Office - Criminal Investigations Fund. To account for monies received from the sale of evidence, unclaimed cash, seizures, and forfeitures and expenditures of such for law enforcement purposes. The fund was created by authority of state statute Controlled Substances Act 30-31-35 NMSA 1978.

Environmental Health. To account for the 1/8 cent gross receipts tax set aside for the purpose of financing environmental health concerns within the County of Bernalillo. The fund was created by authority of state statute (see Section 7-20E-17, NMSA 1978 Compilation).

The *Grant fund* accounts for various federal, state and other grant funding sources received by the County. The grants are restricted to specific purposes as agreed to between the County and the funding source as enumerated in the grant agreement/contract.

Law Enforcement Block Grants. To account for grant funds received through the Department of Justice local law enforcement block grants. The fund was created by the authority of the Board of County Commissioners Resolution FR 28-97.

Clerk's Recording & Filing. To account for fees authorized to Class A counties to charge up to an additional \$2.00 per document as an equipment recording fee. The fees collected may only be used for the purchase of equipment associated with the recording, filing, maintaining, or reproducing of documents in the Office of the County Clerk. This fund was created by authority of state statute (see Section 14-8-12.2, NMSA 1978 Compilation).

Community Service. To account for donations received from non-profit organizations, which are to be used for social services programs. The fund was created by the authority of the Board of County Commissioners.

Industrial Revenue Bonds. To account for the receipt and expenditure of revenues collected from Payment in Lie of Taxes on behalf of Albuquerque Public Schools and the University of New Mexico Hospital due to Industrial Revenue Bonds issues. This fund was created by authority of Bernalillo County Ordinance 98-3.

COUNTY OF BERNALILLO, NEW MEXICO

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

General Obligation. To account for the accumulation of resources and payment of general obligation bond principal and interest from County resources.

Revenue Bonds. To account for the accumulation of resources and payment of revenue bond principal and interest from pledged County gross receipts tax revenues for the following bond issues:

- Series 1996B – Public Buildings
- Series 1997 – Public Facilities
- Refunding Series 1998 – Courthouse
- Series 2004 – Public Facilities
- Refunding Series 2005 – Public Facilities

Revenue Bond Reserves. To account for debt service reserves established pursuant to the bond ordinance for the following bond issues:

- Series 1996B – Public Buildings
- Series 1997 – Public Facilities
- Refunding Series 1998 – Courthouse
- Refunding Series 2005 – Public Facilities

CAPITAL PROJECT FUNDS

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

2004 Revenue Bond. To account for the expansion of the Health Segregation Unit at the Metropolitan Detention Center and the purchase of property for a Detoxification/Treatment Facility known as the Metropolitan Assessment Treatment facility.

Water/Wastewater. To account for various federal, state and other funding sources received by the County for water/wastewater project planning, design, and construction.

COUNTY OF BERNALILLO, NEW MEXICO

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS (CONTINUED)

Library Bonds. To account for the financing and acquiring of library books and library resources. Financing is being provided by proceeds from general obligation bonds and earnings from the investment of those monies.

Road Support Services. To account for various road projects. Financing is being provided by a loan from the New Mexico State Highway and Transportation Department's State Infrastructure Bank.

1996B Revenue Bond. To account for the financing and construction of one or more public buildings, including a regional jail. Financing was provided by proceeds received from the sale of Series 1996B Gross Receipts Tax Revenue Bonds.

Storm Sewer Construction. To account for the financing and construction of storm sewer systems within Bernalillo County. Financing is being provided by proceeds from general obligation bonds and earnings from the investment of those monies.

Juvenile Center Bonds. To account for the financing and acquisition of land for the expansion of the Juvenile Justice Center. Financing is being provided by proceeds from general obligation bonds and earnings from the investment of those monies.

Facilities Bonds. To account for the financing and facilities construction and improvements, including remodeling required by Americans with Disabilities Act. Financing is being provided by proceeds from general obligation bonds and earnings from the investment of those monies.

Parks and Recreation Bonds. To account for the financing and acquisition of land for expanding parks and recreational facilities. Financing is being provided by proceeds from general obligation bonds and earnings from the investments of those monies.

Open Space. To account for the financing and acquisition of open space. Financing is provided by a six-year .25 property tax mill levy by County voters on November 30, 2000.

1998 Refunding Revenue Bond. To account for the financing and construction of a County Courthouse. Financing was provided by the issuance of gross receipts tax revenue bonds.

COUNTY OF BERNALILLO, NEW MEXICO

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS (CONTINUED)

Sheriff's Improvement Bond. To account for financing, constructing and equipping sheriff's substations, command centers and communications equipment. Financing is being provided by proceeds from general obligation bonds and earnings from the investment of those monies.

Road Construction. To account for funds received as reimbursements from other entities for road and other construction projects originally paid for by locally generated revenues (bonds, taxes, fees, etc.). The funds received as reimbursements are used to further these and other similar projects under the management of the County public works department.

Impact Fees. To account for the fees received from developers that are restricted for use in infrastructure improvements in the service area from which the fees were collected. This fund was created by authority of Bernalillo County Ordinance 95-16.

Public Health. To account for the construction and improvements of facilities for the County Public Health Department. Financing is being provided by proceeds from general obligation bonds and earnings from the investment of those monies.

1997 Revenue Bond. To account for the purchase and installation of communications and information management systems, constructing an outdoor performing arts theater, and purchase of an office building. Financing is being provided by proceeds from gross receipts tax revenue bonds, earnings from the investment of those monies, and a loan from the Property Tax Division of the NM Taxation and Revenue Department.



Special Revenue

	Public Works Grants	Emergency Medical Services	Recreation	DWI Services	Farm and Range	Valuation	Fire Districts	Law Enforcement Protection	County Indigent
ASSETS									
Cash and investments	\$ -	\$ 65,828	\$ 5,430	\$ 757,921	\$ 552	\$ 4,431,718	\$ 81,421	\$ 27,825	\$ 130,290
Accounts receivable, net	-	-	569	600,000	-	-	-	-	2,041,085
Accrued interest receivable	-	-	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	162	-	-	-	-
Due from grantor	5,224,557	-	-	1,243,309	-	-	-	-	-
Cash-restricted	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Total assets	\$ 5,224,557	\$ 65,828	\$ 5,999	\$ 2,601,230	\$ 714	\$ 4,431,718	\$ 81,421	\$ 27,825	\$ 2,171,375
LIABILITIES									
Accounts payable	\$ 256,771	\$ 19,442	\$ 2,250	\$ 911,116	\$ -	\$ 24,747	\$ 18,930	\$ 10,284	\$ 1,964,343
Retainage payable	-	-	-	-	-	-	-	-	-
Accrued payroll	-	-	-	48,530	-	42,168	-	-	-
Unearned revenue	73,352	-	-	1,596,075	-	-	-	-	-
Due to other funds	4,794,434	-	-	-	-	-	-	-	-
Due to grantor	-	-	-	-	-	-	-	-	-
Advances from other funds	100,000	-	-	-	-	-	-	-	-
Total liabilities	5,224,557	19,442	2,250	2,555,721	-	66,915	18,930	10,284	1,964,343
FUND BALANCES									
Reserved for:									
Advances to other funds	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Encumbrances	1,422,505	7,622	1,517	245,391	-	51,948	42,104	9,537	-
Note receivable	-	-	-	-	-	-	-	-	-
Detox service	-	-	-	900,000	-	-	-	-	-
Unreserved (deficit):									
Undesignated	(1,422,505)	38,764	2,232	(1,099,882)	714	4,312,855	20,387	8,004	207,032
Total fund balances (deficit)	-	46,386	3,749	45,509	714	4,364,803	62,491	17,541	207,032
Total liabilities and fund balances	\$ 5,224,557	\$ 65,828	\$ 5,999	\$ 2,601,230	\$ 714	\$ 4,431,718	\$ 81,421	\$ 27,825	\$ 2,171,375

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

Special Revenue

	ERDA	Section 8 Housing- Voucher	Regional Correction Center	Sheriff's Investigative Fund	Environmental Health	Grants Fund	Law Enforcement Block Grants	Clerk's Recording & Filing	Community Service	Industrial Revenue Bonds	Special Revenue Total
ASSETS											
Cash and investments	\$ 402,952	\$ 1,036,069	\$ 2,688,247	\$ 804,871	\$ 3,063,415	\$ -	\$ 134,838	\$ 1,114,125	\$ 227,765	\$ 798,643	\$ 15,771,910
Accounts receivable, net	430	1,620	2,927,137	-	709,466	450	2,177	2,636	50,290	93,051	6,428,911
Accrued interest receivable	5,009	-	-	-	-	-	955	-	-	-	5,964
Notes receivable	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	145,411	-	-	-	-	145,573
Due from grantor	-	-	-	-	-	9,510,475	102,304	-	-	-	16,080,645
Cash-restricted	-	-	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	133,361	-	-	-	-	-	133,361
Total assets	\$ 408,391	\$ 1,037,689	\$ 5,615,384	\$ 804,871	\$ 3,906,242	\$ 9,656,336	\$ 240,274	\$ 1,116,761	\$ 278,055	\$ 891,694	\$ 38,566,364
LIABILITIES											
Accounts payable	\$ 10,668	\$ 202,762	\$ 1,299,134	\$ -	\$ 308,043	\$ 2,374,253	\$ -	\$ -	\$ -	\$ 50,710	\$ 7,453,453
Retainage payable	-	-	-	-	-	159,239	-	-	-	-	159,239
Accrued payroll	-	21,643	-	-	1,168	48,450	-	-	-	-	161,959
Unearned revenue	-	5,817	-	-	151,859	913,808	240,274	-	-	-	2,981,185
Due to other funds	-	420,060	-	-	-	4,763,586	-	-	-	-	9,978,080
Due to grantor	-	239,206	-	-	-	-	-	-	-	-	239,206
Advances from other funds	-	-	-	-	-	1,397,000	-	-	-	-	1,497,000
Total liabilities	10,668	899,488	1,299,134	-	461,070	9,656,336	240,274	-	-	50,710	22,470,122
FUND BALANCES											
Reserved for:											
Advances to other funds	-	-	-	-	133,361	-	-	-	-	-	133,361
Debt service	-	-	-	-	-	-	-	-	-	-	-
Encumbrances	13,094	-	-	-	326,914	7,890,875	16,679	74,162	14,000	53,442	10,169,790
Note receivable	-	-	-	-	-	-	-	-	-	-	-
Detox service	-	-	-	-	-	-	-	-	-	-	-
Unreserved (deficit):											
Undesignated	384,629	148,201	4,316,250	804,871	2,984,897	(7,890,875)	(16,679)	1,042,599	264,055	787,542	4,893,091
Total fund balances (deficit)	397,723	148,201	4,316,250	804,871	3,445,172	-	-	1,116,761	278,055	840,984	16,096,242
Total liabilities and fund balances	\$ 408,391	\$ 1,037,689	\$ 5,615,384	\$ 804,871	\$ 3,906,242	\$ 9,656,336	\$ 240,274	\$ 1,116,761	\$ 278,055	\$ 891,694	\$ 38,566,364

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

	Debt Service					
	General Obligation Bond Debt Service	Series 1996 Debt Service	Refunding Series 1998 Debt Service	Refunding Series 1998 Reserve	Series 1996B Debt Service	Series 1997 Debt Service
ASSETS						
Cash and investments	\$ 4,112,909	\$ 58	\$ 533	\$ -	\$ 203,597	\$ 6,684
Accounts receivable, net	712,815	-	-	-	-	-
Accrued interest receivable	46,002	-	65,829	-	81,354	21,802
Notes receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from grantor	-	-	-	-	-	-
Cash-restricted	-	-	-	4,615,582	-	-
Advances to other funds	-	-	-	-	-	-
Total assets	\$ 4,871,726	\$ 58	\$ 66,362	\$ 4,615,582	\$ 284,951	\$ 28,486
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-	-
Accrued payroll	-	-	-	-	-	-
Unearned revenue	594,032	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to grantor	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	594,032					
FUND BALANCES						
Reserved for:						
Advances to other funds	-	58	-	-	-	-
Debt service	4,277,694	-	66,362	4,615,582	284,951	28,486
Encumbrances	-	-	-	-	-	-
Note receivable	-	-	-	-	-	-
Detox service	-	-	-	-	-	-
Unreserve:						
Undesignated	-	-	-	-	-	-
Total fund balances (deficit)	4,277,694	58	66,362	4,615,582	284,951	28,486
Total liabilities and fund balances	\$ 4,871,726	\$ 58	\$ 66,362	\$ 4,615,582	\$ 284,951	\$ 28,486

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

	Debt Service				Capital Projects			
	Refunding Series 2005 Debt Service	Refunding Series 2005 Reserve	Series 2004 Debt Service	Debt Service Total	2004 Revenue Bond	Water/ Wastewater	Library	
ASSETS								
Cash and investments	\$ -	\$ -	\$ -	\$ 4,323,781	\$ 836,725	\$ 16,998,781	\$ 99,093	
Accounts receivable, net	-	-	-	712,815	-	-	-	
Accrued interest receivable	-	-	-	288,931	9,335	178,853	1,026	
Notes receivable	69,525	-	2,419	-	-	-	-	
Due from other funds	-	-	-	-	-	-	-	
Due from grantor	-	-	-	-	-	4,099,007	-	
Cash-restricted	1,693,500	4,933,749	-	16,681,279	-	-	-	
Advances to other funds	-	-	-	-	-	-	-	
Total assets	\$ 1,693,500	\$ 4,933,749	\$ 2,419	\$ 22,004,806	\$ 846,060	\$ 21,276,641	\$ 100,119	
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,604,738	\$ -	
Retainage payable	-	-	-	-	-	637,545	-	
Accrued payroll	-	-	-	-	-	1,487	-	
Unearned revenue	-	-	-	594,032	-	2,370,400	-	
Due to other funds	-	-	142,532	208,530	-	-	-	
Due to grantor	-	-	-	-	-	-	-	
Advances from other funds	-	-	-	-	-	-	-	
Total liabilities	-	-	142,532	802,562	-	4,614,170	-	
FUND BALANCES								
Reserved for:								
Advances to other funds	-	-	-	-	-	-	-	
Debt service	1,693,500	4,933,749	(140,113)	21,202,244	53,049	13,468,761	5,166	
Encumbrances	-	-	-	-	-	-	-	
Note receivable	-	-	-	-	-	-	-	
Detox service	-	-	-	-	-	-	-	
Unreserve:								
Undesignated	-	-	-	-	793,011	3,193,710	94,953	
Total fund balances (deficit)	1,693,500	4,933,749	(140,113)	21,202,244	846,060	16,662,471	100,119	
Total liabilities and fund balances	\$ 1,693,500	\$ 4,933,749	\$ 2,419	\$ 22,004,806	\$ 846,060	\$ 21,276,641	\$ 100,119	

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

Capital Projects

	Road Support Services	Storm Sewer Construction	Juvenile Center Bonds	Facilities Bonds	Parks & Recreation Bonds	Open Space
ASSETS						
Cash and investments	\$ 988,888	\$ 1,319,492	\$ 48,433	\$ 633,709	\$ 1,869,138	\$ 12,691,072
Accounts receivable, net	-	-	-	-	-	184,049
Accrued interest receivable	11,248	17,867	512	6,549	20,048	-
Notes receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from grantor	-	2,928,417	-	-	-	-
Cash-restricted	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Total assets	\$ 1,000,136	\$ 4,265,776	\$ 48,945	\$ 640,258	\$ 1,889,186	\$ 12,875,121
LIABILITIES						
Accounts payable	\$ 60,250	\$ 630,508	\$ 2,585	\$ 477	\$ 8,758	\$ 139,710
Retainage payable	-	-	-	-	-	31,126
Accrued payroll	-	-	-	-	-	4,895
Unearned revenue	-	277,550	-	-	-	148,353
Due to other funds	-	-	-	-	-	-
Due to grantor	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	60,250	908,058	2,585	477	8,758	324,084
FUND BALANCES						
Reserved for:						
Advances to other funds	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Encumbrances	225,563	547,384	8,339	131,539	1,290,698	183,740
Note receivable	-	-	-	-	-	-
Detox service	-	-	-	-	-	-
Unreserved:						
Undesignated	714,323	2,810,334	38,021	508,242	589,730	12,367,297
Total fund balances (deficit)	939,886	3,357,718	46,360	639,781	1,880,428	12,551,037
Total liabilities and fund balances	\$ 1,000,136	\$ 4,265,776	\$ 48,945	\$ 640,258	\$ 1,889,186	\$ 12,875,121

The notes to the financial statements are an integral part of this statement. 78

Capital Projects

	1998 Refunding Revenue Bond	Sheriff's Improvement Bond	Road Construction	Impact Fees	Public Health	1997 Revenue Bond	Capital Projects Total	Total Nonmajor Governmental Funds
ASSETS								
Cash and investments	\$ -	\$ 2,338,481	\$ 3,346,888	\$ 5,563,463	\$ 2,046,050	\$ 52,263	\$ 48,832,476	\$ 68,928,167
Accounts receivable, net	-	-	-	-	-	-	184,049	7,325,775
Accrued interest receivable	-	24,233	28,690	57,721	21,498	-	377,580	670,475
Notes receivable	-	-	66,010	-	-	-	66,010	66,010
Due from other funds	-	-	-	-	-	-	-	145,573
Due from grantor	-	-	6,836,328	-	-	-	13,863,752	29,944,397
Cash-restricted	-	-	-	-	-	-	-	16,681,279
Advances to other funds	-	-	-	-	-	-	-	133,361
Total assets	\$ -	\$ 2,362,714	\$ 10,277,916	\$ 5,621,184	\$ 2,067,548	\$ 52,263	\$ 63,323,867	\$ 123,895,037

LIABILITIES								
Accounts payable	\$ -	\$ 22,266	\$ 1,189,290	\$ 74,549	\$ 2,938	\$ 726	\$ 3,736,795	\$ 11,190,248
Retainage payable	-	-	1,137,852	-	-	-	1,806,523	1,965,762
Accrued payroll	-	-	-	-	-	-	6,382	168,341
Unearned revenue	-	-	2,128,779	-	-	-	4,925,082	8,500,299
Due to other funds	-	-	-	-	-	-	-	10,186,610
Due to grantor	-	-	-	-	-	-	-	239,206
Advance from other funds	-	-	-	-	-	-	-	1,497,000
Total liabilities	-	22,266	4,455,921	74,549	2,938	726	10,474,782	33,747,466

FUND BALANCES								
Reserved for:								
Advances to other funds	-	-	-	-	-	-	-	133,361
Debt service	-	-	-	-	-	-	-	21,202,244
Encumbrances	-	465,520	1,463,150	714,011	2,881,559	6,178	21,444,657	31,614,447
Note receivable	-	-	66,010	-	-	-	66,010	66,010
Detox service	-	-	-	-	-	-	-	900,000
Unreserved (deficit):								
Undesignated	-	1,874,928	4,292,835	4,832,624	(816,949)	45,359	31,338,418	36,231,509
Total fund balances (deficit)	-	2,340,448	5,821,995	5,546,635	2,064,610	51,537	52,849,085	90,147,571
Total liabilities and fund balances	\$ -	\$ 2,362,714	\$ 10,277,916	\$ 5,621,184	\$ 2,067,548	\$ 52,263	\$ 63,323,867	\$ 123,895,037

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2007

Special Revenue

	Public Works Grants	Emergency Medical Services	Recreation	DWI Services	Farm and Range	Valuation	Fire Districts	Law Enforcement Protection	County Indigent
REVENUES									
Taxes:									
Property Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,448,364
Cigarette	-	-	2,128	-	-	-	-	-	-
Intergovernmental	3,690,306	225,574	-	3,256,323	162	-	978,505	176,400	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Fees for services	-	-	-	-	-	4,184,078	-	-	-
Investment income	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	964,287	-	-	-	-	-
Total revenues	<u>3,690,306</u>	<u>225,574</u>	<u>2,128</u>	<u>4,220,620</u>	<u>162</u>	<u>4,184,078</u>	<u>978,505</u>	<u>176,400</u>	<u>4,448,364</u>
EXPENDITURES									
Current									
General government	-	-	-	4,531,902	-	3,285,656	-	-	-
Public works	3,690,306	-	-	-	-	-	-	-	-
Public safety	-	206,003	-	-	-	-	922,741	198,131	-
Health and welfare	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	2,250	-	-	-	-	-	4,509,678
Capital outlay	-	-	-	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	<u>3,690,306</u>	<u>206,003</u>	<u>2,250</u>	<u>4,531,902</u>	-	<u>3,285,656</u>	<u>922,741</u>	<u>198,131</u>	<u>4,509,678</u>
Excess (deficiency) of revenues over (under) expenditures	-	19,571	(122)	(311,282)	162	898,422	55,764	(21,731)	(61,314)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	413,491	-	-	21,533	-	-
Transfers out	-	-	-	(56,700)	-	-	-	-	-
Bonds issued	-	-	-	-	-	-	-	-	-
Discount on bonds issued	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	356,791	-	-	21,533	-	-
Net changes in fund balances	-	19,571	(122)	45,509	162	898,422	77,297	(21,731)	(61,314)
Fund balances (deficit) - beginning	-	26,815	3,871	-	552	3,466,381	(14,806)	39,272	268,346
Fund balances (deficit) - ending	<u>\$ -</u>	<u>\$ 46,386</u>	<u>\$ 3,749</u>	<u>\$ 45,509</u>	<u>\$ 714</u>	<u>\$ 4,364,803</u>	<u>\$ 62,491</u>	<u>\$ 17,541</u>	<u>\$ 207,032</u>

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2007

Special Revenue

	ERDA	Section 8 Housing- Voucher	Regional Correction Center	Sheriff's Investigative Fund	Environmental Health	Grants Funds	Law Enforcement Block Grants	Clerk's Recording & Filing	Community Service	Industrial Revenue Bonds	Special Revenue Total
REVENUES											
Taxes:											
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	2,582,789	-	-	-	-	-	7,031,153
Cigarette	-	-	-	-	-	-	-	-	-	-	2,128
Intergovernmental	-	11,980,819	-	705,876	-	13,825,981	61,675	-	-	-	34,901,621
Licenses and permits	-	-	-	-	-	-	-	740,470	-	-	740,470
Fees for services	-	-	16,953,243	-	-	-	-	-	-	-	21,137,321
Investment income	48,113	51,385	-	-	-	-	-	-	-	-	99,498
Miscellaneous	101,734	80	1,560,100	-	5,930	59,005	-	-	-	751,948	3,567,211
Total revenues	149,847	12,032,284	18,513,343	705,876	2,588,719	13,884,986	61,675	740,470	124,117	751,948	67,479,402
EXPENDITURES											
Current:											
General government	-	-	-	-	-	591,760	-	573,186	-	477,207	9,459,711
Public works	-	-	-	-	-	17,536	-	-	-	-	3,707,842
Public safety	430,428	-	15,362,345	389,005	-	3,990,373	61,675	-	-	-	21,500,701
Health and welfare	-	12,127,977	-	-	1,937,166	4,328,532	-	-	88,973	-	22,993,326
Culture and recreation	-	-	-	-	-	5,015,785	-	-	-	-	5,018,035
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Bond issuance cost	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	430,428	12,127,977	15,362,345	389,005	1,937,166	13,884,986	61,675	573,186	88,973	477,207	62,679,615
Excess (deficiency) of revenues over (under) expenditures	(280,581)	(95,693)	3,150,998	316,871	651,553	-	-	167,284	35,144	274,741	4,799,787
OTHER FINANCING SOURCES (USES)											
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	632,838	-	-	-	-	2,064	-	-	1,069,926
Bonds issued	(21,533)	-	(632,838)	-	-	-	-	-	-	-	(711,071)
Discount on bonds issued	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(21,533)	-	-	-	-	-	-	2,064	-	-	358,855
Net changes in fund balances	(302,114)	(95,693)	3,150,998	316,871	651,553	-	-	169,348	35,144	274,741	5,158,642
Fund balances (deficit) - beginning	699,837	243,894	1,165,252	488,000	2,793,619	-	-	947,413	242,911	566,243	10,937,600
Fund balances (deficit) - ending	\$ 397,723	\$ 148,201	\$ 4,316,250	\$ 804,871	\$ 3,445,172	\$ -	\$ -	\$ 1,116,761	\$ 278,055	\$ 840,984	\$ 16,096,242

