

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Official Roster

Year Ended June 30, 2011

Commission

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

Administrative Officers

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

REPORT OF INDEPENDENT AUDITORS

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

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

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

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

As discussed in Note 2, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities, major funds and aggregate remaining fund information of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the State of New Mexico as of June 30, 2011, and the changes in its financial position and budgetary comparisons for the year ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Department as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Department as of June 30, 2011, and the respective changes in financial position and the respective budgetary comparisons for the major capital project funds, debt service funds, and nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2011 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 4 through 23 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

1. Overview of the Financial Statements

Financial Highlights

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

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

Government-wide Financial Statements

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