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2007

	Debt Service							
	General Obligation Service	Series 1996 Debt Service	Refunding		Refunding		Series 1996B Debt Service	Series 1997 Debt Service
			Series 1998 Debt Service	Series 1998 Reserve	Series 1998 Reserve	Series 1996B Reserve		
REVENUES								
Taxes:								
Property	\$ 9,715,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-	-	-	-
Cigarette	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fees for services	-	-	-	-	-	-	-	-
Investment income	160,037	-	273,020	-	-	334,476	-	92,399
Miscellaneous	-	-	-	-	-	-	-	815,832
Total revenues	9,875,898	-	273,020	-	-	334,476	-	908,231
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	4,895,000	-	1,475,000	-	-	485,000	-	1,000,000
Interest	3,691,782	-	2,506,161	-	-	3,092,093	-	668,500
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	8,586,782	-	3,981,161	-	-	3,577,093	-	1,668,500
Excess (deficiency) of revenues over (under) expenditures	1,289,116	-	(3,708,141)	-	-	(3,242,617)	-	(760,269)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	3,981,161	-	-	3,577,093	-	855,436
Transfers out	-	(2,088)	(306,119)	-	-	(136,471)	-	(86,833)
Bonds issued	-	-	-	-	-	-	-	-
Discount on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(2,088)	3,675,042	-	-	3,440,622	-	768,603
Net changes in fund balances	1,289,116	(2,088)	(33,099)	-	-	198,005	-	8,334
Fund balances (deficit) - beginning	2,988,578	2,146	99,461	-	-	86,946	-	20,152
Fund balances (deficit) - ending	\$ 4,277,694	\$ 58	\$ 66,362	\$ 4,615,582	\$ 4,615,582	\$ 284,951	\$ 5,438,448	\$ 28,486

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2007

	Refunding				Debt Service			Capital Projects		
	Series 1997 Reserve	Series 2005 Debt Service	Refunding Series 2005 Reserve	Series 2004 Debt Service	Debt Service Total	2004 Revenue Bond	Water/Wastewater Fund	Library		
REVENUES										
Taxes:										
Property	\$ -	\$ -	\$ -	\$ -	\$ 9,715,861	\$ -	\$ -	\$ -		
Sales	-	-	-	-	-	-	-	-		
Cigarette	-	-	-	-	-	-	-	-		
Intergovernmental	-	-	-	-	-	-	18,220,146	-		
Licenses and permits	-	-	-	-	-	-	-	-		
Fees for services	-	-	-	-	-	-	-	-		
Investment income	-	139,831	-	28,448	1,028,211	18,335	1,129,708	25,326		
Miscellaneous	-	-	-	-	815,832	-	-	-		
Total revenues	-	139,831	-	28,448	11,559,904	18,335	19,349,854	25,326		
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-		
Public works	-	-	-	-	-	-	-	-		
Public safety	-	-	-	-	-	-	-	-		
Health and welfare	-	-	-	-	-	-	-	-		
Culture and recreation	-	-	-	-	-	-	-	-		
Capital outlay	-	-	-	-	-	-	-	946,154		
Debt service:										
Principal	-	2,550,000	-	500,000	10,905,000	-	-	-		
Interest	-	2,443,225	-	532,837	12,934,598	-	-	-		
Bond issuance cost	-	-	-	-	-	-	-	-		
Total expenditures	-	4,993,225	-	1,032,837	23,839,598	1,198,282	18,900,141	946,154		
Excess (deficiency) of revenues over (under) expenditures	-	(4,853,394)	-	(1,004,389)	(12,279,694)	(1,179,947)	449,713	(920,828)		
OTHER FINANCING SOURCES (USES)										
Transfers in	-	4,993,225	-	632,838	14,039,753	43,752	6,480	-		
Bonds issued	-	(238,728)	-	(632,838)	(1,403,077)	-	-	-		
Discount on bonds issued	-	-	-	-	-	-	-	-		
Total other financing sources (uses)	-	4,754,497	-	-	12,636,676	43,752	6,480	-		
Net changes in fund balances	-	(98,897)	-	(1,004,389)	356,982	(1,136,195)	456,193	(920,828)		
Fund balances (deficit) - beginning	1,693,500	102,424	4,933,749	864,276	20,845,262	1,982,255	16,206,278	1,020,947		
Fund balances (deficit) - ending	\$ 1,693,500	\$ 3,527	\$ 4,933,749	\$ (140,113)	\$ 21,202,244	\$ 846,060	\$ 16,662,471	\$ 100,119		

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2007

		Capital Projects						
		Road Support Services	1996B Revenue Bond	Storm Sewer Construction Bonds	Juvenile Center Bonds	Facilities Bonds	Parks & Recreation	Open Space
REVENUES								
Taxes:								
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,936,873
Sales	-	-	-	-	-	-	-	-
Cigarette	-	-	-	-	-	-	-	-
Intergovernmental	1,740,000	-	5,676,533	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fees for services	-	-	-	-	-	-	-	-
Investment income	89,430	-	132,766	4,061	42,684	153,507	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>1,829,430</u>		<u>5,809,299</u>	<u>4,061</u>	<u>42,684</u>	<u>153,507</u>		<u>21,253</u>
								<u>2,958,126</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	3,680,485	6,339	7,352,497	23,803	21,211	1,612,309	1,181,121	-
Debt service:								
Principal	1,689,320	-	-	-	-	-	-	-
Interest	50,680	-	-	31,025	-	1,519	-	-
Bond issuance cost	-	-	-	-	-	-	-	-
Total expenditures	<u>5,420,485</u>	<u>6,339</u>	<u>7,383,522</u>	<u>23,803</u>	<u>22,730</u>	<u>1,630,149</u>	<u>1,181,121</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(3,591,055)</u>	<u>(6,339)</u>	<u>(1,574,223)</u>	<u>(19,742)</u>	<u>19,954</u>	<u>(1,476,642)</u>	<u>1,777,005</u>	
OTHER FINANCING SOURCES (USES)								
Transfers in	5,000	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Bonds issued	-	-	4,065,000	-	200,000	2,349,000	-	-
Discount on bonds issued	-	-	(24,768)	-	(1,213)	(14,243)	-	-
Total other financing sources (uses)	<u>5,000</u>		<u>4,060,232</u>		<u>198,787</u>	<u>2,334,757</u>		
Net changes in fund balances	<u>(3,586,055)</u>	<u>(6,339)</u>	<u>2,486,009</u>	<u>(19,742)</u>	<u>218,741</u>	<u>858,115</u>	<u>1,777,005</u>	
Fund balances (deficit) - beginning	<u>4,525,941</u>	<u>6,339</u>	<u>871,709</u>	<u>66,102</u>	<u>421,040</u>	<u>1,022,313</u>	<u>10,774,032</u>	
Fund balances (deficit) - ending	<u>\$ 939,886</u>	<u>\$ -</u>	<u>\$ 3,357,718</u>	<u>\$ 46,360</u>	<u>\$ 639,781</u>	<u>\$ 1,880,428</u>	<u>\$ 12,551,037</u>	

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2007

Capital Projects

	1998 Refunding Revenue Bond	Sheriff's Improvement Bond	Road Construction	Impact Fees	Public Health	1997 Revenue Bond	Total Capital Projects	Total Nonmajor Governmental Funds
REVENUES								
Taxes:								
Property Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,936,873	\$ 12,652,734
Cigarette	-	-	-	-	-	-	-	7,031,153
Intergovernmental	-	-	6,965,580	-	-	-	32,602,259	2,128
Licenses and permits	-	-	-	-	-	-	-	67,503,880
Fees for services	-	-	-	1,193,487	-	-	1,193,487	740,470
Investment income	-	171,272	341,690	426,759	155,414	3,171	2,694,123	22,330,808
Miscellaneous	-	-	-	-	-	-	21,253	3,821,832
Total revenues	-	171,272	7,307,270	1,620,246	155,414	3,171	39,447,995	4,404,296
								118,487,301
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	9,459,711
Public works	-	-	-	-	-	-	-	3,707,842
Public safety	-	-	-	-	-	-	-	21,500,701
Health and welfare	-	-	-	-	-	-	-	22,993,326
Culture and recreation	-	-	-	-	-	-	-	5,018,035
Capital outlay	1,332	1,191,361	9,064,461	2,912,929	208,032	16,600	48,317,057	48,317,057
Debt service:								
Principal	-	-	-	-	-	-	1,689,320	12,594,320
Interest	-	-	-	-	-	-	50,680	12,985,278
Bond issuance cost	-	5,164	20,400	-	-	-	75,948	75,948
Total expenditures	1,332	1,196,525	9,084,861	2,912,929	208,032	16,600	50,133,005	136,652,218
Excess (deficiency) of revenues over (under) expenditures	(1,332)	(1,025,253)	(1,777,591)	(1,292,683)	(52,618)	(13,429)	(10,685,010)	(18,164,917)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	55,232	15,164,911
Transfers out	-	-	-	-	-	-	-	(2,114,148)
Bonds issued	-	680,000	2,686,000	-	-	-	10,000,000	10,000,000
Discount on bonds issued	-	(4,123)	(16,286)	-	-	-	(60,633)	(60,633)
Total other financing sources (uses)	-	675,877	2,669,714	-	-	-	9,994,599	22,990,130
Net changes in fund balances	(1,332)	(349,376)	892,123	(1,292,683)	(52,618)	(13,429)	(690,411)	4,825,213
Fund balances (deficit) - beginning	1,332	2,689,824	4,929,872	6,839,318	2,117,228	64,966	53,539,496	85,322,358
Fund balances (deficit) - ending	-	\$ 2,340,448	\$ 5,821,995	\$ 5,546,635	\$ 2,064,610	\$ 51,537	\$ 52,849,085	\$ 90,147,571

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

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
EMERGENCY MEDICAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 260,524	\$ 260,524	\$ 225,574	\$ (34,950)
Prior year cash balance budgeted	62,897	62,897		
Total budget	<u>323,421</u>	<u>323,421</u>		
Expenditures:				
Public safety:				
EMS-Fire District #1				
Operating expenses	14,466	9,946	9,946	-
Prior year carryover	13	-	-	-
	<u>14,479</u>	<u>9,946</u>	<u>9,946</u>	<u>-</u>
EMS-Fire District #2				
Operating expenses	15,894	7,127	7,075	52
Capital Outlay	3,406	-	-	-
	<u>19,300</u>	<u>7,127</u>	<u>7,075</u>	<u>52</u>
EMS-Fire Districts #3				
Operating expenses	16,657	7,869	7,869	-
Capital Outlay	3,343	-	-	-
	<u>20,000</u>	<u>7,869</u>	<u>7,869</u>	<u>-</u>
EMS-Fire District #4				
Operating expenses	10,218	6,000	6,000	-
Capital Outlay	2,629	-	-	-
Prior year carryover	7	3	3	-
	<u>12,854</u>	<u>6,003</u>	<u>6,003</u>	<u>-</u>
EMS-Fire District #5				
Operating expenses	9,010	2,800	2,800	-
Prior year carryover	6	-	-	-
	<u>9,016</u>	<u>2,800</u>	<u>2,800</u>	<u>-</u>
EMS-Fire District #6				
Operating expenses	9,427	3,500	3,495	5
Prior year carryover	5	3	3	-
	<u>9,432</u>	<u>3,503</u>	<u>3,498</u>	<u>5</u>
EMS-Fire District #7				
Operating expenses	18,474	-	-	-
	<u>18,474</u>	<u>-</u>	<u>-</u>	<u>-</u>
EMS- Fire District #8				
Operating expenses	10,500	3,500	3,500	-
Capital Outlay	1,612	-	-	-
Prior year carryover	3	3	3	-
	<u>12,115</u>	<u>3,503</u>	<u>3,503</u>	<u>-</u>
EMS-Fire District #9				
Operating expenses	16,599	2,212	2,212	-
Prior year carryover	156	-	-	-
	<u>16,755</u>	<u>2,212</u>	<u>2,212</u>	<u>-</u>
EMS- Fire District #10				
Operating expenses	10,000	7,594	7,589	5
Capital outlay	1,297	-	-	-
Prior year carryover	1	-	-	-
	<u>11,298</u>	<u>7,594</u>	<u>7,589</u>	<u>5</u>
EMS- Fire District #11				
Operating expenses	8,293	1,932	1,932	-
Prior year carryover	19	3	3	-
	<u>8,312</u>	<u>1,935</u>	<u>1,935</u>	<u>-</u>

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
EMERGENCY MEDICAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EMS- Fire District #13				
Operating expenses	9,574	3,332	3,332	-
Prior year carryover	2	-	-	-
	<u>9,576</u>	<u>3,332</u>	<u>3,332</u>	<u>-</u>
Superior Ambulance				
Operating expenses	3,500	3,500	-	3,500
Capital outlay	16,500	16,500	-	16,500
Prior year carryover	17,311	17,311	13,657	3,654
	<u>37,311</u>	<u>37,311</u>	<u>13,657</u>	<u>23,654</u>
Canoncito Ambulance Service				
Operating expenses	8,489	8,022	6,494	1,528
Prior year carryover	621	621	621	-
	<u>9,110</u>	<u>8,643</u>	<u>7,115</u>	<u>1,528</u>
Lifeguard				
Operating expenses	6,602	4,602	-	4,602
Capital outlay	13,000	5,543	-	5,543
Prior year carryover	23,896	23,896	17,270	6,626
	<u>43,498</u>	<u>34,041</u>	<u>17,270</u>	<u>16,771</u>
Isleta Pueblo				
Operating expenses	9,500	3,315	1,253	2,062
Capital outlay	3,000	9,135	9,135	-
Prior year carryover	3,711	3,711	3,711	-
	<u>16,211</u>	<u>16,161</u>	<u>14,099</u>	<u>2,062</u>
Wings of Life				
Operating expenses	10,034	7,796	7,652	144
Capital outlay	-	1,320	1,320	-
Prior year carryover	155	155	155	-
	<u>10,189</u>	<u>9,271</u>	<u>9,127</u>	<u>144</u>
Albuquerque Ambulance				
Operating expenses	20,000	20,000	20,000	-
	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Fire Paramedic Unit				
Operating expenses	-	78,986	72,915	6,071
Capital outlay	-	4,039	-	4,039
Prior year carryover	16,991	52,141	17,191	34,950
	<u>16,991</u>	<u>135,166</u>	<u>90,106</u>	<u>45,060</u>
Aircare International				
Operating expenses	8,500	7,004	-	7,004
	<u>8,500</u>	<u>7,004</u>	<u>-</u>	<u>7,004</u>
Total expenditures	<u>323,421</u>	<u>323,421</u>	<u>227,136</u>	<u>96,285</u>
Deficiency of revenues over expenditures			<u>\$ (1,562)</u>	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
RECREATION
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,800	\$ 1,800	\$ 1,729	\$ (71)
Prior year cash balance budget	2,077	2,077		
Total budget	<u>3,877</u>	<u>3,877</u>		
Expenditures:				
Culture and recreation:				
Capital outlay	<u>3,877</u>	<u>3,877</u>	-	<u>3,877</u>
Excess of revenues over expenditures			<u>\$ 1,729</u>	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
DWI SERVICES
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental:				
Administration	\$ 2,415,095	\$ 3,037,074	\$ 2,395,112	\$ (641,962)
DWI Grant	242,000	242,000	30,481	(211,519)
Detox-MATS	1,700,000	1,700,000	871,317	(828,683)
Traffic Safety	146,080	146,080	92,179	(53,901)
Meth Mobile Crisis	-	400,000	220,000	(180,000)
Miscellaneous				
MATS Rental	-	115,200	64,297	(50,903)
Safe Ride Donations	3,000	3,000	-	(3,000)
Medical Detox	-	900,000	300,000	(600,000)
Total Revenues	<u>4,508,175</u>	<u>6,543,354</u>	<u>3,973,386</u>	<u>(2,569,968)</u>
Other financing sources				
Transfer In	<u>413,491</u>	<u>413,491</u>	<u>413,491</u>	<u>-</u>
Total Revenues and other financing sources	<u>4,919,666</u>	<u>6,956,845</u>	<u>4,386,877</u>	<u>(2,569,968)</u>
Prior year cash balance budget	-	56,700		
Total Budget	<u>4,919,666</u>	<u>7,013,545</u>		
Expenditures:				
Public safety:				
Administration				
Operating expenses	1,215,095	1,625,074	938,309	686,765
Capital outlay	-	212,000	59,068	152,932
	<u>1,215,095</u>	<u>1,837,074</u>	<u>997,377</u>	<u>839,697</u>
Addictions Treatment Program				
Operating expenses	1,186,490	1,099,387	767,485	311,902
Capital outlay	13,510	99,613	3,339	96,274
	<u>1,200,000</u>	<u>1,199,000</u>	<u>790,824</u>	<u>408,176</u>
DWI Grant				
Operating expenses	242,000	242,000	114,962	127,038
Detox-MATS				
Operating expenses	1,700,000	1,557,045	1,200,356	356,689
Capital outlay	-	142,955	1,125	141,830
	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,201,481</u>	<u>498,519</u>
Traffic Safety				
Operating expenses	146,080	146,080	130,018	16,062
Meth Mobile Crises				
Operating expenses	-	325,332	15,743	309,589
Capital outlay	-	75,668	5,917	69,751
	<u>-</u>	<u>401,000</u>	<u>21,660</u>	<u>379,340</u>
Miscellaneous				
MATS Rental				
Operating expenses	356,791	482,339	348,373	133,966
Prior year carryover	-	46,352	-	46,352
	<u>356,791</u>	<u>528,691</u>	<u>348,373</u>	<u>180,318</u>

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
DWI SERVICES
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Safe Ride Donations				
Operating expenses	3,000	3,000	550	2,450
Medical Detox				
Prior year carryover	-	900,000	-	900,000
Total expenditures	<u>4,862,966</u>	<u>6,956,845</u>	<u>3,605,245</u>	<u>3,351,600</u>
Other Financing Uses				
Transfer out	56,700	56,700	56,700	-
Total expenditures and other financing uses	<u>4,919,666</u>	<u>7,013,545</u>	<u>3,661,945</u>	<u>3,351,600</u>
Excess of revenues and other financing sources over expenditures and other financing uses			<u>\$ 724,932</u>	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
FARM AND RANGE
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 151	\$ 151	\$ 162	\$ 11
Expenditures:				
General government	100	100	-	100
Excess of revenues over expenditures			<u>\$ 162</u>	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
VALUATION
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Fees for services	\$ 3,700,000	\$ 3,700,000	\$ 4,184,078	\$ 484,078
Prior year cash balance budget	1,262,260	1,262,260		
Total budget	<u>4,962,260</u>	<u>4,962,260</u>		
Expenditures:				
General government				
Salaries and benefits	1,820,781	1,820,781	1,526,674	294,107
Operating expenses	3,141,479	3,141,479	1,791,093	1,350,386
Total expenditures	<u>4,962,260</u>	<u>4,962,260</u>	<u>3,317,767</u>	<u>1,644,493</u>
Excess of revenues over expenditures			<u>\$ 866,311</u>	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
FIRE DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Other financing sources				
Transfer in	\$ 21,533	\$ 21,533	\$ 21,533	\$ -
Prior year cash balance budget	988,062	988,062		
Total budget	<u>1,009,595</u>	<u>1,009,595</u>		
Expenditures:				
Public safety:				
Fire District #1:				
Operating expenses	44,100	15,666	14,554	1,112
Capital outlay	17,567	-	-	-
Prior year carryover	599	281	281	-
	<u>62,266</u>	<u>15,947</u>	<u>14,835</u>	<u>1,112</u>
Fire District #2:				
Operating expenses	66,887	17,899	15,665	2,234
Capital outlay	17,392	-	-	-
Prior year carryover	1,108	140	140	-
	<u>85,387</u>	<u>18,039</u>	<u>15,805</u>	<u>2,234</u>
Fire Districts #3:				
Operating expenses	44,442	11,648	10,811	837
Capital outlay	17,225	-	-	-
Prior year carryover	-	57	57	-
	<u>61,667</u>	<u>11,705</u>	<u>10,868</u>	<u>837</u>
Fire District #4:				
Operating expenses	44,750	8,130	7,666	464
Capital outlay	16,917	-	-	-
	<u>61,667</u>	<u>8,130</u>	<u>7,666</u>	<u>464</u>
Fire District #5:				
Operating expenses	66,887	13,479	13,090	389
Capital outlay	17,392	-	-	-
Prior year carryover	680	50	50	-
	<u>84,959</u>	<u>13,529</u>	<u>13,140</u>	<u>389</u>
Fire District #6:				
Operating expenses	58,264	21,320	19,307	2,013
Capital outlay	48,627	-	-	-
	<u>106,891</u>	<u>21,320</u>	<u>19,307</u>	<u>2,013</u>
Fire District #7:				
Operating expenses	44,442	23,486	22,747	739
Capital outlay	17,225	73,331	67,480	5,851
Prior year carryover	6,845	16,949	16,949	-
	<u>68,512</u>	<u>113,766</u>	<u>107,176</u>	<u>6,590</u>
Fire District #8:				
Operating expenses	75,279	90,992	73,838	17,154
Capital outlay	9,000	1,761	1,761	-
Prior year carryover	1,220	516	516	-
	<u>85,499</u>	<u>93,269</u>	<u>76,115</u>	<u>17,154</u>
Fire District #9:				
Operating expenses	47,667	32,767	25,772	6,995
Capital outlay	14,000	-	-	-
Prior year carryover	431	-	-	-
	<u>62,098</u>	<u>32,767</u>	<u>25,772</u>	<u>6,995</u>

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
FIRE DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Fire District #10:				
Operating expenses	44,800	31,763	29,816	1,947
Capital outlay	16,867	-	-	-
Prior year carryover	3,828	778	778	-
	<u>65,495</u>	<u>32,541</u>	<u>30,594</u>	<u>1,947</u>
Fire District #11:				
Operating expenses	75,279	39,499	38,165	1,334
Capital outlay	9,000	-	-	-
Prior year carryover	2,066	1,468	1,468	-
	<u>86,345</u>	<u>40,967</u>	<u>39,633</u>	<u>1,334</u>
Fire District #13:				
Operating expenses	47,000	16,506	12,509	3,997
Capital outlay	14,667	-	-	-
Prior year carryover	179	115	115	-
	<u>61,846</u>	<u>16,621</u>	<u>12,624</u>	<u>3,997</u>
Miscellaneous:				
Operating expenses	81,667	455,238	433,630	21,608
Capital outlay	21,162	125,020	109,655	15,365
Prior year carryover	14,134	10,736	10,736	-
	<u>116,963</u>	<u>590,994</u>	<u>554,021</u>	<u>36,973</u>
Total expenditures	<u>1,009,595</u>	<u>1,009,595</u>	<u>927,556</u>	<u>82,039</u>

Deficiency of other financing sources
over expenditures

\$ (906,023)

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
LAW ENFORCEMENT PROTECTION
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ 177,600	\$ 177,600	\$ 176,400	\$ (1,200)
Prior year cash balance budget	57,356	57,356		
Total budget	<u>234,956</u>	<u>234,956</u>		
Expenditures:				
Public safety:				
Operating expenses	177,600	177,600	151,852	25,748
Prior year carryover	57,356	57,356	57,071	285
Total expenditures	<u>234,956</u>	<u>234,956</u>	<u>208,923</u>	<u>26,033</u>
Deficiency of revenues over expenditures			<u>\$ (32,523)</u>	

**COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
COUNTY INDIGENT
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Prior year cash balance budget	158,789	158,789		
Total budget	<u>1,158,789</u>	<u>1,158,789</u>		
Expenditures:				
Health and welfare:				
Operating expenses	1,000,000	1,000,000	924,882	75,118
Prior year carryover	158,789	158,789	139,150	19,639
Total expenditures	<u>1,158,789</u>	<u>1,158,789</u>	<u>1,064,032</u>	<u>94,757</u>
Deficiency of revenues over expenditures			<u>\$ (64,032)</u>	

COUNTY OF BERNALILLO, NEW MEXICO

SPECIAL REVENUE FUND

ERDA

SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP Budgetary Basis)

Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Income	\$ 19,000	\$ 19,000	\$ 49,183	\$ 30,183
Miscellaneous	41,074	41,074	101,520	60,446
Total revenues	<u>60,074</u>	<u>60,074</u>	<u>150,703</u>	<u>90,629</u>
Prior year cash balance budget	669,302	669,302		
Total budget	<u>729,376</u>	<u>729,376</u>		
Expenditures:				
Public safety:				
Operating expenses	71,275	71,275	81,351	(10,076)
Prior year carryover	636,568	636,568	376,597	259,971
Total expenditures	<u>707,843</u>	<u>707,843</u>	<u>457,948</u>	<u>249,895</u>
Other Financing Uses				
Transfers out	21,533	21,533	21,533	-
Total expenditures and other financing uses	<u>729,376</u>	<u>729,376</u>	<u>479,481</u>	<u>249,895</u>
Deficiency of revenues over expenditures and other financing uses			<u>\$ (328,778)</u>	

**COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
REGIONAL CORRECTION CENTER
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges for services	\$12,000,000	\$ 18,000,000	\$ 16,094,158	\$ (1,905,842)
Miscellaneous	1,200,000	1,200,000	1,560,100	360,100
Total Revenues	<u>13,200,000</u>	<u>19,200,000</u>	<u>17,654,258</u>	<u>(1,545,742)</u>
Other financing sources				
Transfer in	<u>632,838</u>	<u>632,838</u>	<u>632,838</u>	
Total revenues and other financing sources	<u>13,832,838</u>	<u>19,832,838</u>	<u>18,287,096</u>	<u>(1,545,742)</u>
Expenditures				
Public safety				
Operating expenses	<u>12,550,772</u>	<u>18,550,772</u>	<u>16,129,356</u>	<u>2,421,416</u>
Other financing uses				
Transfer out	<u>632,838</u>	<u>632,838</u>	<u>632,838</u>	
Total expenditures and other financing uses	<u>13,183,610</u>	<u>19,183,610</u>	<u>16,762,194</u>	<u>2,421,416</u>
Excess of revenues and other financing sources over expenditures and other financing uses			<u>\$ 1,524,902</u>	

**COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
ENVIRONMENTAL HEALTH
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 2,500,000	\$ 2,500,000	\$ 2,588,211	\$ 88,211
Miscellaneous	110,000	110,000	5,930	(104,070)
Total revenues	<u>2,610,000</u>	<u>2,610,000</u>	<u>2,594,141</u>	<u>(15,859)</u>
Prior year cash balance budget	<u>1,778,013</u>	<u>1,778,013</u>		
Total budget	<u>4,388,013</u>	<u>4,388,013</u>		
Expenditures:				
Health and welfare:				
Operating expenses	2,600,381	2,600,381	1,536,221	1,064,160
Prior year carryover	1,787,632	1,787,632	604,102	1,183,530
Total expenditures	<u>4,388,013</u>	<u>4,388,013</u>	<u>2,140,323</u>	<u>2,247,690</u>
Excess of revenues over expenditures			<u>\$ 453,818</u>	

**COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
COUNTY CLERK RECORDING AND FILING FEES
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Fees for services	\$ 661,700	\$ 661,700	\$ 746,520	\$ 84,820
Other financing sources				
Transfers in	2,064	2,064	2,064	-
Total revenues and other financing sources	<u>663,764</u>	<u>663,764</u>	<u>748,584</u>	<u>84,820</u>
Prior year cash balance budget	158,828	158,828		
Total budget	<u>822,592</u>	<u>822,592</u>		
Expenditures:				
General government:				
Operating expenses	286,302	286,302	96,143	190,159
Capital outlay	123,002	123,002	112,512	10,490
Prior year carryover	413,288	413,288	365,195	48,093
Total expenditures	<u>822,592</u>	<u>822,592</u>	<u>573,850</u>	<u>248,742</u>
Excess of revenues and other financing sources over expenditures			<u>\$ 174,734</u>	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
COMMUNITY SERVICES
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 73,827	\$ 73,827
Prior year cash balance budget	242,911	242,911		
Total Budget	<u>242,911</u>	<u>242,911</u>		
Expenditures:				
Health and welfare				
Operating expenses	<u>242,911</u>	<u>242,911</u>	<u>88,973</u>	<u>153,938</u>
Deficiency of revenues over expenditures			<u>\$ (15,146)</u>	

**COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
INDUSTRIAL REVENUE BONDS
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Miscellaneous	\$ 615,050	\$ 615,050	\$ 658,897	\$ 43,847
Prior year cash balance budget	600,360	600,360		
Total budget	<u>1,215,410</u>	<u>1,215,410</u>		
Expenditures:				
General government	<u>1,215,410</u>	<u>1,215,410</u>	<u>426,497</u>	<u>788,913</u>
Excess of revenues over expenditures			<u>\$ 232,400</u>	

**COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
GENERAL OBLIGATION BONDS DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 8,439,710	\$ 8,439,710	\$ 9,684,551	\$ 1,244,841
Interest Income	-	-	178,257	178,257
Total revenues	<u>8,439,710</u>	<u>8,439,710</u>	<u>9,862,808</u>	<u>1,423,098</u>
Prior year cash balance budget	-	487,457		
Total budget	<u>8,439,710</u>	<u>8,927,167</u>		
Expenditures:				
Debt service:				
Principal	4,895,000	4,895,000	4,895,000	-
Interest	3,544,710	4,032,167	3,691,782	340,385
Total expenditures	<u>8,439,710</u>	<u>8,927,167</u>	<u>8,586,782</u>	<u>340,385</u>
Excess of revenues over expenditures			<u>\$ 1,276,026</u>	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
SERIES 1996
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 57	\$ 57
Prior year cash balance budget	2,064	2,064		
Total budget	<u>2,064</u>	<u>2,064</u>		
Other financing uses				
Operating transfers out	<u>2,064</u>	<u>2,064</u>	<u>2,064</u>	<u>-</u>
Deficiency of revenues over other financing uses			<u>\$ (2,007)</u>	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
REFUNDING SERIES 1998
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ 275,550	\$ 275,550	\$ 276,082	\$ 532
Other financing sources:				
Transfers in	3,981,161	3,981,161	3,981,161	-
Total revenues and other financing sources	<u>4,256,711</u>	<u>4,256,711</u>	<u>4,257,243</u>	<u>532</u>
Prior year cash balance budget	30,569	30,569		
Total budget	<u>4,287,280</u>	<u>4,287,280</u>		
Expenditures:				
Debt service:				
Principal	1,475,000	1,475,000	1,475,000	-
Interest	<u>2,506,161</u>	<u>2,506,161</u>	<u>2,506,161</u>	<u>-</u>
Total expenditures	<u>3,981,161</u>	<u>3,981,161</u>	<u>3,981,161</u>	<u>-</u>
Other financing uses:				
Transfers out	306,119	306,119	306,119	-
Total expenditures and other financing uses	<u>4,287,280</u>	<u>4,287,280</u>	<u>4,287,280</u>	<u>-</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses			<u>\$ (30,037)</u>	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
SERIES 1996B
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ 331,745	\$ 331,745	\$ 336,058	\$ 4,313
Other financing sources:				
Transfers in	3,577,093	3,577,093	3,577,093	-
Total revenues and other financing sources	<u>3,908,838</u>	<u>3,908,838</u>	<u>3,913,151</u>	<u>4,313</u>
Expenditures:				
Debt service:				
Principal	485,000	485,000	485,000	-
Interest	3,092,093	3,092,093	3,092,093	-
Total expenditures	<u>3,577,093</u>	<u>3,577,093</u>	<u>3,577,093</u>	<u>-</u>
Other financing uses:				
Transfers out	136,471	136,471	136,471	-
Total expenditures and other financing uses	<u>3,713,564</u>	<u>3,713,564</u>	<u>3,713,564</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing uses			<u>\$ 199,587</u>	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
SERIES 1997
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ 88,909	\$ 88,909	\$ 92,825	\$ 3,916
Miscellaneous	815,832	815,832	815,832	-
Total revenues	<u>904,741</u>	<u>904,741</u>	<u>908,657</u>	<u>3,916</u>
Other financing sources				
Transfers in	852,668	855,436	855,436	-
Total revenues and other financing sources	<u>1,757,409</u>	<u>1,760,177</u>	<u>1,764,093</u>	<u>3,916</u>
Expenditures				
Debt service:				
Principal	1,000,000	1,000,000	1,000,000	-
Interest	668,500	671,268	668,500	2,768
Total expenditures	<u>1,668,500</u>	<u>1,671,268</u>	<u>1,668,500</u>	<u>2,768</u>
Other financing uses:				
Transfer out	86,833	86,833	86,833	-
Total expenditures and other financing uses	<u>1,755,333</u>	<u>1,758,101</u>	<u>1,755,333</u>	<u>2,768</u>
Excess of revenues and other financing sources over expenditures and other financing uses			<u>\$ 8,760</u>	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
REFUNDING SERIES 2005
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Investment income	\$ 312,733	\$ 312,733	\$ 140,612	\$ (172,121)
Other financing sources				
Transfer in	4,993,225	4,993,225	4,993,225	-
Total revenues and other financing sources	<u>5,305,958</u>	<u>5,305,958</u>	<u>5,133,837</u>	<u>(172,121)</u>
Expenditures:				
Debt service:				
Principal	2,550,000	2,550,000	2,550,000	-
Interest	2,443,225	2,443,225	2,443,225	-
Total expenditures	<u>4,993,225</u>	<u>4,993,225</u>	<u>4,993,225</u>	<u>-</u>
Other financing uses:				
Transfers out	238,728	238,728	238,728	-
Total expenditures and other financing uses	<u>5,231,953</u>	<u>5,231,953</u>	<u>5,231,953</u>	<u>-</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses			<u>\$ (98,116)</u>	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
SERIES 2004
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ 280,062	\$ 280,062	\$ 26,379	\$ (253,683)
Miscellaneous	400,000	400,000	680,063	280,063
Total Revenues	<u>680,062</u>	<u>680,062</u>	<u>706,442</u>	<u>26,380</u>
Other financing sources				
Transfers in	632,838	632,838	632,838	-
Total revenues and other financing sources	<u>1,312,900</u>	<u>1,312,900</u>	<u>1,339,280</u>	<u>26,380</u>
Prior year cash balance budget	352,776	352,776		
Total budget	<u>1,665,676</u>	<u>1,665,676</u>		
Expenditures:				
Debt service:				
Principal	500,000	500,000	500,000	-
Interest	532,838	532,838	532,838	-
Total expenditures	<u>1,032,838</u>	<u>1,032,838</u>	<u>1,032,838</u>	<u>-</u>
Other financing uses:				
Transfer out	632,838	632,838	632,838	-
Total expenditures and other financing uses	<u>1,665,676</u>	<u>1,665,676</u>	<u>1,665,676</u>	<u>-</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses			<u>\$ (326,396)</u>	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
TRAN DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Other financing sources:				
Transfers in	\$ 2,775,000	\$ 2,775,000	\$ 2,775,000	\$ -
Expenditures:				
Debt service:				
Interest	2,475,000	2,475,000	2,475,000	-
Excess of other financing sources over expenditures			<u>\$ 300,000</u>	



COUNTY OF BERNALILLO, NEW MEXICO

DESCRIPTION OF FIDUCIARY FUNDS

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Treasurer Funds. To account for the collection and payment to the County and other recipient entities of property taxes billed and collected by the County on their behalf. The Treasurer's funds are as follows:

Cash Over/Short. To account for differences of less than \$1.00 between property tax billed and collected. This fund was created by authority of Section 4-43-2, NMSA 1978 Compilation.

Children's Trust Fund. To record \$15 of each \$25 fee for issuing and recording a marriage license. The money is remitted to the State of New Mexico for use in projects for the treatment and prevention of child abuse. This fund was created by authority of Section 40-1-11, NMSA 1978 Compilation.

Refund Overpayments. Serves as a clearing account for refunds arising from overpayment of property taxes or other fees.

Valuation Problems. Consists of two accounts by authority of Section 7-38-46, NMSA 1978 Compilation:

Valuation Problems Account. Used to collect estimated tax on a forthcoming tax bill correction resulting from a valuation protest.

Research Items Account. Holds receipted monies when a multi-year discrepancy is being resolved; it is also used to hold monies while a taxpayer problem is being researched.

Partial Payments (Over/Under Tax Payments). Consists of four accounts by authority of Section 7-38-42, NMSA 1978 Compilation:

Underpayments. To record payments which are less than the total due because of penalty and interest charges. The property tax revenue is held in this account until a notice requesting penalty and interest is responded to by payment.

Partial Payments. To hold overpayments until a refund is requested or sent out, and to hold underpayments until the deficiency is corrected.

Overpayments. Overpayments in excess of \$.99 are held in the account until a refund request is received or a date after June 30.

Bankruptcy. Used to record cash receipts for property taxes when the tax liability has been identified through the bankruptcy process. The County disburses money out of this account when enough has accumulated to distribute the taxes (½ or full year bill).

BERNALILLO COUNTY, NEW MEXICO

DESCRIPTION OF FIDUCIARY FUNDS

AGENCY FUNDS (CONTINUED)

Taxes Paid in Advance. Consists of two accounts:

Omit Payment. Used to record the revenue collected from mobile home property taxes where the assessor has determined that the property had been omitted from the property tax rolls.

Mobile Homes Prepaid. Used to record the monies received as a condition of a property owner obtaining a tax release during the period January 1 to September 30. Taxes collected during October are recorded to the tax omit payment account and taxes collected during November and December are recorded to the undistributed taxes account.

Claim for Refund IOI. To account for interest earned on collected taxes when the valuation of the subject property is under formal protest.

Undistributed Taxes. To account for property tax payments and interest and penalty on tax payments received prior to distribution to various government entities. See Section 7-38-42 & 7-38-43, NMSA 1978 Compilation.

NSF Applies. Used to hold that portion of the tax payment which has cleared the bank until such time as remainder is paid.

Claim for Refund. To account for property taxes collected when the valuation of the subject property is under formal protest.

Trust and Escrow (Judgment Auto Pay). To account for monies collected on a corrected tax bill until either a balance due payment is submitted or the amount is transferred to the Undistributed Tax Account.

Court Services Fund. To account for the receipts and disbursements related to process servers.

County Sheriff. To account for the collection and payment to the County of charges for services provided and to account for the collection and disbursement of evidence and awards in civil suits on behalf of the plaintiffs involved.

Special Assessment Districts. To account for the collection of special assessment liens and the subsequent payment of special assessment bonds for the following districts:

- Special Assessment District 84-1
- Special Assessment District 84-2
- Special Assessment District 85-3
- Special Assessment District 85-4
- Special Assessment District 85-5
- Special Assessment District 83-1
- Special Assessment District 83-1B

COUNTY OF BERNALILLO, NEW MEXICO
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 June 30, 2007

	Treasurer Funds									
	Cash Over Short	Children's Trust Fund	Refund Over payments	Valuation Problems	Partial Payments	Taxes Paid in Advance	Claim for Refund IOI	Undistributed Taxes	NSF Applies	Claim for Refund
ASSETS										
Cash and investments	\$ (958)	\$ (2,479)	\$ 4,466,522	\$ 8,401	\$ 58,175	\$ 147,158	\$ 68,330	\$ 4,750,389	\$ 3,291	\$ 2,173,885
Receivables:										
Property taxes	-	-	-	-	-	-	-	22,986,701	-	-
Other	-	285	-	-	-	-	706	-	-	-
Total assets	\$ (958)	\$ (2,194)	\$ 4,466,522	\$ 8,401	\$ 58,175	\$ 147,158	\$ 69,036	\$ 27,737,090	\$ 3,291	\$ 2,173,885
LIABILITIES										
Deposits held in trust for others	\$ (958)	\$ (2,194)	\$ 4,466,522	\$ 8,401	\$ 58,175	\$ 147,158	\$ 69,036	\$ 4,750,389	\$ 3,291	\$ 2,173,885
Future taxes collectable	-	-	-	-	-	-	-	22,986,701	-	-
Total liabilities	\$ (958)	\$ (2,194)	\$ 4,466,522	\$ 8,401	\$ 58,175	\$ 147,158	\$ 69,036	\$ 27,737,090	\$ 3,291	\$ 2,173,885

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 June 30, 2007

	Treasurer Funds		Court Services Fund	County Sheriff	Special Assessment District 84-1	Special Assessment District 84-2	Special Assessment District 85-3	Special Assessment District 85-4	Special Assessment District 85-5	Special Assessment District 83-1	Special Assessment District 83-1B	Total Agency Fund
	Trust and Escrow	Total Treasurer										
ASSETS												
Cash and investments	\$ 2,859	\$ 11,675,573	\$ 1,103	\$509,588	\$ 18,805	\$ 10,559	\$ -	\$ 15,903	\$ -	\$ 148,800	\$ 15,626	12,395,957
Receivables:												
Property taxes	-	22,986,701	-	-	-	-	-	-	-	-	1,785,000	24,771,701
Other	-	991	-	56,850	17,083	1,804	20,021	959	612,350	-	-	709,858
Total assets	\$ 2,859	\$ 34,663,265	\$ 1,103	\$509,588	\$ 75,455	\$ 27,642	\$ 1,804	\$ 35,924	\$ 959	\$ 761,150	\$ 1,800,626	\$ 37,877,516
LIABILITIES												
Deposits held in trust for others	\$ 2,859	\$ 11,676,564	\$ 1,103	\$509,588	\$ 75,455	\$ 27,642	\$ 1,804	\$ 35,924	\$ 959	\$ 761,150	\$ 15,626	\$ 13,105,815
Future taxes collectable	-	22,986,701	-	-	-	-	-	-	-	-	1,785,000	24,771,701
Total liabilities	\$ 2,859	\$ 34,663,265	\$ 1,103	\$509,588	\$ 75,455	\$ 27,642	\$ 1,804	\$ 35,924	\$ 959	\$ 761,150	\$ 1,800,626	\$ 37,877,516

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO

NONMAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations (1) that are financial and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing services on a continuing basis be financed or recovered primarily through user charges; and (2) when the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Solid Waste. To account for the operations of the Solid Waste Program. All activities necessary to operate the program are accounted for in this fund, including, but not limited to, administration, operations, and financing.

Bernalillo County Housing Authority. To account for the provision of administrative services to the County's HUD Section 8 Annual Contribution Contract, No. FW-5325; property management services to the Bernalillo County Housing and Redevelopment Corporation; and for the costs of contracting for the future construction of other housing projects of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, rental contract negotiation, and collection.

Seybold Village 21 Units - Handicapped. To account for the construction and operations of Seybold Village 21 Units Handicapped Housing Project. All activities necessary to construct and operate the project are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing, and construction.

Regional Juvenile Detention Center. To account for the operations of the Regional Juvenile Detention Center. All activities necessary to operate the program are accounted for in this fund, including, but not limited to, administration, operations, and financing.

El Centro Familiar. To account for the operations of the El Centro Familiar housing project. All activities necessary to operate the project are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service.

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS
June 30, 2007

	Business-type Activities Enterprise Funds					Totals
	Solid Waste	Bernalillo County Housing Authority	Seybold Village Handicapped Project	Regional Juvenile Detention Center	El Centro Familiar	
ASSETS						
Current assets:						
Cash and investments	\$ -	\$ 1,479,390	\$ 147,175	\$ -	\$ 551,684	\$ 2,178,249
Accounts receivable, net	768,538	126,954	9,351	342,674	43	1,247,560
Accrued interest receivable	-	-	-	-	176	176
Due from other funds	-	603,729	31,618	-	-	635,347
Capital assets for sale	-	1,174,500	-	-	-	1,174,500
Prepaid assets	-	1,370	-	-	-	1,370
Total current assets	768,538	3,385,943	188,144	342,674	551,903	5,237,202
Noncurrent assets:						
Capital assets:						
Land	34,000	159,000	205,500	-	36,852	435,352
Buildings	681,791	928,316	1,996,972	-	2,556,175	6,163,254
Construction in progress	-	-	14,797	-	-	14,797
Equipment, machinery, and furniture	1,599,483	310,857	1,293	-	5,130	1,916,763
Less accumulated depreciation	(1,344,447)	(571,321)	(906,342)	-	(788,549)	(3,610,659)
Total noncurrent assets	970,827	826,852	1,312,220	-	1,809,608	4,919,507
Total assets	\$1,739,365	\$4,212,795	\$ 1,500,364	\$ 342,674	\$ 2,361,511	\$10,156,709
LIABILITIES						
Current liabilities:						
Accounts payable and other current liabilities	\$ 244,376	\$ 26,696	\$ 8,221	\$ 59,669	\$ 2,000	\$ 340,962
Compensated absences	3,162	3,082	141	1,559	320	8,264
Accrued payroll	12,639	-	1,273	39,383	2,546	55,841
Due to other funds	478,673	707,117	79,768	148,516	103,901	1,517,975
Unearned revenue	459,259	15,871	764	-	1,140	477,034
Note payable	-	13,590	-	-	-	13,590
Revenue bonds payable	-	-	-	-	40,000	40,000
Total current liabilities	1,198,109	766,356	90,167	249,127	149,907	2,453,666
Noncurrent liabilities:						
Compensated absences	60,073	58,554	2,684	29,628	6,078	157,017
Deposits held in trust for others	-	15,020	-	7,721	9,195	31,936
Advance from other funds	133,361	-	-	-	-	133,361
Note payable	-	1,144,106	-	-	-	1,144,106
Revenue bonds payable	-	-	-	-	1,700,000	1,700,000
Total noncurrent liabilities	193,434	1,217,680	2,684	37,349	1,715,273	3,166,420
Total liabilities	1,391,543	1,984,036	92,851	286,476	1,865,180	5,620,086
NET ASSETS						
Invested in capital assets, net of related debt	970,827	843,656	1,312,220	-	69,608	3,196,311
Unrestricted (deficit)	(623,005)	1,385,103	95,293	56,198	426,723	1,340,312
Total net assets	\$ 347,822	\$2,228,759	\$ 1,407,513	\$ 56,198	\$ 496,331	\$ 4,536,623

The Notes to Financial Statements are an integral part of this statement.

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR PROPRIETARY FUNDS
For the Year Ended June 30, 2007

	Business-type Activities Enterprise Funds					Totals
	Solid Waste	Bernalillo County Housing Authority	Seybold Village Handicapped Project	Regional Juvenile Detention Center	El Centro Familiar	
Operating revenues:						
Administrative and service fees	\$ 3,646,753	\$ -	\$ -	\$ 1,171,934	\$ -	\$ 4,818,687
Rental income						
Tenants	-	-	30,500	-	108,915	139,415
Other income	314,140	191,210	442	-	1,749	507,541
Total operating revenues	<u>3,960,893</u>	<u>191,210</u>	<u>30,942</u>	<u>1,171,934</u>	<u>110,664</u>	<u>5,465,643</u>
Operating expenses:						
Salaries and wages	597,602	192,513	57,362	958,283	102,180	1,907,940
Contractual services	3,091,506	46,247	12,961	-	20,809	3,171,523
Materials and supplies	277,514	-	-	-	15,691	293,205
Other services and charges	313,347	38,578	33,095	200,196	49,837	635,053
Landfill expenses	29,671	-	-	-	-	29,671
Grant expenditures	-	431,161	-	-	-	431,161
Depreciation	173,455	63,501	69,529	-	61,910	368,395
Total operating expenses	<u>4,483,095</u>	<u>772,000</u>	<u>172,947</u>	<u>1,158,479</u>	<u>250,427</u>	<u>6,836,948</u>
Operating income (loss)	<u>(522,202)</u>	<u>(580,790)</u>	<u>(142,005)</u>	<u>13,455</u>	<u>(139,763)</u>	<u>(1,371,305)</u>
Non-operating revenues (expenses):						
Interest income	-	73,768	5,639	-	24,126	103,533
Interest expense	-	(75,572)	-	-	(104,130)	(179,702)
Operating grants	-	452,903	84,247	-	214,296	751,446
County contributions	-	117,150	-	-	-	117,150
Total nonoperating revenue	<u>-</u>	<u>568,249</u>	<u>89,886</u>	<u>-</u>	<u>134,292</u>	<u>792,427</u>
Income (loss) before contributions	<u>(522,202)</u>	<u>(12,541)</u>	<u>(52,119)</u>	<u>13,455</u>	<u>(5,471)</u>	<u>(578,878)</u>
Capital contributions -capital assets	<u>321,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>321,444</u>
Change in net assets	<u>(200,758)</u>	<u>(12,541)</u>	<u>(52,119)</u>	<u>13,455</u>	<u>(5,471)</u>	<u>(257,434)</u>
Total net assets - beginning	<u>548,580</u>	<u>2,241,300</u>	<u>1,459,632</u>	<u>42,743</u>	<u>501,802</u>	<u>4,794,057</u>
Total net assets - ending	<u>\$ 347,822</u>	<u>\$ 2,228,759</u>	<u>\$ 1,407,513</u>	<u>\$ 56,198</u>	<u>\$ 496,331</u>	<u>\$ 4,536,623</u>

The Notes to Financial Statements are an integral part of this statement.

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the Year Ended June 30, 2007

	Business-type Activities Enterprise Funds					Totals
	Solid Waste	Bernalillo County Housing Authority	Seybold Village Handicapped Project	Regional Juvenile Detention Center	El Centro Familiar	
Cash flows from operating activities:						
Receipts from administration and service fees	\$ 3,972,392	\$ 218,215	\$ -	\$ 1,156,327	\$ -	\$ 5,346,934
Receipts from rents	-	-	40,591	-	110,600	151,191
Payments to employees for services	(429,398)	(192,513)	15,431	(682,311)	19,933	(1,268,858)
Payments to vendors for goods and services	(4,148,678)	(564,480)	(103,418)	(474,016)	(189,361)	(5,479,953)
Miscellaneous cash received	-	8,302	442	-	2,178	10,922
Net cash used by operating activities	(605,684)	(530,476)	(46,954)	-	(56,650)	(1,239,764)
Cash flows from noncapital financing activities:						
Operating grants/subsidies received	-	-	84,247	-	214,296	298,543
Contributions from other funds	-	117,150	-	-	-	117,150
Contributions to other funds	(103,837)	-	-	-	-	(103,837)
Transfers out to other funds	-	166,119	-	-	6	166,125
Payments to other funds	478,673	-	-	-	-	478,673
Net cash provided by noncapital financing activities	374,836	283,269	84,247	-	214,302	956,654
Cash flows from capital and related financing activities:						
Principal paid on bond maturities	-	-	-	-	(40,000)	(40,000)
Proceeds from payments of capital debt	-	290,391	-	-	-	290,391
Interest paid	-	(75,572)	-	-	(104,130)	(179,702)
Acquisition of capital assets	-	(211,747)	(16,959)	-	-	(228,706)
Capital grants received	-	452,903	-	-	-	452,903
Net cash provided (used) by capital and related financing activities	-	455,975	(16,959)	-	(144,130)	294,886
Cash flows from investing activities:						
Interest received on investments	-	73,768	5,638	-	24,126	103,532
Net cash provided by investing activities	-	73,768	5,638	-	24,126	103,532
Net increase (decrease) in cash and cash equivalents	(230,848)	282,536	25,972	-	37,648	115,308
Cash and cash equivalents, beginning of year	230,848	1,196,854	121,203	-	514,036	2,062,941
Cash and cash equivalents, end of year	\$ -	\$ 1,479,390	\$ 147,175	\$ -	\$ 551,684	\$ 2,178,249
Reconciliation of operating income (loss) to net cash flows provided/used by operating activities:						
Operating income (loss)	\$ (522,202)	\$ (580,790)	\$ (142,005)	\$ 13,455	\$ (139,763)	\$ (1,371,305)
Adjustments to reconcile net income to net cash flows:						
Depreciation	173,455	63,501	69,529	-	61,910	368,395
(Increase) decrease in:						
Accounts receivable	(974,909)	27,005	4,605	(68,317)	742	(1,010,874)
Allowance for uncollectable accounts	832,178	-	-	-	-	832,178
Prepaid expenses	21,000	-	-	-	-	21,000
Deposits held in trust	-	8,302	-	1,072	-	9,374
Increase (decrease) in:						
Deferred revenue	154,230	-	601	-	943	155,774
Accounts payable	(291,299)	6,019	5,193	(79,979)	(844)	(360,910)
Due to other funds	-	-	11,333	133,818	19,933	165,084
Tenants payable	(198)	-	965	-	429	1,196
Accrued compensated absences	2,061	(54,513)	2,825	(49)	-	(49,676)
Net cash flows used by operating activities	\$ (605,684)	\$ (530,476)	\$ (46,954)	\$ -	\$ (56,650)	\$ (1,239,764)
Noncash capital activities:						
Contributions of capital assets from government	\$ 321,444	\$ -	\$ -	\$ -	\$ -	

The Notes to Financial Statements are an integral part of this statement.

COUNTY OF BERNALILLO, NEW MEXICO
ENTERPRISE FUND
SOLID WASTE
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Customer billings	\$ 4,118,142	\$ 4,118,142	\$ 2,509,579	\$ (1,608,563)
Transfer station fees	380,000	380,000	323,401	(56,599)
Miscellaneous	490,000	490,000	314,140	(175,860)
Total Revenues	<u>4,988,142</u>	<u>\$ 4,988,142</u>	<u>3,147,120</u>	<u>(1,841,022)</u>
Other financing sources				
Contributed capital	-	-	321,444	321,444
Total revenues and other financing sources	<u>4,988,142</u>	<u>4,988,142</u>	<u>3,468,564</u>	<u>(1,519,578)</u>
Prior year cash balance budget	87,416	87,416		
Total budget	<u>5,075,558</u>	<u>5,075,558</u>		
Expenditures:				
Operating expenses	<u>5,075,558</u>	<u>5,075,558</u>	<u>4,754,772</u>	<u>320,786</u>
Deficiency of revenues and other financing sources over expenditures			<u>\$ (1,286,208)</u>	

COUNTY OF BERNALILLO, NEW MEXICO
ENTERPRISE FUND
REGIONAL JUVENILE DETENTION CENTER
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Fees for services	\$ 1,535,002	\$ 1,535,002	\$ 1,156,327	\$ (378,675)
Prior year carryover	12,546	12,546		
Total Revenues	<u>1,547,548</u>	<u>1,547,548</u>		
Expenditures:				
Public works				
Operating expenses	1,535,002	1,535,002	1,147,153	387,849
Prior year carryover	12,546	12,546	10,849	1,697
Total expenditures	<u>1,547,548</u>	<u>1,547,548</u>	<u>1,158,002</u>	<u>389,546</u>
Deficiency of revenues over expenditures			<u>\$ (1,675)</u>	

COUNTY OF BERNALILLO, NEW MEXICO
INTERNAL SERVICE FUND
RISK MANAGEMENT
SCHEDULE OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP Budgetary Basis)
Year Ended June 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Fees for services	\$ 7,596,091	\$ 7,596,091	\$ 6,519,828	\$ (1,076,263)
Prior year cash balance budget	1,007,222	1,007,222		
Total budget	<u>8,603,313</u>	<u>8,603,313</u>		
Expenditures:				
Operating expenses	7,596,091	7,596,091	6,418,189	1,177,902
Prior year carryover	1,007,222	1,007,222	101,639	905,583
Total expenditures	<u>8,603,313</u>	<u>8,603,313</u>	<u>6,519,828</u>	<u>2,083,485</u>
Excess of revenues over expenditures			<u>\$ -</u>	



**OTHER
SUPPLEMENTARY INFORMATION**

**COUNTY OF BERNALILLO, NEW MEXICO
FINANCIAL DATA SCHEDULE - AS REQUIRED BY HUD
YEAR ENDED JUNE 30, 2007**

Financial Data Schedule - Balance Sheet

Line Item No.	Account Description	N/C S/R Section 8 Programs	HOME Investment Partnerships Program	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
111	Cash - Unrestricted	\$283,189	\$0	\$119,658	\$833,307	\$0	\$1,371,450	\$2,607,604
113	Cash - Other Restricted	\$0	\$0	\$0	\$202,762	\$0	\$0	\$202,762
114	Cash - Tenant Security Deposits	\$9,195	\$0	\$4,201	\$0	\$0	\$0	\$13,396
100	Total Cash	\$292,384	\$0	\$123,859	\$1,036,069	\$0	\$1,371,450	\$2,823,762
121	Accounts Receivable - PHA Projects	\$43	\$0	\$9,351	\$0	\$0	\$0	\$9,394
122	Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$0	\$0	\$98,617	\$98,617
124	Accounts Receivable - Other Government	\$0	\$0	\$0	\$1,621	\$0	\$0	\$1,621
125	Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$28,336	\$28,336
128	Fraud Recovery	\$0	\$0	\$0	\$113,010	\$0	\$0	\$113,010
128.1	Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	(\$113,010)	\$0	\$0	(\$113,010)
129	Accrued Interest Receivable	\$176	\$0	\$0	\$0	\$0	\$0	\$176
120	Total Receivables, net of allowances for doubtful accounts	\$219	\$0	\$9,351	\$1,621	\$0	\$126,953	\$138,144
131	Investments - Unrestricted	\$0	\$0	\$23,316	\$0	\$0	\$107,940	\$131,256
135	Investments - Restricted for Payment of Current Liabilities	\$259,300	\$0	\$0	\$0	\$0	\$0	\$259,300
142	Prepaid Expenses and Other Assets	\$0	\$0	\$0	\$0	\$0	\$1,370	\$1,370
144	Interprogram Due From	\$0	\$0	\$31,818	\$0	\$2,656	\$603,729	\$638,003
150	Total Current Assets	\$551,903	\$0	\$188,144	\$1,037,690	\$2,656	\$2,211,442	\$3,991,835
161	Land	\$36,852	\$0	\$205,500	\$0	\$0	\$159,000	\$401,352
162	Buildings	\$2,556,175	\$0	\$1,986,972	\$0	\$0	\$2,102,816	\$6,655,963
163	Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$1,293	\$0	\$0	\$0	\$1,293
164	Furniture, Equipment & Machinery - Administration	\$5,130	\$21,087	\$0	\$77,884	\$0	\$289,770	\$393,871
166	Accumulated Depreciation	(\$788,549)	(\$21,087)	(\$906,342)	(\$77,884)	\$0	(\$550,234)	(\$2,344,096)
167	Construction In Progress	\$0	\$0	\$0	\$0	\$14,797	\$0	\$14,797
160	Total Fixed Assets, Net of Accumulated Depreciation	\$1,809,608	\$0	\$1,297,423	\$0	\$14,797	\$2,001,352	\$5,123,180
180	Total Non-Current Assets	\$1,809,608	\$0	\$1,297,423	\$0	\$14,797	\$2,001,352	\$5,123,180
190	Total Assets	\$2,361,511	\$0	\$1,485,567	\$1,037,690	\$17,453	\$4,212,794	\$9,115,015
312	Accounts Payable <= 90 Days	\$2,000	\$0	\$4,020	\$0	\$0	\$22,277	\$28,297
321	Accrued Wage/Payroll Taxes Payable	\$2,546	\$0	\$1,273	\$21,644	\$0	\$0	\$25,463
325	Accrued Interest Payable	\$0	\$0	\$0	\$0	\$0	\$44	\$44
341	Tenant Security Deposits	\$9,195	\$0	\$4,201	\$0	\$0	\$0	\$13,396
342	Deferred Revenues	\$1,140	\$0	\$764	\$0	\$0	\$0	\$1,904
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$35,000	\$0	\$0	\$0	\$0	\$0	\$35,000
345	Other Current Liabilities	\$0	\$0	\$0	\$441,968	\$0	\$710,809	\$1,152,777
346	Accrued Liabilities - Other	\$0	\$0	\$0	\$5,817	\$0	\$0	\$5,817
347	Interprogram Due To	\$103,901	\$0	\$82,424	\$420,060	\$0	\$31,618	\$638,003
310	Total Current Liabilities	\$153,782	\$0	\$92,682	\$889,489	\$0	\$764,748	\$1,900,701
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue Bonds	\$1,705,000	\$0	\$0	\$0	\$0	\$0	\$1,705,000
354	Accrued Compensated Absences - Non Current	\$6,398	\$0	\$2,825	\$61,636	\$0	\$0	\$70,859
355	Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0	\$1,157,651	\$1,157,651
350	Total Noncurrent Liabilities	\$1,711,398	\$0	\$2,825	\$61,636	\$0	\$1,157,651	\$2,933,510
300	Total Liabilities	\$1,865,180	\$0	\$95,507	\$951,125	\$0	\$1,922,399	\$4,834,211
508.1	Invested in Capital Assets, Net of Related Debt	\$69,608	\$0	\$1,297,423	\$0	\$14,797	\$2,001,352	\$3,383,180
512.1	Unrestricted Net Assets	\$426,723	\$0	\$92,637	\$86,565	\$2,656	\$289,043	\$897,624
513	Total Equity/Net Assets	\$496,331	\$0	\$1,390,060	\$86,565	\$17,453	\$2,290,395	\$4,280,804
600	Total Liabilities and Equity/Net Assets	\$2,361,511	\$0	\$1,485,567	\$1,037,690	\$17,453	\$4,212,794	\$9,115,015

**COUNTY OF BERNALILLO, NEW MEXICO
FINANCIAL DATA SCHEDULE - AS REQUIRED BY HUD
YEAR ENDED JUNE 30, 2007**

Financial Data Schedule - Revenue and Expenditures

Line Item No.	Account Description	N/C S/R Section 8 Programs	HOME Investment Partnerships Program	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
703	Net Tenant Rental Revenue	\$108,915	\$0	\$30,500	\$0	\$0	\$0	\$139,415
705	Total Tenant Revenue	\$108,915	\$0	\$30,500	\$0	\$0	\$0	\$139,415
706	HUD PHA Operating Grants	\$214,296	\$380,697	\$54,556	\$11,940,242	\$12,238	\$0	\$12,602,029
706.1	Capital Grants	\$0	\$0	\$0	\$0	\$17,453	\$0	\$17,453
708	Other Government Grants	\$0	\$0	\$0	\$0	\$0	\$117,150	\$117,150
711	Investment Income - Unrestricted	\$24,126	\$0	\$5,639	\$51,385	\$0	\$73,768	\$154,918
713	Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$104,544	\$104,544
713.1	Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
714	Fraud Recovery	\$0	\$0	\$0	\$36,164	\$0	\$0	\$36,164
715	Other Revenue	\$1,749	\$0	\$442	\$4,494	\$0	\$86,666	\$93,351
700	Total Revenue	\$349,086	\$380,697	\$91,137	\$12,032,285	\$29,691	\$382,128	\$13,265,024
911	Administrative Salaries	\$69,897	\$25,442	\$31,182	\$756,583	\$9,596	\$76,924	\$969,624
912		\$1,391	\$0	\$0	\$7,737	\$0	\$0	\$9,128
914	Compensated Absences	\$6,398	\$0	\$0	\$61,636	\$0	\$0	\$68,034
915	Employee Benefit Contributions - Administrative	\$25,885	\$12,009	\$16,584	\$300,630	\$0	\$30,278	\$385,386
916	Other Operating - Administrative	\$23,714	\$0	\$5,467	\$136,425	\$0	\$97,874	\$263,480
931	Water	\$8,655	\$0	\$8,424	\$1,929	\$0	\$735	\$19,743
932	Electricity	\$20,584	\$0	\$4,477	\$15,209	\$0	\$73	\$40,343
933	Gas	\$0	\$0	\$0	\$3,122	\$0	\$84	\$3,206
942	Ordinary Maintenance and Operations - Materials and Other	\$13,875	\$0	\$10,708	\$0	\$2,642	\$0	\$27,225
943	Ordinary Maintenance and Operations - Contract Costs	\$12,227	\$0	\$12,980	\$0	\$0	\$0	\$25,187
961	Insurance Premiums	\$4,058	\$0	\$1,353	\$30,337	\$0	\$0	\$35,748
962	Other General Expenses	\$1,035	\$198	\$25	\$0	\$0	\$0	\$1,258
967	Interest Expense	\$104,130	\$0	\$0	\$0	\$0	\$75,572	\$179,702
969	Total Operating Expenses	\$291,849	\$37,649	\$91,180	\$1,313,608	\$12,238	\$281,540	\$2,028,084
970	Excess Operating Revenue over Operating Expenses	\$57,237	\$343,048	(\$43)	\$10,718,677	\$17,453	\$100,588	\$11,236,960
971	Extraordinary Maintenance	\$799	\$0	\$0	\$0	\$0	\$0	\$799
973	Housing Assistance Payments	\$0	\$344,817	\$0	\$10,862,229	\$0	\$0	\$11,207,046
974	Depreciation Expense	\$61,910	\$0	\$69,529	\$0	\$0	\$63,501	\$194,940
900	Total Expenses	\$354,558	\$382,486	\$160,709	\$12,175,837	\$12,238	\$345,041	\$13,430,849
1001	Operating Transfers In	\$0	\$1,769	\$0	\$0	\$0	\$0	\$1,769
1002	Operating Transfers Out	\$0	\$0	\$0	\$0	\$0	(\$1,769)	(\$1,769)
1010	Total Other Financing Sources (Uses)	\$0	\$1,769	\$0	\$0	\$0	(\$1,769)	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	(\$5,472)	\$0	(\$69,572)	(\$143,552)	\$17,453	\$35,318	(\$165,825)
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$501,803	\$0	\$1,424,794	\$230,117	\$34,838	\$2,255,076	\$4,446,628
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$34,838	\$0	(\$34,838)	\$1	\$1
1120	Unit Months Available	480	8	252	24,252	0	10	25,002
1121	Number of Unit Months Leased	465	8	238	20,663	0	10	21,404
1117	Administrative Fee Equity	\$0	\$0	\$0	\$395,529	\$0	\$0	\$395,529
1118	Housing Assistance Payments Equity	\$0	\$0	\$0	(\$308,964)	\$0	\$0	(\$308,964)

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF BANK ACCOUNTS
YEAR ENDED JUNE 30, 2007

Financial Institution: Account name	Type of Account	Bank Balance	Outstanding (Checks) Deposits	Book Balance
Wells Fargo Bank				
Treasurer	Checking	\$ 38,863,034	\$ (3,720,157)	\$ 36,142,877
General	Checking	250,581	-	250,581
Housing Authority Accounts:				
Management	Checking	-	215,019	215,019
Management	Savings	-	796,971	796,971
Management	Savings	-	337,506	337,506
Management	Savings	-	21,703	21,703
Seybold Village - 21 Unit Low Rent	Checking	-	100,756	100,756
Seybold Village - 21 Unit Low Rent	Savings	-	23,103	23,103
Section 8 Voucher Program	Checking	134	749,284	749,418
Section 8 Voucher Program	Savings	-	83,881	83,881
Section 8 Voucher Program	Escrow	-	202,782	202,782
Centro Familiar Trust	Checking	-	11,355	11,355
Centro Familiar	Checking	-	208,448	208,448
Centro Familiar	Savings	-	72,580	72,580
Centro Familiar	Investment	259,300	-	259,300
Sheriff's Accounts:				
Evidence Fund	Checking	512,861	(3,273)	509,588
Investigative Fund	Checking	6,554	(178)	6,376
Federal Narcotics	Checking	800,029	(1,533)	798,496
Total bank and book balance		<u>41,692,473</u>	<u>(901,773)</u>	<u>40,790,700</u>
Charter Bank				
Certificate of Deposit	Investment	1,000,000	-	1,000,000
Ironstone Bank				
Certificate of Deposit	Investment	100,000	-	100,000
My Bank				
Certificate of Deposit	Investment	100,000	-	100,000
Rio Grande Credit Union:				
Certificate of Deposit	Investment	100,000	-	100,000
Bayerische Landsbank Girozentrale:				
Flex Repo - Reserve	Investment	1,693,500	-	1,693,500
Bayerische Hypo-und Vereinsbank AG:				
Flex Repo	Investment	30,000,000	-	30,000,000
Flex Repo - Reserve	Investment	4,933,749	-	4,933,749
Westdeutsche Landesbank:				
Flex Repo - Reserve	Investment	5,438,448	-	5,438,448
Flex Repo - Reserve	Investment	4,615,582	-	4,615,582
Union Savings Bank:				
Certificate of Deposit	Investment	1,000,000	-	1,000,000
New Mexico Bank and Trust:				
Certificate of Deposit	Investment	3,000,000	-	3,000,000
Certificate of Deposit	Investment	5,000,000	-	5,000,000
Certificate of Deposit	Investment	5,000,000	-	5,000,000
Certificate of Deposit	Investment	5,000,000	-	5,000,000
Certificate of Deposit	Investment	5,000,000	-	5,000,000
Certificate of Deposit	Investment	5,000,000	-	5,000,000
Certificate of Deposit	Investment	5,000,000	-	5,000,000
Bank of NY (Coastal Securities):				
Fannie Mae	Investment	878,535	-	878,535
Fannie Mae	Investment	1,828,014	-	1,828,014
Fannie Mae	Investment	5,000,000	-	5,000,000
Fannie Mae	Investment	4,998,875	-	4,998,875
Federal Home Loan Bank	Investment	5,012,778	-	5,012,778
Jefferies & Co., Inc. Wells Fargo Trust				
Federal Home Loan Bank	Investment	4,998,750	-	4,998,750
Federal Home Loan Bank	Investment	4,999,750	-	4,999,750
Federal Home Loan Bank	Investment	5,048,006	-	5,048,006
Federal Home Loan Bank	Investment	5,000,785	-	5,000,785
Federal Home Loan Bank	Investment	5,000,000	-	5,000,000
Federal Home Loan Bank	Investment	4,999,500	-	4,999,500
Brookstreet (Wells Fargo Trust):				
Fannie Mae	Investment	2,787,313	-	2,787,313
Federal Home Loan Bank	Investment	5,000,000	-	5,000,000
Freddie Discount	Investment	10,004,184	-	10,004,184
PJM Chase (Brookstreet):				
Federal Home Loan Bank	Investment	5,000,000	-	5,000,000
Fannie Mae	Investment	5,005,664	-	5,005,664
Federal Home Loan Bank	Investment	3,328,747	-	3,328,747
Morgan Stanley-FHLB: Wells Fargo Trust				
Federal Home Loan Bank	Investment	5,000,000	-	5,000,000
Multi-bank Securities, Inc. (Wells Fargo Trust)				
Federal Home Loan Bank	Investment	4,998,750	-	4,998,750
Federal Home Loan Bank	Investment	4,999,750	-	4,999,750
Freddie Mac	Investment	5,018,000	-	5,018,000
Southwest Securities				
Fannie Mae	Investment	2,000,242	-	2,000,242
Fed Farm Credit	Investment	5,031,092	-	5,031,092
Federal Home Loan Bank	Investment	4,987,400	-	4,987,400
UBS Financial Services:				
Fannie Mae	Investment	4,992,813	-	4,992,813
Freddie Discount	Investment	5,000,000	-	5,000,000
Federal Home Loan Bank	Investment	5,027,236	-	5,027,236
Wells Fargo Bank:				
Federal Farm Credit	Investment	4,998,875	-	4,998,875
Total Investments				<u>212,920,346</u>
Petty Cash on Hand				<u>1,880</u>
Total cash and investments per Note IVA				<u>\$ 253,712,936</u>

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2007

<u>Wells Fargo</u>	<u>Cusip No.</u>	<u>Maturity Date</u>	
Checking Accounts			\$ 18,417,553
Savings Accounts-Construction Funds			3,044,816
Certificates of Deposit			-
Less FDIC Coverage			<u>(100,000)</u>
Uninsured balance			<u>21,362,369</u>
Collateral requirement at 50%			<u>10,681,185</u>
Collateral held at Wells Fargo Bank:			
FNIONP	3137MVU8	07/01/36	(6,175,578)
FNCL	31408GBH9	01/01/36	(10,075,103)
FNCL	31408GTK3	04/01/36	(9,608,614)
FNCL	31409DUS0	04/01/36	(8,747,950)
FNCL	31409JKD1	06/01/36	(11,791,181)
FNCL	31410CLX8	06/01/36	(4,228,575)
FNCL	31410MHS2	04/01/36	(18,658,560)
FNCL	31410SA98	05/01/36	(2,261,401)
G2SF	36202DV32	01/20/33	(11,185,793)
FNCL	31407MPH2	12/01/35	(215,282)
FNCL	31407TK33	10/01/35	(22,138)
FNCL	31407SEY4	12/01/35	(608,976)
FNCL	31407TK33	10/01/35	(11,582)
FNCL	31407X5N7	11/01/35	(281,107)
FNCL	31408JKF7	04/01/36	(104,329)
FNCL	31409XF87	04/01/36	(10,990,926)
FNCL	31408GTR8	04/01/36	(3,212,969)
FNCL	31407TK33	10/01/35	(6,555)
FNCL	31408JTH4	02/01/36	(800,030)
FNCL	31408JKF7	04/01/36	(100,032)
FNCL	31407VE35	10/01/35	(54,138)
FNCL	31409BBT7	03/01/36	(19,894)
FNCL	31409AZK8	03/01/36	(812,911)
FNCL	31408CYG5	11/01/35	(344,257)
FNCL	31407TK33	10/01/35	(23,566)
FNCL	31409YPJ0	05/01/36	(169,909)
			<u>(100,511,355)</u>
Uninsured and uncollateralized balance			<u>\$ -</u>
<u>Wells Fargo Trust</u>			
Money Market Account*			<u>\$ 25,104,541</u>
* Wells Fargo Trust Money Market Governmental MM Fund - Institutional carries the explicit guarantee of the US Government.			
<u>Charter Bank</u>			
Certificate of Deposit			\$ 1,000,000
Less FDIC insurance			(100,000)
Uninsured balance			<u>900,000</u>
Collateralized requirement at 50%			<u>450,000</u>
Collateral held at Federal Home Loan Bank of Dallas:			
GNMA	36291LMT9	02/15/35	(675,242)
			<u>(675,242)</u>
Uninsured balance			<u>\$ 224,758</u>
Uncollateralized balance			<u>\$ -</u>

**COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2007**

<u>Ironstone Bank</u>	<u>Cusip No.</u>	<u>Maturity Date</u>	
Certificate of Deposit			\$ 100,000
Less FDIC insurance			(100,000)
Uninsured balance			<u>\$ -</u>
<u>My Bank</u>			
Certificate of Deposit			\$ 100,000
Less FDIC insurance			(100,000)
Uninsured balance			<u>\$ -</u>
<u>Rio Grande Credit Union</u>			
Certificate of Deposit			\$ 100,000
Less FDIC insurance			(100,000)
Uninsured balance			<u>\$ -</u>
<u>New Mexico Bank & Trust</u>			
Certificate of Deposit			\$ 3,000,000
Certificate of Deposit			5,000,000
Certificate of Deposit			5,000,000
Certificate of Deposit			5,000,000
Certificate of Deposit			5,000,000
Certificate of Deposit			5,000,000
Certificate of Deposit			5,000,000
Less FDIC insurance			(100,000)
Uninsured balance			<u>32,900,000</u>
Collateralized requirement at 50%			<u>16,450,000</u>
Collateral held at Commerce Bank, St. Louis, MO:			
FHLB	3133MABK4	11/13/09	(5,144,850)
FHLB	3313MGYH3	05/15/11	(1,526,415)
FHLB	3133X3YY3	02/13/09	(2,434,575)
FHLB	3133XAT56	03/10/08	(2,970,720)
FHLB	3133XG3W2	06/28/11	(1,012,160)
FHLB	3133XJZA9	08/25/08	(996,350)
FHLB	3133X2BZ7	11/14/08	(2,573,590)
			<u>(16,658,660)</u>
Uninsured balance			<u>\$ 16,241,340</u>
Uncollateralized balance			<u>\$ -</u>
<u>Union Savings Bank</u>			
Certificate of Deposit			\$ 1,000,000
Less FDIC insurance			(100,000)
Uninsured balance			<u>900,000</u>
Collateralized requirement at 50%			<u>450,000</u>
Collateral held at Federal Home Loan Bank of Dallas, Irving, TX:			
FNMA ARM	3890014632	07/01/27	(93,237)
FNMA ARM	3890014149	02/01/30	(223,268)
FHR	812012734	07/01/24	(42,322)
ARM	4321005638	08/01/20	(77,598)
JAN	3890012511	12/20/33	(523,251)
			<u>(959,676)</u>
Uninsured and uncollateralized balance			<u>\$ -</u>

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2007

<u>Bayerische Hypo- und Vereinsbank AG</u>	<u>Cusip No.</u>	<u>Maturity Date</u>	
Repurchase Agreement			\$ 30,000,000
Repurchase Agreement			4,933,749
Uninsured balance			<u>34,933,749</u>
Collateral requirement at 102%			<u>35,632,424</u>
Collateral held at Bank of New York, New York, NY:			
3.50 FNSM A	31359MQP1	01/28/08	(30,590,114)
5 1/2 NOTE B	9128275Z1	02/15/10	(15,914)
5 1/2 NOTE B	9128275Z1	02/15/10	(5,038,408)
			<u>(35,644,436)</u>
Uninsured and uncollateralized balance			<u>\$ -</u>
<u>Westdeutsche Landsbank Girozentrale</u>			
Repurchase Agreement			\$ 4,615,582
Repurchase Agreement			5,438,448
Uninsured balance			<u>10,054,030</u>
Collateral requirement at 102%			<u>10,255,111</u>
Collateral held at Well Fargo Bank, Minneapolis, MN:			
Gov Natl MTG Pool#781583	36225BXL7	03/15/18	(160,597)
Natl Archives Fac TR	63252FAA7	09/01/19	(6,833,882)
US Treasury Bank DTD 5/15/086	912810DW5	05/15/16	(112,659)
US Treasury Bank DTD 11/15/086	912810DX3	11/15/16	(3,186,750)
			<u>(10,293,887)</u>
Uninsured and uncollateralized balance			<u>\$ -</u>
<u>Bayerische Landsbank Girozentrale</u>			
Repurchase Agreement			\$ 1,693,500
Uninsured balance			<u>\$ 1,693,500</u>
Collateral requirement at 102%			<u>1,727,370</u>
Collateral held at Wells Fargo Bank, Minneapolis, MN:			
United States Dept Veterans Affairs	911760SL1	12/15/30	(1,831,429)
			<u>(1,831,429)</u>
Uninsured and uncollateralized balance			<u>\$ -</u>
Total uninsured balance			<u>\$ 16,466,098</u>
Total uncollateralized balance			<u>\$ -</u>

**COUNTY OF BERNALILLO, NEW MEXICO
TAX ROLL RECONCILIATION
June 30, 2007**

Property tax receivable, beginning of year	\$ 30,440,420
Changes to Tax Roll:	
Net taxes charged to treasurer for fiscal year 2007 (tax year 2006)	460,355,860
Adjustments:	
Increase in taxes receivable	1,992,986
Charge off of taxes receivable	(5,127,825)
Increase in Cost to State	22,851
Increase in HB31	777,858
Increase in interest to County	1,509,822
Increase in penalties to County	857,602
Increase in interest to MRDGCD	55,259
Increase in penalties to MRDGCD	55,260
Elimination of tax year 1996	(114,111)
Total receivables prior to collections	<u>\$ 490,825,982</u>
Collections for fiscal year ended June 30, 2007 (Tax Years 1999-2006)	(458,169,444)
Collections for fiscal year ended June 30, 2007 (Tax Years 1997 and 1998)	(50,725)
Property taxes receivable, end of year	<u><u>\$ 32,605,813</u></u>

Property Taxes receivable by years:

1997	\$ 283,952
1998	637,624
1999	508,187
2000	1,086,938
2001	1,735,285
2002	1,310,198
2003	1,279,041
2004	2,169,655
2005	6,869,099
2006	<u>16,725,834</u>
Total taxes receivable	<u><u>\$ 32,605,813</u></u>

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	MRGCD INT/PEN	MRGCD MRGTX	Re-Appraisal Fee	Distributed in Current Year	Distributed To-Date	Current Amount Deemed Uncollectible	To-Date Amount Uncollected	Undistributed at Year End	County Receivable at Year End
State:												
State Debt Service												
1999-2005	90,627,455	373,459	90,175,647	-	-	840,539	369,729	89,335,108	63,439	451,808	840,539	400,533
2006	15,325,638	14,771,887	14,771,887	-	-	147,625	14,624,261	14,624,261	10,728	553,751	147,625	543,023
Total State Debt Service	105,953,093	15,145,346	104,947,534	-	-	988,164	14,993,990	103,959,369	74,167	1,005,559	988,164	943,556
Total State	105,953,093	15,145,346	104,947,534	-	-	988,164	14,993,990	103,959,369	74,167	1,005,559	988,164	943,556
County:												
County Operational												
1999-2005	497,996,758	2,340,393	494,685,043	-	-	4,662,802	2,316,989	490,022,241	348,588	3,311,716	4,662,802	2,963,118
2006	88,031,728	84,601,470	84,601,470	-	-	846,015	83,755,455	83,755,455	61,622	3,430,258	846,015	3,368,636
Total County Operational	586,028,486	86,941,863	579,286,513	-	-	5,508,817	86,072,444	573,777,696	410,220	6,741,974	5,508,817	6,331,754
County Debt Service												
1999-2005	58,204,727	257,984	57,902,549	-	-	549,991	258,404	57,352,558	40,743	302,178	549,991	262,803
2006	9,846,960	9,491,293	9,491,293	-	-	94,913	9,396,380	9,396,380	6,893	355,667	94,913	348,774
Total County Debt Service	68,051,687	9,749,277	67,393,842	-	-	644,904	9,651,784	66,748,938	47,636	657,845	644,904	611,577
County Open Space												
1999-2005	19,099,793	77,447	19,027,596	-	-	170,148	76,672	18,857,448	13,370	72,186	170,148	83,955
2006	2,963,952	2,859,852	2,859,852	-	-	28,989	2,830,264	2,830,264	2,076	107,099	28,989	105,023
Total County Open Space	22,063,745	2,936,299	21,886,448	-	-	199,137	2,906,936	21,687,712	15,446	179,285	199,137	188,978
County Judgement												
1999-2005	2,365,030	21,618	2,295,791	-	-	22,988	21,401	2,272,833	1,656	89,239	22,988	67,584
2006	237,914	206,005	206,005	-	-	2,060	203,945	203,945	166	31,509	2,060	31,343
Total County Judgement	2,602,944	227,623	2,501,796	-	-	25,048	225,346	2,476,778	1,822	100,748	25,048	98,927
County Reappraisal Fund												
1999-2005	-	-	-	-	-	-	-	21,652,741	-	-	(21,652,741)	-
2006	-	-	-	-	-	-	-	4,069,997	-	-	(4,069,997)	-
Total County Reappraisal Fund	-	-	-	-	-	-	-	25,722,738	-	-	(25,722,738)	-
Total County	678,748,462	99,855,062	671,068,599	-	-	6,377,476	98,866,510	690,413,862	475,124	7,679,862	(19,345,262)	7,231,296
Albuquerque:												
Albuquerque Operational												
1999-2005	141,443,012	655,298	140,757,802	-	-	1,337,772	648,745	139,420,030	99,010	685,210	1,337,772	588,339
2006	31,210,907	30,215,873	30,215,873	-	-	302,159	29,913,715	29,913,715	21,848	996,034	302,159	973,186
Total Albuquerque Operational	172,653,919	30,871,171	170,973,675	-	-	1,639,931	30,562,460	169,333,745	120,858	1,680,244	1,639,931	1,561,525
Albuquerque Debt Service												
1999-2005	458,233,437	1,695,160	455,950,554	-	-	4,266,818	1,678,209	451,683,736	320,763	2,282,883	4,266,818	1,962,120
2006	78,584,922	76,047,502	76,047,502	-	-	760,475	75,287,027	75,287,027	55,009	2,537,450	760,475	2,482,411
Total Albuquerque Debt Service	536,818,359	77,742,662	531,998,056	-	-	5,027,293	76,965,236	526,970,763	375,772	4,820,303	5,027,293	4,444,531
Total Albuquerque	709,472,278	108,613,833	702,971,731	-	-	6,667,224	107,527,696	696,304,508	486,630	6,500,547	6,667,224	6,006,056
Tijeras:												
Tijeras Operational												
1999-2005	69,560	360	68,721	-	-	639	366	68,082	49	859	639	810
2006	10,756	10,044	10,044	-	-	100	9,944	9,944	8	712	100	704
Total Tijeras Operational	80,316	10,404	78,765	-	-	739	10,300	78,026	57	1,571	739	1,514
Total Tijeras	80,316	10,404	78,765	-	-	739	10,300	78,026	57	1,571	739	1,514

COUNTY OF BERNILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	MIRGCD INT/PEN	MIRGCD MRGTX	Re-Appraisal Fee	Distributed in Current Year	Distributed To-Date	Current Amount Deemed Uncollectible	To-Date Amount Uncollected	Undistributed at Year End	County Receivable at Year End
Corrales:												
Corrales Operational												
1999-2005	320,384	1,534	319,467	-	-	2,934	1,519	316,533	224	917	2,934	706
2006	320,384	1,534	319,467	-	-	2,934	1,519	316,533	224	917	2,934	706
Total Corrales Operational												
Corrales Debt Service												
1999-2005	106,167	368	105,991	-	-	945	365	105,046	74	176	945	174
2006	106,167	368	105,991	-	-	945	365	105,046	74	176	945	174
Total Corrales Debt Service												
Total Corrales	426,551	1,902	425,458	-	-	3,879	1,884	421,579	298	1,093	3,879	880
Rio Rancho:												
Rio Rancho Operational												
1999-2005	135,277	435	135,088	-	-	1,313	431	133,775	95	190	1,313	131
2006	39,810	34,526	34,526	-	-	345	34,180	34,180	28	5,284	345	5,256
Total Rio Rancho Operational	175,087	34,961	169,614	-	-	1,658	34,811	167,955	123	5,474	1,658	5,387
Rio Rancho Debt Service												
1999-2005	49,898	178	49,813	-	-	488	176	49,325	35	85	488	80
2006	13,903	12,040	12,040	-	-	120	11,920	11,920	10	1,853	120	1,853
Total Rio Rancho Debt Service	63,801	12,218	61,853	-	-	608	12,096	61,245	45	1,948	608	1,933
Total Rio Rancho	238,888	47,179	231,467	-	-	2,266	46,707	229,200	168	7,422	2,266	7,320
School APS:												
APS Operational												
1999-2005	20,661,554	93,983	20,492,130	-	-	192,464	93,043	20,299,667	14,463	168,423	192,464	164,960
2006	3,719,770	3,577,340	3,577,340	-	-	35,773	3,541,567	3,541,567	2,604	142,429	35,773	139,826
Total APS Operational	24,381,324	3,671,323	24,069,470	-	-	228,237	3,634,610	23,841,234	17,067	311,852	228,237	294,786
APS Debt Service												
1999-2005	142,301,166	657,437	141,462,579	-	-	1,327,901	650,862	140,134,678	99,611	838,587	1,327,901	738,976
2006	25,611,343	24,646,766	24,646,766	-	-	246,468	24,400,298	24,400,298	17,928	964,577	246,468	946,649
Total APS Debt Service	167,912,509	25,304,203	166,109,345	-	-	1,574,369	25,051,160	164,534,976	117,539	1,803,164	1,574,369	1,685,625
APS Capital Improvement												
1999-2005	112,411,267	585,752	111,732,313	-	-	1,037,190	579,894	110,695,123	78,688	678,954	1,037,190	600,266
2006	23,521,087	22,688,446	22,688,446	-	-	228,984	22,471,462	22,471,462	16,465	822,641	228,984	806,176
Total APS Capital Improvement	135,932,354	23,284,198	134,430,759	-	-	1,266,174	23,051,356	133,166,585	95,153	1,501,595	1,266,174	1,406,442
APS HB33 School Building												
1999-2005	263,915,344	1,217,757	262,581,776	-	-	2,464,797	1,205,579	260,116,979	184,741	1,333,568	2,464,797	1,148,827
2006	47,195,503	45,481,379	45,481,379	-	-	454,814	45,026,565	45,026,565	33,037	1,714,124	454,814	1,681,087
Total APS HB33 School Building	311,110,847	46,699,136	308,063,155	-	-	2,919,611	46,232,144	305,143,544	217,778	3,047,692	2,919,611	2,829,914
Total School APS	639,337,034	98,958,860	632,672,729	-	-	5,986,391	97,969,270	626,688,339	447,537	6,664,303	5,986,391	6,216,767

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	MIRGCD IN/PEN	MIRGCD MRGTX	Re-Appraisal Fee	Distributed in Current Year	Distributed To-Date	Current Amount Deemed Uncollectible	To-Date Amount Uncollected	Undistributed at Year End	County Receivable at Year End
School District 08:												
School District 08 Operational												
1999-2005	6,449	30	6,422	-	-	50	29	6,372	5	27	50	23
2006	52	52	52	-	-	1	51	51	-	-	2	-
Total School District 08 Operational	6,501	82	6,474	-	-	51	80	6,423	5	27	52	23
School District 08 Debt Service												
1999-2005	114,541	483	113,394	-	-	886	478	112,509	80	1,147	886	1,070
2006	747	747	747	-	-	7	740	740	1	-	7	-
Total School District 08 Debt Service	115,288	1,230	114,141	-	-	893	1,218	113,249	81	1,147	893	1,070
School District 08 Capital Improvement												
1999-2005	35,524	149	35,191	-	-	274	148	34,917	25	333	274	309
2006	207	207	207	-	-	2	205	205	-	-	2	-
Total School District 08 Capital Improvement	35,731	356	35,398	-	-	276	353	35,122	25	333	276	309
Total School District 08	157,520	1,668	156,013	-	-	1,220	1,651	154,794	111	1,507	1,221	1,402
School District 24:												
School District 24 Operational												
1999-2005	119,005	1,129	112,882	-	-	1,078	1,118	111,804	81	3,123	1,078	3,104
2006	24,127	22,689	22,689	-	-	227	22,462	22,462	17	1,438	227	1,421
Total School District 24 Operational	140,132	23,818	135,571	-	-	1,305	23,580	134,266	98	4,561	1,305	4,525
School District 24 Debt Service												
1999-2005	2,396,211	23,640	2,337,370	-	-	22,452	23,403	2,314,918	1,679	60,841	22,452	59,162
2006	469,562	443,266	443,266	-	-	4,433	438,834	438,834	329	26,296	4,433	25,867
Total School District 24 Debt Service	2,865,773	466,906	2,780,636	-	-	26,885	462,237	2,753,752	2,008	87,137	26,885	85,129
School District 24 Capital Improvement												
1999-2005	635,935	5,785	620,180	-	-	5,915	5,727	614,265	445	15,755	5,915	15,309
2006	130,242	122,879	122,879	-	-	1,229	121,651	121,651	91	7,363	1,229	7,272
Total School District 24 Capital Improvement	766,177	128,664	743,059	-	-	7,144	127,378	735,916	536	23,118	7,144	22,581
Total School District 24	3,774,082	619,388	3,659,266	-	-	35,334	613,195	3,623,934	2,642	114,816	35,334	112,235
CNM:												
CNM												
1999-2005	170,829,425	780,576	169,841,723	-	-	-	780,576	169,841,723	119,581	987,702	-	988,122
2006	31,012,690	29,860,525	29,860,525	-	-	-	29,860,525	29,860,525	21,709	1,152,165	-	1,130,456
Total CNM	201,842,115	30,641,101	199,702,248	-	-	-	30,641,101	199,702,248	141,290	2,139,867	-	1,998,578
CNM Debt Service												
1999-2005	32,125,131	164,720	31,899,418	-	-	-	164,720	31,899,418	22,488	225,713	-	203,225
2006	6,484,349	6,255,468	6,255,468	-	-	-	6,255,468	6,255,468	4,539	228,881	-	224,342
Total CNM Debt Service	38,609,480	6,420,188	38,154,886	-	-	-	6,420,188	38,154,886	27,027	454,594	-	427,567
Total CNM	240,451,595	37,061,289	237,857,134	-	-	-	37,061,289	237,857,134	168,317	2,594,461	-	2,426,145
UNMH:												
UNMH												
1999-2005	318,432,857	1,928,421	316,357,016	-	-	3,163,570	1,909,137	313,193,446	222,903	2,075,841	3,163,570	1,852,938
2006	76,959,052	74,163,919	74,163,919	-	-	741,639	73,422,280	73,422,280	53,871	2,795,133	741,639	2,741,262
Total UNMH	395,391,909	76,092,340	390,520,935	-	-	3,905,209	75,331,417	386,615,726	276,774	4,870,974	3,905,209	4,594,200

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	MIRGCD INT/PEN	MIRGCD MRGTX	Re-Appraisal Fee	Distributed in Current Year	Distributed To-Date	Current Amount Deemed Uncollectible	To-Date Amount Uncollected	Undistributed at Year End	County Receivable at Year End
UNMH/BCMC												
1999-2005	61,401,318	14,494	61,240,635	-	-	465,484	14,349	60,775,151	42,981	160,883	465,484	117,702
Total UNMH/BCMC	61,401,318	14,494	61,240,635	-	-	465,484	14,349	60,775,151	42,981	160,883	465,484	117,702
Total UNMH	456,793,227	76,106,834	451,761,570	-	-	4,370,893	75,345,766	447,390,877	319,755	5,031,657	4,370,893	4,711,902
BCMH/CMRC:												
BCMHC												
1999-2005	7,128,876	1,885	7,120,685	-	-	54,124	1,668	7,066,561	4,990	8,191	54,124	10,863
Total BCMHC	7,128,876	1,885	7,120,685	-	-	54,124	1,668	7,066,561	4,990	8,191	54,124	10,863
Total BCM/CMRC	7,128,876	1,885	7,120,685	-	-	54,124	1,668	7,066,561	4,990	8,191	54,124	10,863
AMAFCA:												
AFC Operational												
1999-2005	16,395,414	69,490	16,346,036	-	-	153,117	68,796	16,192,919	11,477	49,378	153,117	75,365
2006	2,932,239	2,820,390	2,820,390	-	-	28,204	2,792,186	2,792,186	2,053	111,850	28,204	109,787
Total Operational	19,327,653	2,889,880	19,166,426	-	-	181,321	2,860,982	18,985,105	13,530	161,228	181,321	185,152
AFC Debt												
1999-2005	42,838,063	191,025	42,495,638	-	-	398,945	189,114	42,096,693	29,987	342,425	398,945	312,438
2006	7,700,266	7,413,710	7,413,710	-	-	74,137	7,339,572	7,339,572	5,990	268,555	74,137	281,165
Total AFC Debt	50,538,329	7,604,735	49,909,348	-	-	473,082	7,529,686	49,436,265	35,977	628,980	473,082	593,603
Total AMAFCA	69,865,981	10,494,615	69,075,774	-	-	654,403	10,389,668	68,421,370	48,907	790,208	654,403	778,765
MIRGCD:												
MIRGCD												
1999-2005	55,356,859	526,023	54,533,272	634,973	545,333	501,369	578,128	54,121,543	38,750	823,587	501,369	752,911
2006	7,778,767	7,331,257	7,331,257	17,781	73,313	72,579	7,203,146	7,203,146	5,445	447,510	72,579	442,065
Total MIRGCD	63,135,626	7,857,280	61,864,529	652,754	618,646	573,948	7,781,274	61,324,689	44,195	1,271,097	573,948	1,234,976
Total MIRGCD	63,135,626	7,857,280	61,864,529	652,754	618,646	573,948	7,781,274	61,324,689	44,195	1,271,097	573,948	1,234,976
Edge SW:												
ESWCD												
1999-2005	610,844	5,610	604,964	-	-	5,778	5,553	599,196	428	5,880	5,778	5,452
2006	116,115	109,839	109,839	-	-	1,098	108,740	108,740	81	6,276	1,098	6,195
Total ESWCD	726,959	115,449	714,803	-	-	6,876	114,293	707,936	509	12,156	6,876	11,647
Total EDGE SW	726,959	115,449	714,803	-	-	6,876	114,293	707,936	509	12,156	6,876	11,647
Grand Total	2,976,290,508	454,890,794	2,944,606,057	652,754	618,646	25,722,737	450,715,161	2,944,640,168	2,083,407	31,684,450	2,965,064	29,695,064

*Note: This property tax schedule reflects 8 years of the 10 year requirement. Two (2) years 1997 and 1998 were unavailable totaling \$921,576.11

COUNTY OF BERNALILLO, NEW MEXICO
 JOINT POWERS AGREEMENTS
 JUNE 30, 2007

Participants	Responsible Party	Description	Beginning Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
City of Albuquerque Board of Education	Bernalillo County	Rio Grande Swimming Pool - Construction and Maintenance CCN 76-0008	1976	04-06-2051	\$680,000	\$250,000	\$286,000	Bernalillo County
City of Albuquerque	Both Parties	Child Abuse Council CCN 83-0017	1983	90-Day Notice	Not specified	Not specified	Unknown	City of Albuquerque
Village of Tijeras	Bernalillo County	Animal Control Services CCN 84-043	1984	30-Day Notice	Varies Yearly	Not specified	Unknown	Not specified
City of Albuquerque Village of Los Ranchos Village of Tijeras	City of Albuquerque	Albuquerque/Bernalillo County Board of Aging CCN 84-0099	1984	6-Month Notice	Not specified	Not specified	Unknown	City of Albuquerque
NM Corrections Dept.	Bernalillo County	Security Transport Services CCN 85-0096	1985	30-Day Notice	Not specified	Provide prisoner Transportation	Unknown	NM Correction Department
City of Albuquerque	Both Parties	Law Enforcement Center CCN 86-0063 & 88-0161	1986	6-Month Notice	Not specified	Varies yearly	Unknown	Both Parties
New Mexico County Insurance Authority	Board of Directors	Workers Compensation Fund CCN 87-0034	1987	Indefinite	Varies yearly	Unknown	\$2,272,807	Board of Directors
New Mexico County Insurance Authority	Board of Directors	Multi-line Self-Insurance Fund CCN 92-0424	1989	Indefinite	Varies yearly	Unknown	\$1,692,937	Board of Directors
City of Albuquerque	City of Albuquerque	Motor Vehicle Emissions Inspection Maintenance Program CCN 87-0121	1987	180-Day Notice	Varies yearly	20% of city's yearly project budget	Unknown	Both Parties
City of Albuquerque	City of Albuquerque	Development/Maintenance of A Emergency Response Plan CCN 90-0207	1988	30-Day Notice	Varies yearly	25% of city's annual approved project budget	Unknown	Both Parties
City of Albuquerque	City of Albuquerque	City/County Building CCN 2006-0693	2006	Indefinite	Not specified	Annual Rent Utilities	\$1,285,760.0	Both Parties
City of Albuquerque	Both Parties	Emergency Medical Services CCN 1991-0239	1991	180-Day Notice	Varies yearly	Varies yearly	Unknown	Both Parties
NM Energy, Minerals, And Natural Resources Department	Bernalillo County	Administer Federal Land and Water Conservation Fund Act Maintain Park in Tijeras CCN 1992-0178	1992	10-Day Written Notice	\$17,000	Maintain park Property and Buildings.	Unknown	EMNRD, DFA State Auditor

COUNTY OF BERNALILLO, NEW MEXICO
 JOINT POWERS AGREEMENTS
 JUNE 30, 2007

Participants	Responsible Party	Description	Beginnin Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
City of Albuquerque Commissioner of Public Lands for New Mexico NM AMAFCA Village of Tijeras	Commissioner of Public Lands for New Mexico	South Eubank Landfill Stabilization CCN 93-0367	1993	Silent	Not specified	Not to exceed \$200,000	Unknown	Not specified
	Bernalillo County	East Mountain Transfer Station CCN 93-0130	1993	30-Day Notice	Not specified	Maintain Transfer Station In safe Condition	\$323,401	Both Parties
City of Albuquerque	Both Parties	Flood Damage Prevention CCN 93-0451 & 95-0191	1993	30-Day Notice	Not specified	Half of the costs	Unknown	Both Parties
City of Rio Rancho City of Albuquerque Village of Tijeras Village of Los Ranchos	All Parties	Unified Library System CCN 93-0516 & 2003-0589 & 2006-0421	1993	60-Day Notice	Not specified	Not specified	\$887,630	All Parties
The Navajo Nation, Canoncito Community School Board of Education, Canoncito Chapter	Bernalillo County Canoncito Community School Board of Education	Solid Waste Transfer Station Within The Canoncito Chapter CCN 94-0414	1994	180-Day Notice	Not specified	Construction/ \$7,000 start up	Unknown	All Parties
Town of Bernalillo	Bernalillo County	Summer Lunch Program CCN 95-0215	1995	90-Day Notice	Varies yearly	Administer Program	\$305,000 County-wide	Bernalillo County
New Mexico Highway And Transportation Department	Both Parties	Alameda Boulevard Landscaping Maintenance CCN 1995-0531	1995	Indefinite	\$1,250,000	Maintenance services	Unknown	Not specified
City of Albuquerque Village of Los Ranchos, Village of Tijeras	City of Albuquerque	Conduct of Community Programs on Aging CCN 1995-0739	1995	90-Day Notice	Not specified	Not specified	Unknown	City of Albuquerque
Torrance County Solid Waste Authority	Torrance County Solid Waste Authori	Torrance County/Bernalillo County Landfill CCN 1998-0115	1996	1-Year Notice	Not specified	Not to exceed \$633,000	Unknown	Torrance County

COUNTY OF BERNALILLO, NEW MEXICO
 JOINT POWERS AGREEMENTS
 JUNE 30, 2007

Participants	Responsible Party	Description	Beginning Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
City of Albuquerque	Both Parties	Joint Metropolitan Forensic Services Center CCN 1999-0226, 2005-0688	1999	90-Day Notice	\$12,000,000	Varies yearly	\$0	City of Albuquerque
AMAFCA New Mexico State Highway Department	AMAFCA Bernalillo County	2 nd Street-Pueblo Solano, Pueblo Luna, and Ortega Drain Outfall CCN 1999-0528	2000	30-Day Notice	Not specified	Maintenance of drainage improve- ments	Unknown	Not specified
NM Energy, Minerals & Natural Resources Department	Both Parties	Mobilization of Wildland Fire Protection & Resources CCN 2000-0071	2000	30-Day Notice	Not specified	Not specified	Unknown	Both Parties, DFA, State Auditor
Sandoval County Valencia County	Bernalillo County	Regional Juvenile Detention Operation CCN 2000-0311, CCN 2007-0431	2000	06-30-07	Varies yearly	Manage operation	\$1,148,651	Not specified
New Mexico State Highway & Transportation Department Pueblo of Sandia	Bernalillo County	Traffic Signal at Intersection NM 556 CCN 2001-0114	2000	Indefinite	Not specified	Not specified	Unknown	Not specified
NM Regulation & Licensing Department And Construction Industries Division	Bernalillo County	Regulation of Public Buildings Within Geographical Boundary OF NMPS CCN 2001-0164	2001	30-Day Notice	Not specified	Not specified	Unknown	Independent accreditation agency
New Mexico Secretary of State	Bernalillo County	Installation and Implementation of the Voter registration and elections management system. CCN 2002-0061	2002	01-23-2006	\$1,450,000	Varies yearly	Unknown	Not specified
City of Albuquerque	Both Parties	Metropolitan Criminal Justice Services Coordinating Council MCJCS CCN 2003-0385	1999	90-Day Notice	Not specified	Not specified	Unknown	Both Parties, DFA, State Auditor
Energy, Minerals, and Natural Resources Department	Bernalillo County	Inmate work camp crews CCN 99-0014 & 2002-0135 CCN07-0186	03-09-02	04-22-08	Negotiable	Unknown	Unknown	Not specified
City of Albuquerque and Albuquerque-Bernalillo Water Utility Authority	City of Albuquerque	Set forth the procedures for the Issuance of revenue bonds or Other obligations needed to Finance the utility capital needs CCN 03-0673	02-25-04	By consent of Parties.	Various	None	None	City of Albuquerque

COUNTY OF BERNALILLO, NEW MEXICO
 JOINT POWERS AGREEMENTS
 JUNE 30, 2007

Participants	Responsible Party	Description	Beginning Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
New Mexico Energy, Minerals and Natural Resource	Bernalillo County And EMNRD	Suppression of wildfires on State and non-municipal Private lands CCN 2004-0003	12-13-04	30-Day Written Notice	Not specified	Unknown	Unknown	EMNRD
Hubbell House Alliance	Bernalillo County And Hubbell House Alliance	Improvements, maintenance, And education for history Of Hubbell House and Property CCN 2004-0166	04-21-04	60-Day Notice	Not Specified	None	None	Hubbell House Alliance
City of Albuquerque	Bernalillo County And City of Albuquerque	Analyze storm water samples And provide results in Electronic Format CCN 2006-0414	06-30-04	06-30-2006	\$32,000	\$32,000	\$32,000	Bernalillo County
State of New Mexico Department of Econ. Development	Bernalillo County	Create business incubation Services in Southeast Bernalillo County CCN 2004-0343	06-04-04	06-30-2005	\$200,000	None	None	Economic Development Department
City of Albuquerque Bernalillo County Water Utility Authority	City of Albuquerque Bernalillo County Water Utility Authority	City, County & Authority Have right-of-way eminent Domain powers CCN2004-0692	09-22-04	Indefinite	Not Specified	Unknown	Unknown	All Parties
City of Albuquerque	Bernalillo County	Effectuate Admin. Efficiency Of Public Buildings CCN 2005-0117	04-12-05	Indefinite	Not Specified	None	Unknown	Bernalillo County
New Mexico Economic Development Dept.	Bernalillo County	Business incubation services in Southwest Albuquerque CCN 2005-0480	11-22-05	06-01-2006	\$63,650	None	Unknown	Bernalillo County
New Mexico Dept of Health	New Mexico Dept Of Health	Bernalillo County South Valley Health Commons CCN 2006-0218	05-23-06	11-08-2009	\$193,000	None	None	New Mexico Dept Of Health
Valencia County	Bernalillo County	Assist Valencia in dev, implement And operating a juvenile Community custody program CCN 2007-0430	06-26-07	30 day notice	unknown	unknown	None	All Parties
Sandoval County	Bernalillo County	Operation of Regional Juvenile Detention Operation CCN 2007-0432	06-27-07	6 month notice	Unknown	Unknown	Unknown	Bernalillo County

COUNTY OF BERNALILLO, NEW MEXICO
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year Ended June 30, 2007

	<u>Balance</u> <u>July 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2007</u>
TREASURER				
CASH OVER/SHORT FUND				
ASSETS				
Cash and investments	\$ (825)	\$ (133)	\$ -	\$ (958)
LIABILITIES				
Deposits held in trust for others	\$ (825)	\$ (133)	\$ -	\$ (958)
TREASURER				
CHILDREN'S TRUST FUND				
ASSETS				
Cash and investments	\$ (2,329)	\$ 66,195	\$ 66,345	\$ (2,479)
Receivables - other	540	285	540	285
Total assets	<u>\$ (1,789)</u>	<u>\$ 66,480</u>	<u>\$ 66,885</u>	<u>\$ (2,194)</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ (1,789)</u>	<u>\$ 66,480</u>	<u>\$ 66,885</u>	<u>\$ (2,194)</u>
TREASURER				
REFUND OVERPAYMENTS FUND				
ASSETS				
Cash and investments	<u>\$ 186,764</u>	<u>\$ 5,684,618</u>	<u>\$ 1,404,860</u>	<u>\$ 4,466,522</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ 186,764</u>	<u>\$ 5,684,618</u>	<u>\$ 1,404,860</u>	<u>\$ 4,466,522</u>
TREASURER				
VALUATION PROBLEMS FUND				
ASSETS				
Cash and investments	<u>\$ 8,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,401</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ 8,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,401</u>
TREASURER				
PARTIAL PAYMENTS FUND				
ASSETS				
Cash and investments	<u>\$ 58,175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,175</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ 58,175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,175</u>
TREASURER				
TAXES PAID IN ADVANCE FUND				
ASSETS				
Cash and investments	<u>\$ 168,627</u>	<u>\$ (21,469)</u>	<u>\$ -</u>	<u>\$ 147,158</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ 168,627</u>	<u>\$ (21,469)</u>	<u>\$ -</u>	<u>\$ 147,158</u>

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
 AGENCY FUNDS
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 Year Ended June 30, 2007

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
TREASURER				
CLAIM FOR REFUND IOI FUND				
ASSETS				
Cash and investments	\$ 63,662	\$ 4,668	\$ -	\$ 68,330
Receivables - other	-	706	-	706
Total assets	<u>\$ 63,662</u>	<u>\$ 5,374</u>	<u>\$ -</u>	<u>\$ 69,036</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ 63,662</u>	<u>\$ 5,374</u>	<u>\$ -</u>	<u>\$ 69,036</u>
TREASURER				
UNDISTRIBUTED TAXES				
ASSETS				
Cash and investments	\$ 6,503,859	\$ 355,258,281	\$ 357,011,751	\$ 4,750,389
Receivables - Property taxes	21,586,184	22,986,701	21,586,184	22,986,701
Total assets	<u>\$ 28,090,043</u>	<u>\$ 378,244,982</u>	<u>\$ 378,597,935</u>	<u>\$ 27,737,090</u>
LIABILITIES				
Deposits held in trust for others	\$ 6,503,859	\$ 355,258,281	\$ 357,011,751	\$ 4,750,389
Future taxes collectible	21,586,184	22,986,701	21,586,184	22,986,701
Total liabilities	<u>\$ 28,090,043</u>	<u>\$ 378,244,982</u>	<u>\$ 378,597,935</u>	<u>\$ 27,737,090</u>
TREASURER				
NSF APPLIES FUND				
ASSETS				
Cash and investments	<u>\$ 3,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,291</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ 3,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,291</u>
TREASURER				
CLAIM FOR REFUND FUND				
ASSETS				
Cash and investments	<u>\$ 1,803,849</u>	<u>\$ 370,036</u>	<u>\$ -</u>	<u>\$ 2,173,885</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ 1,803,849</u>	<u>\$ 370,036</u>	<u>\$ -</u>	<u>\$ 2,173,885</u>
TREASURER				
TRUST AND ESCROW FUND				
ASSETS				
Cash and investments	<u>\$ 2,859</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,859</u>
LIABILITIES				
Deposits held in trust for others	<u>\$ 2,859</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,859</u>
TOTAL - TREASURER				
TREASURER				
ASSETS				
Cash and investments	\$ 8,796,333	\$ 361,362,196	\$ 358,482,956	\$ 11,675,573
Receivables - Property taxes	21,586,184	22,986,701	21,586,184	22,986,701
Receivables - other	540	991	540	991
Total assets	<u>\$ 30,383,057</u>	<u>\$ 384,349,888</u>	<u>\$ 380,069,680</u>	<u>\$ 34,663,265</u>
LIABILITIES				
Deposits held in trust for others	\$ 8,796,873	\$ 361,363,187	\$ 358,483,496	\$ 11,676,564
Future taxes collectible	21,586,184	22,986,701	21,586,184	22,986,701
Total liabilities	<u>\$ 30,383,057</u>	<u>\$ 384,349,888</u>	<u>\$ 380,069,680</u>	<u>\$ 34,663,265</u>

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year Ended June 30, 2007

	<u>Balance July 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2007</u>
COURT SERVICES FUNDS				
ASSETS				
Cash and investments	\$ 4,779	\$ 350,130	\$ 353,806	\$ 1,103
LIABILITIES				
Deposits held in trust for others	\$ 4,779	\$ 350,130	\$ 353,806	\$ 1,103
COUNTY SHERIFF FUND				
ASSETS				
Cash and investments	\$ 508,287	\$ 318,158	\$ 316,857	\$ 509,588
LIABILITIES				
Deposits held in trust for others	\$ 508,287	\$ 318,158	\$ 316,857	\$ 509,588
SPECIAL ASSESSMENTS DISTRICT 84-1 FUND				
ASSETS				
Cash and investments	\$ 18,625	\$ 180	\$ -	\$ 18,805
Receivables - other	56,830	-	180	56,650
Total assets	<u>\$ 75,455</u>	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ 75,455</u>
LIABILITIES				
Deposits held in trust for others	\$ 75,455	\$ 180	\$ 180	\$ 75,455
SPECIAL ASSESSMENTS DISTRICT 84-2 FUND				
ASSETS				
Cash and investments	\$ 10,559	\$ -	\$ -	\$ 10,559
Receivables - other	17,083	-	-	17,083
Total assets	<u>\$ 27,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,642</u>
LIABILITIES				
Deposits held in trust for others	\$ 27,642	\$ -	\$ -	\$ 27,642
SPECIAL ASSESSMENTS DISTRICT 85-3 FUND				
ASSETS				
Receivables-other	\$ 1,804	\$ -	\$ -	\$ 1,804
LIABILITIES				
Deposits held in trust for others	\$ 1,804	\$ -	\$ -	\$ 1,804
SPECIAL ASSESSMENTS DISTRICT 85-4				
ASSETS				
Cash and investments	\$ 15,526	\$ 377	\$ -	\$ 15,903
Receivables-other	20,398	-	377	20,021
Total assets	<u>\$ 35,924</u>	<u>\$ 377</u>	<u>\$ 377</u>	<u>\$ 35,924</u>
LIABILITIES				
Deposits held in trust for others	\$ 35,924	\$ 377	\$ 377	\$ 35,924

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
 AGENCY FUNDS
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 Year Ended June 30, 2007

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
SPECIAL ASSESSMENTS				
DISTRICT 85-5				
ASSETS				
Receivables-other	\$ 959	\$ -	\$ -	\$ 959
LIABILITIES				
Deposits held in trust for others	\$ 959	\$ -	\$ -	\$ 959
SPECIAL ASSESSMENTS				
DISTRICT 83-1				
ASSETS				
Cash and investments	\$ 104,356	\$ 134,381	\$ 89,937	\$ 148,800
Due from other funds	58,906	-	58,906	-
Receivables-other	636,535	-	24,185	612,350
Total assets	<u>\$ 799,797</u>	<u>\$ 134,381</u>	<u>\$ 173,028</u>	<u>\$ 761,150</u>
LIABILITIES				
Deposits held in trust for others	\$ 799,797	\$ 134,381	\$ 173,028	\$ 761,150
SPECIAL ASSESSMENTS				
DISTRICT 83-1B				
ASSETS				
Cash and investments	\$ 289,220	\$ -	\$ 273,594	\$ 15,626
Receivables - Property taxes	1,885,000	-	100,000	1,785,000
Total assets	<u>\$ 2,174,220</u>	<u>\$ -</u>	<u>\$ 373,594</u>	<u>\$ 1,800,626</u>
LIABILITIES				
Deposits held in trust for others	\$ 230,314	\$ -	\$ 214,688	\$ 15,626
Due to other funds	58,906	-	58,906	-
Future taxes collectible	1,885,000	-	100,000	1,785,000
Total liabilities	<u>\$ 2,174,220</u>	<u>\$ -</u>	<u>\$ 373,594</u>	<u>\$ 1,800,626</u>
TOTAL				
TREASURER				
ASSETS				
Cash and investments	\$ 9,747,685	\$ 362,165,422	\$ 359,517,150	\$ 12,395,957
Receivables - Property taxes	23,471,184	22,986,701	21,686,184	24,771,701
Receivables - other	734,149	991	25,282	709,858
Due from other funds	58,906	-	58,906	-
Total assets	<u>\$ 34,011,924</u>	<u>\$ 385,153,114</u>	<u>\$ 381,287,522</u>	<u>\$ 37,877,516</u>
LIABILITIES				
Deposits held in trust for others	\$ 10,481,834	\$ 362,166,413	\$ 359,542,432	\$ 13,105,815
Due to other funds	58,906	-	58,906	-
Future taxes collectible	23,471,184	22,986,701	21,686,184	24,771,701
Total liabilities	<u>\$ 34,011,924</u>	<u>\$ 385,153,114</u>	<u>\$ 381,287,522</u>	<u>\$ 37,877,516</u>

The Notes to Financial Statements are an integral part of these statements.

**COUNTY OF BERNALILLO, NEW MEXICO
RECONCILIATION OF NONMAJOR FUNDS GAAP
STATEMENT TO THE BUDGETARY BASIS STATEMENT
YEAR ENDED JUNE 30, 2007**

Funds	GAAP Basis	Accounts Receivable	Accrued Interest	Accounts Payable	Deferred Revenue	Accrued Payroll	Due from Grantor	Budgetary Basis
Emergency Medical Services	\$ 19,571	\$ -	\$ -	\$ (21,133)	\$ -	\$ -	\$ -	\$ (1,562)
Recreation	(122)	(399)	-	2,250	-	-	-	1,729
DWI Services	45,509	(600,000)	-	878,126	1,596,075	48,530	(1,243,308)	724,932
Valuation	898,422	-	-	(31,977)	-	(134)	-	866,311
Fire Districts	77,297	-	-	(4,815)	(978,505)	-	-	(906,023)
Law Enforcement Protection	(21,731)	-	-	(10,792)	-	-	-	(32,523)
County Indigent	(61,314)	(1,874,418)	-	1,871,700	-	-	-	(64,032)
ERDA	(302,114)	(215)	1,070	(27,519)	-	-	-	(328,778)
Regional Correction Center	3,150,998	(859,084)	-	(767,012)	-	-	-	1,524,902
Environmental Health	651,553	(2,279)	-	(191,191)	7,700	(11,965)	-	453,818
Clerk's Recording & Filing	169,348	6,050	-	(664)	-	-	-	174,734
Community Service	35,144	(50,290)	-	-	-	-	-	(15,146)
Industrial Revenue Bonds	274,741	(93,051)	-	50,710	-	-	-	232,400
GO Bond Debt Service	1,289,116	(70,623)	18,220	-	39,313	-	-	1,276,026
Series 1996 Debt Service	(2,088)	-	81	-	-	-	-	(2,007)
Refunding Series 1998 Debt Service	(33,099)	-	3,062	-	-	-	-	(30,037)
Series 1996B Debt Service	198,005	-	1,582	-	-	-	-	199,587
Series 1997 Debt Service	8,334	-	426	-	-	-	-	8,760
Refunding Series 2005 Debt Service	(98,897)	-	781	-	-	-	-	(98,116)
Series 2004 Debt Service	(1,004,389)	680,062	(2,069)	-	-	-	-	(326,396)

Statistical Section

This part of the County of Bernalillo's comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time.	143
Revenue Capacity These schedules present information to help the reader assess the County's most significant local revenue source, the property tax.	148
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	153
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	158
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County's provides and the activities it performs.	160

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented Governmental Accounting Standards Board Statement No. 34 in 2002; therefore, schedules presenting government-wide information began in that year.



COUNTY OF BERNALILLO, NEW MEXICO
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(accrual basis of accounting)

	2007	2006	2005	2004	2003	2002
Governmental activities						
Invested in capital assets, net of related debt	\$ 299,526,749	\$ 259,799,155	\$ 256,203,651	\$ 262,781,593	\$ 258,269,827	\$ 241,476,055
Restricted	106,094,221	43,396,414	49,216,804	47,164,322	23,926,773	17,190,302
Unrestricted	70,097,399	83,841,598	59,844,194	36,256,788	42,837,998	16,565,534
Total governmental activities net of related debt	\$ 475,718,369	\$ 387,037,167	\$ 365,264,649	\$ 345,202,703	\$ 325,034,598	\$ 275,231,891
Business-type activities						
Invested in capital assets, net of related debt	\$ 3,196,311	\$ 4,204,373	\$ 3,602,601	\$ 3,159,453	\$ 3,229,267	\$ 2,085,987
Unrestricted	1,340,312	599,684	1,572,789	1,524,239	1,388,372	2,363,509
Total business-type activities	\$ 4,536,623	\$ 4,794,057	\$ 5,175,390	\$ 4,683,692	\$ 4,617,639	\$ 4,449,496
Primary government						
Invested in capital assets, net of related debt	\$ 302,723,060	\$ 264,003,528	\$ 259,806,252	\$ 265,941,046	\$ 261,499,094	\$ 243,562,042
Restricted	106,094,221	43,396,414	49,216,804	47,164,322	23,926,773	17,190,302
Unrestricted	71,437,711	84,431,282	61,416,983	37,781,027	44,226,370	18,929,043
Total primary government net assets	\$ 480,254,992	\$ 391,831,224	\$ 370,440,039	\$ 350,886,395	\$ 329,652,237	\$ 279,681,387

**CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(accrual basis of accounting)**

Expenses	2007	2006	2005	2004	2003	2002
Governmental activities:						
General government	\$ 47,569,157	\$ 46,477,713	\$ 45,288,911	\$ 37,501,192	\$ 35,401,110	\$ 43,255,078
Public works	32,604,280	45,618,719	34,996,816	32,294,831	17,430,834	14,924,680
Public safety	129,957,959	108,438,819	89,268,698	82,328,864	70,268,870	62,911,948
Culture and recreation	16,337,172	14,202,035	11,411,012	11,409,199	10,970,249	10,538,867
Health and welfare	25,862,321	19,199,026	19,266,114	18,785,416	18,236,535	19,152,007
Interest on long-term debt	15,221,474	14,318,226	15,077,459	14,651,079	13,877,535	13,223,301
Total government activities expenses	266,552,363	248,254,538	215,299,008	196,970,581	166,185,133	164,005,881
Business-type activities:						
Solid waste	4,483,095	4,257,715	3,255,586	3,353,335	3,256,760	2,906,417
Housing Authority	847,572	469,038	1,036,213	1,672,735	1,632,148	1,606,827
Seybold Village Handicapped Project	172,947	168,763	145,955	126,954	135,129	122,065
Regional Juvenile Detention Center	1,158,479	1,273,084	1,330,647	1,275,350	1,190,085	989,458
El Centro Familiar	354,557	404,069	382,877	392,493	379,777	242,262
Total business-type activities expenses	7,016,650	6,572,669	6,151,278	6,820,867	6,593,899	5,867,029
Total primary government expenses	\$ 273,569,013	\$ 254,827,207	\$ 221,450,286	\$ 203,791,448	\$ 172,779,032	\$ 169,872,910
Program Revenues						
Government activities:						
Charges for services:						
General government	\$ 47,003,455	\$ 30,856,985	\$ 21,395,970	\$ 16,687,785	\$ 15,426,336	\$ 11,556,799
Public works						2,110,599
Culture and recreation	48,720	151	60	97	114	121
Operating grants and contributions:						
General government	442,797	280,737	1,008,250	504,723	72,137	32,348
Public Works	17,536	-	2,357	356,530	-	-
Public Safety	5,207,981	8,267,824	7,427,307	8,503,339	4,170,033	3,431,778
Culture and recreation	260,933	887,767	852,589	841,768	639,390	456,954
Health and Welfare	15,807,842	12,511,372	12,535,023	11,509,565	10,732,435	9,791,814
Capital Grants and contributions						
General government	129,563	11,152	-	6,355	-	-
Public Works	36,292,565	17,551,403	13,038,508	21,216,205	11,921,830	8,086,014
Public Safety	844,478	161,551	39,915	103,493	250	232,394
Culture and recreation	4,741,191	1,355,935	1,106,620	1,644,695	339,709	859,015
Health and Welfare	3,758,892	177,626	874,397	873,929	1,275	171,859
Total government activities program revenue	114,555,893	72,082,503	58,280,996	62,248,484	43,303,509	36,729,695
Business-type activities						
Charges for services:						
Solid Waste	3,646,763	4,022,140	3,050,320	3,054,698	2,942,500	2,753,246
Housing Authority	191,210	79,889	479,823	1,528,126	1,232,999	1,172,283
Seybold Village Handicapped Project	30,942	40,163	31,905	31,583	32,069	33,251
Regional Juvenile Detention Center	1,171,934	1,245,626	1,245,191	1,331,114	1,160,748	1,109,598
El Centro Familiar	110,664	107,485	95,764	97,643	101,140	98,379
Operating grants and contributions:						
Solid Waste	314,140	196,975	139,226	148,490	292,097	280,517
Seybold Village Handicapped Project	54,556	-	-	-	-	-
El Centro Familiar	214,296	-	-	-	-	-
Capital grants and contributions:						
Housing Authority	452,903	-	-	-	-	-
Seybold Village Handicapped Project	29,691	-	-	-	-	-
Total business-type activities program revenues	6,217,089	5,692,278	5,042,229	6,191,634	5,761,553	5,447,274
Total primary government program revenues	120,772,982	77,754,781	63,323,225	68,440,118	49,065,062	42,176,969
Net (expenses)/revenue						
Governmental activities	(151,996,470)	(176,192,035)	(157,018,012)	(134,722,097)	(122,881,624)	(127,276,186)
Business-type activities	(799,561)	(880,391)	(1,109,049)	(629,233)	(832,346)	(419,755)
Total primary governmental net expenses	\$ (152,796,031)	\$ (177,072,426)	\$ (158,127,061)	\$ (135,351,330)	\$ (123,713,970)	\$ (127,695,941)

**CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(accrual basis of accounting)**

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General Revenue and Other Changes in Net Assets						
Governmental activities:						
Taxes						
Property taxes	\$ 101,617,379	\$ 95,070,478	\$ 97,468,762	\$ 94,043,897	\$ 81,442,677	\$ 79,991,210
Gross receipts taxes	107,167,291	74,565,522	55,548,897	38,725,557	36,863,056	34,486,698
Motor vehicle taxes	3,788,867	4,132,542	3,608,463	3,547,419	3,373,650	3,506,553
Cigarette taxes	6,454	5,707	5,511	6,477	5,343	4,567
Gas taxes	1,636,764	1,964,503	1,680,496	1,553,716	1,560,909	1,531,929
Investment income	13,833,232	9,043,065	6,952,564	5,184,585	6,067,056	6,218,519
Operating grants	-	-	-	-	-	-
Miscellaneous	10,477,726	13,182,736	10,845,578	11,332,291	3,488,475	4,115,041
Transfers	-	200,000	200,000	200,000	-	-
Capital contributions - capital assets	2,150,159	-	-	-	-	-
Total governmental activities	240,677,672	198,164,553	176,310,271	154,593,942	132,601,166	129,854,517
Business-type activities:						
Investment income	103,533	50,653	9,022	5,175	6,243	9,457
Operating grants	-	534,517	558,439	708,896	632,117	638,996
Miscellaneous	117,150	107,233	119,688	119,379	100,748	85,924
Transfers	-	200,000	(200,000)	(200,000)	-	-
Capital contributions - capital assets	321,444	16,888	1,113,598	-	-	-
Total business-type activities	542,127	909,091	1,600,747	633,450	739,108	734,377
Total primary government	241,219,799	199,073,644	177,911,018	155,227,392	133,340,274	130,588,894
Change in Net Assets						
Governmental activities	88,681,202	21,772,518	19,292,259	19,871,845	9,719,542	2,578,331
Business-type activities	(257,434)	(171,300)	491,698	299,067	185,399	458,505
Total primary government	\$ 88,423,768	\$ 21,601,218	\$ 19,783,957	\$ 20,170,912	\$ 9,904,941	\$ 3,036,836

**COUNTY OF BERNALILLO, NEW MEXICO
 GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
 LAST SIX FISCAL YEARS
 (accrual basis of accounting)**

Fiscal Year	Property Tax	Gross Receipts Tax	Motor Vehicle Tax	Cigarette Tax	Gas Tax	Total
2007	\$ 101,617,379	\$ 107,167,291	\$ 3,788,667	\$ 6,454	\$ 1,636,764	\$ 214,216,555
2006	95,070,478	74,565,522	4,132,542	5,707	1,964,503	175,738,752
2005	97,468,762	55,548,897	3,608,463	5,511	1,680,496	158,312,129
2004	94,043,897	38,725,557	3,547,419	6,477	1,553,716	137,877,066
2003	81,442,677	36,663,056	3,373,650	5,343	1,560,909	123,045,635
2002	\$ 79,991,210	\$ 34,486,698	\$ 3,506,553	\$ 4,567	\$ 1,531,929	\$ 119,520,957

**COUNTY OF BERNALILLO, NEW MEXICO
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST SIX FISCAL YEARS
 (modified accrual basis of accounting)**

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General Fund						
Reserved	\$ 72,502,604	\$ 56,650,858	\$ 45,370,030	\$ 47,932,951	\$ 41,979,016	\$ 39,394,869
Unreserved	74,202,179	40,812,437	26,938,653	-	-	-
Total general fund	<u>\$ 146,704,783</u>	<u>\$ 97,463,295</u>	<u>\$ 72,308,683</u>	<u>\$ 47,932,951</u>	<u>\$ 41,979,016</u>	<u>\$ 39,394,869</u>
All other governmental funds						
Reserved	\$ 55,218,508	\$ 64,816,097	\$ 40,610,704	\$ 49,185,246	\$ 43,427,813	\$ 40,765,082
Unreserved, reported in:						
Special revenue funds	4,893,091	6,468,130	5,490,978	3,967,191	5,781,664	4,383,797
Capital projects funds	31,338,418	15,040,577	41,243,986	47,086,248	10,704,687	1,977,627
Debt service funds	-	-	-	-	4,582,536	15,983,062
Total all other governmental funds	<u>\$ 91,450,017</u>	<u>\$ 86,324,804</u>	<u>\$ 87,345,668</u>	<u>\$ 100,238,685</u>	<u>\$ 64,496,700</u>	<u>\$ 63,109,568</u>

COUNTY OF BERNALILLO, NEW MEXICO
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST SIX FISCAL YEARS
 (modified accrual basis of accounting)

	2007	2006	2005	2004	2003	2002
Revenues						
Taxes:						
Property	\$ 101,471,408	\$ 94,942,222	\$ 97,608,049	\$ 93,534,299	\$ 80,964,409	\$ 80,247,802
Sales	107,167,291	74,565,522	55,548,897	38,725,557	36,863,056	34,486,698
Motor vehicle	3,788,667	4,132,542	3,608,463	3,547,419	3,373,650	3,506,553
Cigarette	6,454	5,707	5,511	6,477	5,343	4,567
Gas	1,636,764	1,964,503	1,680,496	1,553,716	1,560,909	1,531,929
Intergovernmental	67,552,438	41,366,969	36,931,650	45,643,875	27,886,595	25,177,230
Licenses and permits	3,555,566	4,838,500	4,174,138	5,104,429	4,761,522	3,069,578
Fees for services	43,447,889	25,857,034	17,175,208	11,500,180	10,655,392	8,482,887
Investment income	13,833,232	9,043,065	6,952,564	5,184,585	6,067,056	6,218,519
Miscellaneous	10,477,726	13,182,736	10,845,578	11,090,075	3,527,306	4,162,361
Total revenues	352,937,435	269,898,800	234,530,554	215,890,612	175,465,238	166,888,124
Expenditures						
General government	49,893,135	40,984,541	42,217,400	35,748,909	36,742,351	40,379,744
Public works	23,608,319	26,839,945	17,673,512	15,907,897	10,810,538	8,293,762
Public safety	119,780,354	96,369,043	79,712,958	72,075,141	63,439,842	57,119,239
Health and welfare	24,904,668	18,253,158	18,393,227	18,016,551	17,521,345	18,389,976
Culture and recreation	14,012,941	11,742,718	10,444,279	10,508,127	10,160,201	9,675,464
Capital outlay	48,317,057	36,355,698	33,022,775	19,836,585	23,787,171	39,783,062
Debt service:						
Principal	12,594,320	11,632,060	9,562,282	11,167,181	11,364,557	16,267,720
Interest	15,460,278	14,831,868	14,928,663	14,294,518	14,055,522	13,246,615
Bond issuance cost	75,948	643,458	68,712	329,926	201,479	-
Total expenditures	308,647,020	259,652,489	226,023,808	197,884,835	188,083,006	203,155,582
Excess (deficiency) of revenues over expenditures	44,290,415	10,246,311	8,506,746	18,005,777	(12,617,768)	(36,267,458)
Other financing sources (uses)						
Transfers in	18,764,786	27,045,866	17,554,672	35,274,967	13,156,077	12,203,169
Transfers out	(18,764,786)	(27,045,866)	(17,354,672)	(35,074,967)	-	(12,203,169)
Long-term note issued	-	7,401,160	-	-	-	-
Bonds issued	-	6,466,000	3,029,000	22,210,000	16,400,000	4,600,000
Refunding bonds issued	-	56,425,000	-	-	11,290,000	-
Payment to refunding bond escrow agent	-	(60,879,651)	-	-	(11,125,802)	-
Discount on bonds issued	(60,633)	(413,689)	(22,718)	(16,117)	-	-
Premium on bonds issued	10,000,000	4,888,617	-	-	24,849	-
Sale of capital assets	136,919	-	-	-	-	-
Total other financing sources (uses)	10,076,286	13,887,437	3,206,282	22,393,883	29,745,124	4,600,000
Net change in fund balances	\$ 54,366,701	\$ 24,133,748	\$ 11,713,028	\$ 40,399,660	\$ 17,127,356	\$ (31,667,458)
Debt service as a percentage of noncapital expenditures	11.04%	11.05%	12.29%	14.39%	15.49%	18.07%

**COUNTY OF BERNALILLO, NEW MEXICO
 ASSESSED VALUE AND ESTIMATED ACTUAL OF PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Real Property		Personal Property		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Centrally Assessed	Livestock				
1998	\$ 4,484,742,866	\$ 1,900,889,804	\$ 317,607,678	\$ 1,261,471	\$ 6,704,501,819	8.347	\$ 8,235,474,889	81.41%
1999	4,595,209,865	1,986,847,490	339,173,595	1,363,922	6,922,594,872	8.432	8,441,259,217	82.01%
2000	5,722,494,321	2,413,320,335	364,404,245	1,265,955	8,501,484,856	8.167	12,168,426,031	69.87%
2001	5,867,746,373	2,284,636,732	404,657,055	1,216,731	8,558,256,891	8.428	12,176,541,986	70.28%
2002	6,290,127,716	2,386,326,792	456,590,691	1,276,628	9,134,321,827	8.593	12,712,295,203	71.85%
2003	6,580,549,243	2,309,396,776	460,213,785	1,251,252	9,351,411,056	8.465	12,469,603,322	74.99%
2004	6,843,151,309	2,385,170,939	431,315,470	1,178,093	9,660,815,811	9.489	13,100,007,455	73.75%
2005	7,269,453,586	2,429,391,192	402,552,650	1,239,423	10,102,636,851	9.479	13,632,488,946	74.11%
2006	7,743,446,079	3,095,290,965	420,417,136	1,278,523	11,260,432,703	8.369	14,202,608,812	79.28%
2007	\$ 8,442,782,935	\$ 2,978,241,211	\$ 446,277,809	\$ 1,371,876	\$ 11,868,673,831	8.491	\$ 14,824,548,909	80.06%

The levies are requested by the County Commission and set by the Department of Finance and Administration, State of New Mexico.

The County Treasurer levies and collects the taxes and distributes to all taxing jurisdictions.

**COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING
(PER \$1,000 OF ASSESSED VALUATION)
LAST SEVEN FISCAL YEARS**

	2007	2006	2005	2004	2003	2002	2001
Bernalillo County							
Operating	7.393	7.220	8.310	8.342	7.265	7.266	6.478
Debt service	0.830	0.830	0.830	0.830	0.950	1.254	1.450
Open space	0.250	0.250	0.250	0.250	0.250	0.073	0.500
Judgment	0.018	0.069	0.089	0.067	N/A	N/A	N/A
Total direct rate	8.491	8.369	9.479	9.489	8.465	8.593	8.428
City of Albuquerque							
Operating	3.166	3.104	3.171	3.176	2.172	2.382	2.187
Debt Service	7.976	7.976	7.976	7.976	8.976	8.976	8.976
Albuquerque Public Schools							
Operating	0.302	0.299	0.301	0.304	0.307	0.312	0.310
Debt Service	2.167	2.162	2.166	2.162	2.160	2.160	2.160
Capital Improvement	1.995	1.958	2.000	2.000	-	2.000	2.000
Building	3.975	3.996	3.988	4.068	3.996	4.004	4.006
Hospitals	6.487	6.317	6.500	6.500	6.500	6.500	4.158
Village of Tijeras							
Operating	1.253	1.176	1.240	1.430	1.509	1.403	2.023
Village of Corrales							
Operating	3.662	3.395	1.919	2.015	2.962	2.84	3.056
Debt Service	1.020	1.373	NA	1.07	0.639	1.247	1.224
Torrance Schools							
Operating	0.372	0.373	0.369	0.362	0.372	0.357	0.352
Debt Service	7.214	8.254	8.219	7.729	7.976	6.452	6.189
Capital Improvement	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Rio Rancho							
Operating	5.236	5.007	5.349	5.140	4.810	4.519	4.278
Debt Service	1.826	2.067	2.067	2.074	2.000	1.140	1.140
Rio Grande Conservancy District	4.635	4.963	5.330	5.320	5.376	5.425	5.560
Edgewood Soil & Water Conservancy District	0.956	0.969	1.000	1.000	1.000	1.000	1.000
State of New Mexico	1.291	1.234	1.028	1.520	1.123	1.765	1.529
Central NM Community College (fka TVI)							
Operating	2.625	2.569	2.618	2.617	2.624	2.613	2.017
Debt Service	0.550	0.550	0.550	0.550	0.550	0.550	0.550
Albuquerque Flood Control	0.931	0.920	0.931	0.933	0.933	0.940	0.934

**COUNTY OF BERNALILLO, NEW MEXICO
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO**

<u>Taxpayer</u>	2007			1998		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Quest Corp (fka)						
U.S. West Communication Inc.	\$ 114,531,503	1	0.965%	\$ 79,791,059	2	1.153%
Public Service Company of New Mexico - Electric Services	112,611,419	2	0.949%	94,686,442	1	1.368%
Public Service Company of New Mexico - Gas Services	29,773,600	3	0.251%	24,096,762	3	0.348%
GCC Rio Grande Inc.	21,258,753	4	0.179%	14,030,238	6	0.203%
Southwest Airlines	19,210,731	5	0.162%	21,109,756	5	0.305%
Crescent Real Estate (Hyatt Hotel)	18,726,794	6	0.158%	-	-	-
Comcast Cablevision of NM Inc	16,396,478	7	0.138%	-	-	-
Simon Property Group, Ltd (Cottonwood mall)	15,960,737	8	0.134%	-	-	-
Heitman Properties of NM	15,688,598	9	0.132%	22,983,630	4	0.332%
T-Mobile Texas L.P./ Voicestream	13,826,083	10	0.116%	-	-	-
Simon Property Group, Ltd (Coronado mall)	-	-	-	14,008,799	7	0.202%
Winrock	-	-	-	11,745,457	8	0.170%
AT&T Communications	-	-	-	9,952,359	9	0.144%
Honeywell International	-	-	-	9,731,212	10	0.141%
Total	\$ 377,984,696		3.185%	\$ 302,135,714		4.364%

Source: Bernalillo County Treasurer's Office

Note:

Total taxable value including real and personal property for tax year 2006 (fiscal year 2007) is \$ 11,868,673,831
 Total taxable value including real and personal property for tax year 1998 (fiscal year 1999) is \$ 6,922,594,872

**COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
		Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
1998	\$ 56,151,482	\$ 52,646,133	93.76%	\$ 2,259,864		\$ 54,905,997	97.78%
1999	58,459,145	54,716,433	93.61%	NA		NA	NA
2000	67,987,334	62,052,150	91.27%	5,502,702		67,554,852	99.36%
2001	72,134,866	67,282,657	93.27%	4,219,727		71,502,384	99.12%
2002	77,927,470	73,466,035	94.27%	3,991,847		77,457,882	99.40%
2003	79,352,646	75,242,762	94.82%	3,801,073		79,043,835	99.61%
2004	91,822,433	87,599,841	95.41%	3,764,890		91,364,731	99.50%
2005	96,145,652	91,795,950	95.47%	3,635,817		95,431,767	99.26%
2006	93,906,198	90,013,460	95.85%	1,542,067		91,555,527	97.50%
2007	\$ 101,082,171	\$ 97,157,620	96.12%	-		-	-

The levies are requested by the County Commission and set by the Department of Finance and Administration, State of New Mexico. The County Treasurer levies and collects the taxes and distributes to all taxing jurisdictions. NA - Complete information is not available to update this schedule.

**COUNTY OF BERNALILLO, NEW MEXICO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business Type Activities				Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General		Special		Revenue Bonds		Note Payable				
	Obligation Bonds	Revenue Bonds	Capital Leases	Revenue Bonds	Revenue Bonds	Note Payable	Revenue Bonds	Note Payable			
1998	\$ 66,650,000	\$ 132,980,000	\$ 221,151	\$ -	\$ 725,000	\$ -	\$ 200,576,151	1.45%	363.83		
1999	78,866,000	132,080,000	179,181	-	2,000,000	-	213,125,181	1.50%	385.40		
2000	80,451,000	195,045,000	137,211	-	1,975,000	-	277,608,211	1.84%	498.49		
2001	68,710,000	193,235,000	95,241	-	1,945,000	-	263,985,241	1.58%	469.77		
2002	65,675,000	188,990,000	1,193,991	-	1,915,000	-	257,773,991	1.53%	450.49		
2003	77,155,000	184,910,378	1,577,949	-	1,885,000	-	265,528,327	1.53%	456.90		
2004	83,915,000	192,225,000	1,774,674	-	1,850,000	-	279,764,674	1.50%	472.74		
2005	82,479,000	187,340,000	1,562,392	-	1,815,000	-	273,196,392	1.39%	452.47		
2006	83,475,000	181,510,000	1,350,110	5,586,382	1,780,000	867,305	274,568,797	1.40%	446.38		
2007	\$ 88,580,000	\$ 175,500,000	\$ 1,350,110	\$ 3,897,062	\$ 1,740,000	\$ 1,157,651	\$ 272,224,823	1.38%	442.57		

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

a) See Demographic and Economic Statistics Schedule (page 152) for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**COUNTY OF BERNALILLO, NEW MEXICO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value⁽¹⁾ of Property	Per Capita⁽²⁾
1998	\$ 66,650,000	\$ 4,953,847	\$ 61,696,153	0.75%	111.91
1999	78,866,000	8,582,966	70,283,034	0.83%	127.09
2000	80,451,000	5,719,715	74,731,285	0.61%	134.19
2001	68,710,000	2,015,824	66,694,176	0.55%	118.69
2002	65,675,000	975,375	64,699,625	0.51%	113.07
2003	77,155,000	1,027,287	76,127,713	0.61%	130.99
2004	83,915,000	1,884,093	82,030,907	0.63%	138.61
2005	82,479,000	1,867,853	80,611,147	0.59%	133.51
2006	83,475,000	2,934,478	80,540,522	0.57%	130.94
2007	\$ 88,580,000	\$ 2,988,578	\$ 85,591,422	0.58%	139.15

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 144 for property value data.

2) Population data can be found in the Schedule of Demographic and Economic Statistics on page 153.

**COUNTY OF BERNALILLO, NEW MEXICO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2007**

	General Obligation Debt Outstanding	Applicable to Bernalillo County	County Share of Debt
Bernalillo County	\$ 88,580,000	100 %	\$ 88,580,000
City of Albuquerque	235,765,000	100	235,765,000
Albuquerque Public Schools	151,705,000	98	148,670,900
Moriarty Schools	19,010,000	10	1,901,000
Albuquerque Metropolitan Flood Control Authority	25,450,000	100	25,450,000
Central New Mexico Community College	39,700,000	93	36,921,000
State of New Mexico	362,735,000	30	108,820,500
			<u>\$ 646,108,400</u>

Ratios:

Total direct and overlapping debt to assessed valuation	5.51%
Total direct and overlapping debt to actual valuation	1.41%
Direct and overlapping debt per capita	\$ 1,050.41

Source: Debt outstanding data provided by each governmental unit.

Note: Percentage of overlap based on most current assessed property valuation.

**COUNTY OF BERNALILLO, NEW MEXICO
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt Limit	\$ 268,180,073	\$ 276,903,795	\$ 327,607,771	\$ 338,254,654	\$ 360,010,737	\$ 371,365,192	\$ 385,352,321	\$ 404,105,474	\$ 450,417,308	\$ 474,746,953
Total net debt applicable to limit	66,650,000	78,866,000	80,451,000	68,710,000	65,675,000	77,155,000	83,914,999	82,479,000	83,475,000	88,580,000
Legal debt margin	\$ 201,530,073	\$ 198,037,795	\$ 247,156,771	\$ 269,544,654	\$ 294,335,737	\$ 294,210,192	\$ 301,437,321	\$ 321,626,474	\$ 366,942,308	\$ 386,166,953
Total net debt applicable to the limit as a percentage of debt limit	24.85%	28.48%	24.56%	20.31%	18.24%	20.78%	21.78%	20.41%	18.53%	18.66%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed Value	\$ 11,868,673,831
Debt limit (4% of total assessed value)	474,746,953
Debt applicable to limit	88,580,000
Legal debt margin	\$ 386,166,953

**COUNTY OF BERNALILLO, NEW MEXICO
 PLEDGED-REVENUE COVERAGE
 LAST NINE FISCAL YEARS**

Fiscal Year	Gross Receipts Revenues	Debt Service		Coverage
		Principal	Interest	
1999	\$ 27,884,419	\$ 900,000	\$ 7,157,561	3.46
2000	29,275,499	1,375,000	8,788,719	2.88
2001	30,951,813	2,960,000	10,069,067	2.38
2002	31,057,599	4,245,000	9,950,704	2.19
2003	33,186,967	4,210,000	9,781,254	2.37
2004	35,315,021	4,685,000	9,534,286	2.48
2005	51,732,791	4,885,000	9,857,666	3.51
2006	70,751,581	4,785,000	9,460,490	4.97
2007	\$ 100,136,138	\$ 6,010,000	\$ 9,242,817	6.57

**COUNTY OF BERNALILLO, NEW MEXICO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (amounts expressed in thousands) (1)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate (1)</u>
1997	547,997	\$ 13,180,181	\$ 24,052	4.30%
1998	551,298	13,867,537	25,154	4.60%
1999	553,002	14,199,574	25,677	3.90%
2000	556,902	15,079,146	27,077	4.00%
2001	561,942	16,687,844	29,697	4.20%
2002	572,206	16,872,843	29,487	4.90%
2003	581,151	17,380,889	29,908	5.30%
2004	591,799	18,608,845	31,441	5.20%
2005	603,783	19,656,598	32,556	4.80%
2006	615,099	NA	NA	3.90%

<u>Education (2)</u>	<u>Percent</u>
Persons age 25 and Over	388,155 100.00%
Less than 9th Grade	22,040 5.68%
9th-12th grade, no diplomas	30,629 7.89%
High School Graduates	97,006 24.99%
Some college, no degree	85,140 21.93%
Associate degree	27,468 7.08%
Bachelor degree	69,273 17.85%
Graduate or professional degree	56,599 14.58%
Percentage completed high school	86.43%
Percentage completed 4 year college	32.43%

<u>School Enrollment (2)</u>	
Elementary School	45,069
Mid-High Schools	21,020
High Schools	27,710
Private and parochial schools	13,370
Technical-vocational Institute	23,107
University of New Mexico	26,024

Sources:

- (1) U.S. Dept. of Commerce, Bureau of the Census
- (2) New Mexico Department of Education

**COUNTY OF BERNALILLO, NEW MEXICO
 PRINCIPAL EMPLOYERS
 FOR THE CURRENT YEAR AND FOUR YEARS AGO**

Employer	2007			2003		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Albuquerque Public Schools	14,480	1	4.38%	11,600	3	3.74%
University of New Mexico	14,300	2	4.33%	15,375	2	4.96%
Sandia National Labs	8,730	3	2.64%	7,700	5	2.49%
Kirtland Air Force Base (Civilian) (1)	26,960	4	8.16%	18,508	1	5.97%
City of Albuquerque	6,680	5	2.02%	8,000	4	2.58%
Presbyterian	6,670	6	2.02%	5,800	7	1.87%
State of New Mexico	5,490	7	1.66%	6,306	6	2.04%
Lovelace (formerly Lovelace Sandia Health System)	5,200	8	1.57%	5,500	9	1.78%
Kirtland Air Force Base (military)	4,860	9	1.47%	5,532	8	1.79%
UNM Hospital	4,600	10	1.39%	4,068	10	1.31%
Total	97,970		29.65%	88,389		28.53%
Bernalillo County Quarterly Census of Employment	330,422			309,805		

Sources:

- New Mexico Department of Labor
- Albuquerque Economic Development

Note: (1) Kirtland's civilian employment numbers includes all Department of Energy employees including contractors on and off the base. The major change in employment between FY 06 and FY07 is due to a data collection change (inclusion of off base contractors) and not an increase in employment.

COUNTY OF BERNALILLO, NEW MEXICO
 FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
 LAST SEVEN FISCAL YEARS

Full-Time Equivalent Employees as of June 30,

Function	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General Government							
Commissioners	10	10	10	10	10	10	10
County Manager							
County Manager	14	14	12	13	13	17	16
Economic Development	2	2	3	3	2	1	1
CIP	3	3	-	-	-	-	-
Public Information	6	6	6	6	6	3	3
Public Information-Web	2	2	2	2	2	0	0
Legal Department	12	9	9	9	9	10	8
Information Technology							
Core Services	35	34	34	35	35	37	37
Information Services	24	24	26	29	29	36	37
MDC Support	4	4	3	4	-	-	-
Planning and Administrative	4	4	4	4	4	6	6
Human Resources							
Compensation and Benefits	6	5	5	5	5	5	5
Labor Relations/Employment	19	14	14	13	12	12	12
Clerk							
Bureau of Elections	23	23	24	22	22	23	19
Record and Filing	23	23	23	24	24	24	27
Voting Machine	2	2	2	2	2	2	3
Budget and Finance							
Budget, AP, Payroll	24	21	21	17	17	17	19
Purchasing Office	18	15	14	15	12	14	14
General Ledger and Accounting	13	12	12	12	15	11	11
Risk Management	10	8	8	9	9	9	9
Treasurer							
Accounting	6	6	6	6	6	6	7
Program Support	8	8	9	8	8	7	8
Taxpayer Services	23	23	19	19	19	20	17
Treasury Project	-	-	2	3	-	-	-
Fleet-Facilities Management							
Computer Automation	9	8	8	6	6	3	3
Custodial Services	48	48	43.5	43.5	43.5	41.5	42.5
Facilities Maintenance	32	31	31	31	30	26	26
Vehicle Maintenance	25	25	26	15	15	15	15
Operations & Maintenance Dept.							
Road Maintenance	41	41	41	47	47	50	51
Traffic Engineering	14	14	14	14	14	14	14
Storm Drainage	4	4	4	4	4	4	4
Infrastructure and GEO Resources							
Geographic Information Systems	9	9	9	9	9	-	-
Right of Way	6	6	7	7	7	6	0
Technical Planning	4	4	5	5	5	7	7
Infrastructure	5	5	3	3	3	-	-
Technical Services Department							
Tech Services A & B	35	35	36	36	36	20	24
Probate Court	4	3	3	3	3	3	3

COUNTY OF BERNALILLO, NEW MEXICO
 FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
 LAST SEVEN FISCAL YEARS

Function	Full-Time Equivalent Employees as of June 30,						
	2007	2006	2005	2004	2003	2002	2001
General Government							
Zoning, Building, and Planning							
Building Division	18	18	18	18	18	18	18
Land-Use Planning	10	10	11	10	10	9	9
Land-use, Review and Code Enf.	14	14	14	14	14	15	15
Assessors							
Property Assessment	63	63	63	63	63	63	63
Valuation	37	37	36	36	36	36	36
Public Safety							
Fire							
Emergency Preparedness	5	-	-	-	-	-	-
Fire Prevention	7	7	9	9	9	9	9
Operations	178	168	138	114	114	113	113
Support Services	14	19	13	19	19	21	21
Sheriff							
Criminal Investigations	55	55	52	49	49	51	50
Court Services	35	35	27	30	30	29	30
Field Services	183	183	187	170	187	172	184
Headquarters	17	17	15	15	15	17	15
Support Services	57	57	61	51	51	54	44
Communications Department	49	49	50	51	51	51	51
Public Safety Department							
Animal Control	12	12	11	11	11	10.5	11.5
Administrative Services	3	3	3	2	2	4	4
Juvenile Detention Center							
Resident Services	80	80	80	80	80	82	82
Support Services	27	27	-	-	-	-	-
Public Works							
Division Support Program	9	9	11	11	11	50	51
Public Works IT	3	3	-	-	-	-	-
Culture and Recreation							
Administration	8.5	8	10.5	7.5	7.5	7	8
Aquatics Program	6	6	5.75	5	6.75	5.5	5.5
Community Center Program	53.5	53	49.5	48.75	48.75	53.5	57.5
Land Management-Parks and Open	41.5	41	38	36	36	36	33
Recreation Enrichment Program	13	13	9.5	5	9.38	9	5
Sports Program	10	10	9	9	9	9.5	6
Youth and Senior Services Program	5	5	5	5	5	3.5	3.5
Open Space	9	9	8.5	8.5	8.5	6.5	0
Health and Welfare							
Office of Environmental Health	16	16	16	16	16	17	17
Environmental Health Operations	7	6	6	6	6	9	9
Enterprise Funds-Business Type							
Solid Waste	13	13	13	13	13	14	13
Housing							
Public Housing	3	3	3	3	3	3	4
Administrative	30	30	27	24	24	23	19
Juvenile Detention Center	24	24	23	23	23	23	23
Metropolitan Detention Center	532	-	-	-	-	-	-
DWI	51	-	-	-	-	-	-
	2,226	1,608	1,519	1,454	1,467	1,484	1,469

**COUNTY OF BERNALILLO, NEW MEXICO
OPERATING INDICATORS BY FUNCTION
LAST SIX FISCAL YEARS**

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Sheriffs Office						
911 Calls (1)	80,218	75,733	44,236	35,471	36,548	37,772
Traffic Violations (2)	NA	3,972	4,111	3,711	3,893	2,672
Fire Department						
Number of calls answered (1)	10,343	11,200	10,334	8,509	8,906	12,727
Inspections (1)	1,380	1,351	1,307	1,349	1,403	1,273
Public Works						
Street resurfacing (miles)	30.9	11.2	9.1	8.9	7.2	8.6
Traffic signs	21,109	20,494	20,046	19,212	18,671	17,899
Storm Sewer	2,276	1,925	1,867	1,316	1,304	1,173
Parks and Recreation						
Aquatics Program Attendance	36,313	44,841	NA	45,000	36,574	37,627
Number of Attendees at Dance Events	2,503	6,481	6,559	4,985	4,142	8,184
Youth Basketball Participation Program	1,375	1,167	1,642	1,800	1,842	1,600
Zoning, Building, and Planning						
Residential Building Permits	826	606	995	1,028	1,216	1,004
Commercial Building Permits	119	99	200	178	121	153
Electrical Permits	2,131	1,231	2,102	2,192	2,173	1,989
Mechanical Permits	1,335	632	1,281	1,305	1,435	1,187
Plumbing Permits	1,847	1,214	1,648	1,770	1,639	1,583
Sanitation						
Refuse Collected (Tons/Year) (2)(3)	35,047	42,939	44,153	27,208	25,938	22,522
Metropolitan Detention Center (4)						
DWI Bookings	6,307	-	-	-	-	-
Total Bookings	41,255	-	-	-	-	-
Community Custody Program (Avg Daily Population)	364	-	-	-	-	-

(1) Fiscal Year

(2) Calendar Year

(3) Effective FY 05 includes the East Mountain Transfer Station

(4) Effective FY 07 MDC was added

**COUNTY OF BERNALILLO, NEW MEXICO
 CAPITAL ASSET STATISTICS BY FUNCTION
 LAST SIX YEARS**

	Fiscal Year					
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Public Safety						
Sheriff						
Sheriff Stations	4	4	4	4	4	4
Fire Department						
Fire Stations	10	10	10	10	10	10
Public Works						
Streets (miles)	723	718	717	716	717	712
Streetlights	156	156	156	156	156	156
Traffic Signals	52	51	51	51	48	48
Traffic Flashers (Count)	136	134	134	134	134	134
Culture and Recreation						
Parks	18	15	11	11	11	11
Swimming pools	5	5	3	3	3	3
Tennis courts	7	8	4	4	4	4
Community centers	8	7	4	4	3	3
Walking trail	14	8	6	6	6	6
Basketball court	18	12	6	6	6	6
Volleyball Amenities	9	7	5	5	5	5
Baseball Field	35	39	26	26	26	26
Soccer Fields	24	23	14	14	14	14
Playgrounds	24	21	12	12	12	12
Picnic Areas	20	20	10	10	10	10

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COUNTY OF BERNALILLO, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2007

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development				
Low Income Housing Assistance Programs:				
Housing Choice Vouchers	14.871	NM057V0		\$ 12,175,837
Public and Indian Housing - Seybold	14.850	NM05-001		91,180
Public Housing Capital Fund Program	14.872	NM02P05750100		12,238
Section-8 Moderate Rehabilitation - El Centro FamI	14.182	NM020003014		292,648
Total Low Income Assistance Programs				<u>12,571,903</u>
SV Economic Development Center	14.246	B-02-SP-NM-0435		24,000
Total Construction Assistance				
Total Direct Assistance				<u>24,000</u>
Pass-Through Programs From:				
NM Mortgage Finance Authority:				
Home Investment Partnership Programs				
2000 Home	14.239		99-01-BCH-HDR-001	382,466
Total Indirect Assistance				<u>382,466</u>
Total U.S. Department of Housing and Urban Development				<u>\$ 12,978,369</u>
U.S. Department of Transportation				
Pass-Through Programs From:				
NM Department of Transportation:				
Highway Planning and Construction:				
Isleta Phase II	20.205			\$ 911,300
Isleta Phase II - Right of Way Services	20.205		TPU-CAQ-4009(3)26	96,331
Isleta Phase II	20.205		TPU-4009(3)24	3,058,850
Isleta Phase II	20.205			280,612
Isleta Phase II	20.205		TPU-CAQ-4009(3)26	886,032
Isleta - Debt Principle Payment	20.205		TPU-4009(3)24	1,689,320
Isleta - Debt Interest	20.205		TPU-4009(3)24	50,680
Traffic Safety Bureau: (TSB)				
Operation DWI	20.608		05-AL-64-008	35,006
FTE DWI Officer Program	20.600		05-AL-03-008	178,393
Impaired Driving Demonstration Project	20.608		07-AL-FTE164-008	109,679
TWS Operation DWI	20.608		07-AL-64-008	151,507
Selective Traffic Enforcement Program (S.T.E)	20.609		07-PT-K4-008	19,714
NM Department of Public Safety:				
Office of Emergency Management:				
HAZMAT EXPLO Training	97.067		DOT-2006-HMEXPLO-10-BERNALILLO	5,690
Total U.S. Department of Transportation				<u>\$ 7,473,114</u>
U.S. Department of Agriculture				
Pass-Through Programs From:				
NM Children, Youth and Families Department:				
NM Nutrition Bureau:				
Summer Food Service Program for Children 0	10.559		3004	\$ 8,211
Summer Sack Lunch Program	10.559		04-130	14
Total U.S. Department of Agriculture				<u>\$ 8,225</u>
Executive Office of the President; Office Nat'l Drug Control Polcy (ONDCP)				
High Intensity Drug Trafficking Area (HIDTA)	10.XXX	I5PSNP578Z		89,886
High Intensity Drug Trafficking Area (HIDTA)	10.XXX	I6PSNP578Z		198,524
Total Executive Office of the President; ONDCP				<u>\$ 288,210</u>

COUNTY OF BERNALILLO, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2007

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Justice				
COPS Methamphetamine Training Initiative	16.71X	2004CKWX0398		\$ 28,050
COPS Technology Initiative	16.71X	2005CKWX0206		123,330
COPS 2006 Technology	16.71X	2006CKWX0387		200,226
Gang Resistance and Education Training (G.R.E.A)	16.737	2004-JV-FX-0130		2,212
Gang Resistance and Education Training (G.R.E.A)	16.737	2006JV-FX-0055		36,245
Total Direct Assistance				<u>390,063</u>
U.S. Department of Justice - Continued				
Pass-Through Programs From:				
City of Albuquerque:				
E. Byrne Justice Assistance Grant (JAG) 2005	16.738	2005 JAG	2005-F1723-NM-DJ	\$ 13,738
E. Byrne Justice Assistance Grant (JAG) 2006	16.738	2006 JAG	2006-F1861-NM-DJ	47,937
Juvenile Accountability Incentive Block Grant (16.523	FY06 SAFE Program	CCN 06-247	32,906
Juvenile Accountability Incentive Block Grant (16.523	FY07 SAFE Program	06-690-7000-7047	41,891
NM Children, Youth and Families Dept:				
Continium of Juvenile Justice Services	16.501	99-JF-FX-0035		132
CYFD Training Program	16.501	99-JB-VX-0035		1,143
CYFD 05-06 Westside Reception	16.523		06-690-7000-7050	6,952
CCMHC Program Coordinator	16.501	2003JBBX0003	06-690-7000-7174	69,570
CYFD 2007 IGA Interface	16.501		07-690-7000-3879	53,720
CYFD Statistician	16.501		06-690-7000-7199	5,064
CYFD CCMHC Psychiatrist	16.501		07-690-7000-7006	100,000
New Mexico Dept. of Public Safety:				
Grant Accountability & compliance Section (GACS):				
Drug Control & System Improvement (DCSI)	16.738	2005-DJ-BX-0839	05-JAG-PPA-02-REGION J-FY6	126,754
E Byrne Memorial Justice Assistance Grant Program				
Drug Control & System Improvement (DCSI)	16.738	2006-DJ-BX-0054	06-JAG-REG1-MRGVTF-FY07	130,850
E Byrne Memorial Justice Assistance Grant Program				
Southwest Investigative Fugitive Team (SWIF)	16.738	2005-DJ-BX-0839	05-JAG-PPA-02-SWIFT-FY06	11,392
E Byrne Memorial Justice Assistance Grant Program				
Southwest Investigative Fugitive Team (SWIF)	16.738			
E Byrne Memorial Justice Assistance Grant Program		2006-DJ-BX-0054	06-JAG-SWIFT-FY07	7,745
Total Indirect Assistance				<u>649,794</u>
Total U.S. Department of Justice				<u>\$ 1,038,857</u>
U.S. Department of Homeland Security - SLGCP:				
Pass-Through Programs From:				
NM Department of Public Safety:				
Office of Emergency Management:				
2005 Homeland Security / Fire Marshalls Office	97.067		2005-GE-T5-0012-BERNALILLO	\$ 45,410
Total U.S. Department of Homeland Security:				<u>\$ 45,410</u>
U.S. Environmental Protection Agency				
North Valley Sewer Bureau of Reclamation	66.606	XP-986861		\$ 2,088,686
	12.982	06-FG-40-2484		17,536
Pass-Through Programs From:				
Rio Grande Community Development Corporation, Inc				
SV Partners for Environmental Justice	93.113			42,610
Total U.S. Environmental Protection Agency				<u>\$ 2,148,831</u>

COUNTY OF BERNALILLO, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2007

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S Department of Health and Human Services				
SV Health Commons Ph II	93.887	C76HF08977-01-00		3,371,659
Pass-Through Programs From:				
NMDH Epidemiology & Response Div				
Safe Kids Coalition - Injury Prevention State and Community Based	93.136		06/665.0300.0014	7,513
NM DFA - Parks and Recreation	93.XXX	24CFR.58.5	03-T-043	50,000
NM DFA - Parks and Recreation	93.XXX	24CFR.58.5	03-T-041	49,731
Total U.S.Department of Health and Human Services				<u>\$ 3,478,903</u>
U.S. Department of Commerce				
South Valley Incubation Center	11.3XX	EDA 08-01-03683		\$ 24,000
Total U.S. Department of Commerce				<u>\$ 24,000</u>
Total Expenditures of Federal Awards				<u>\$ 27,484,919</u>

Note 1. Basis of Presentation:
 The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.



**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***

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

We have audited the accompanying basic financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information and the respective budgetary comparison of each major general and special revenue fund and enterprise fund of Bernalillo County, New Mexico (County), as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents, and have issued our report dated November 30, 2007. We also have audited the financial statements of each of the County's nonmajor governmental, nonmajor enterprise fund, internal service fund and the fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements and schedules and the respective budgetary comparison of each governmental fund and enterprise fund as of and for the year ended June 30, 2007, as listed in the table of contents. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting as 01-10, 05-02, 06-01, 07-01 and 07-02.

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

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

Compliance and Other Matters

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

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

We noted certain matters that are required to be reported under *Government Auditing Standards, January 2007 Revision* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and responses as finding 02-06.

The County's responses to findings identified in our audit are described in the accompanying schedule of findings and responses. 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 County management, the Office of the State Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
November 30, 2007



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

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

Compliance

We have audited the compliance of Bernalillo County, New Mexico (County), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on County's compliance based on our audit.

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

In our opinion, the County, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007. However, the results of our auditing procedures disclosed instances

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 07-03, 07-04, 07-05, 07-06, 07-07 and 07-08.

Internal Control over Compliance

The management of the County, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County'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 our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 07-03, 07-04, 07-05, 07-06, 07-07 and 07-08 to be significant deficiencies.

Commission Chairman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

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

This report is intended for the information and use of County management, the Office of the State Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
November 30, 2007

COUNTY OF BERNALILLO, NEW MEXICO
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2007

Findings From Year Ended June 30, 2006:

Current Status:

01-03	Cash Receipts – Remote Locations	Resolved
01-10	Accounts Receivable Collections- Solid Waste	Repeated and Updated
02-06	State Auditor Required Schedule	Repeated and Updated
05-02	Juvenile Detention Center- Regional Juvenile Detention Center Joint Powers Agreement	Repeated and Updated
06-01	Sheriffs Department Currency Evidence Account	Repeated and Updated

**COUNTY OF BERNALILLO, NEW MEXICO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED JUNE 30, 2007**

A. 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(s) identified that are not considered to be material weakness(es)? x Yes _____ None reported

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

Federal Awards

Internal control over major programs:

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

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

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

Identification of Major Program

CFDA Number	Name of Federal Program or Cluster
14.871	Section 8 – Housing Choice
93.887	SV Health Phase II
14.182	Section 8 – Moderate Rehabilitation

Dollar threshold used to distinguish between type A and type B programs \$ 824,547

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

**COUNTY OF BERNALILLO, NEW MEXICO
EXIT CONFERENCE**

An exit conference was held on November 14, 2007 and attended by the following:

Audit Committee (Representing the County Commission)

Demesia Padilla, CPA, Audit Committee, Chair

Maxwell Kagan, CPA, Audit Committee, Secretary

External Auditors

James Thompson, CPA, Partner

Chris Garner, CPA, Senior Manager

Internal Auditor

Michael J. Vigil, REDW

County Personnel

Thaddeus Lucero, County Manager

Julie Baca, Deputy County Manager – Community Services

Daniel J. Mayfield, Deputy County Manager – Budget and Finance

Teresa Byrd, Director of Budget

Kim Mckibben, Solid Waste Director

Lisa Sedillo-White, Director of Purchasing

Jeff P. Lovato, MBA, Director of Accounting

Renetta Torres, Director of Human Resources

Frank J. Marquez, Director of CIP

Betty Valdez, Housing Director

Fidel A. Bernal, CPA, Chief Deputy Treasurer

Emily Madrid, Accounting Manager, Treasurer's Office

Ruth Lott, Financial Projects Coordinator, Finance Department

Bonnie Ulibarri-Romero, CPA, Financial Administrator, Finance Department

Cindy Torres, Audit Liaison, Finance Department

Kala Naranjo, CIP

Janelle Girod, Sheriffs

Lori Grimm, Housing

Andi Lako, MBA, Financial Administrator, Finance

Anthony Infantino, MBA, Financial Administrator, Finance

Geri Maestas, Payroll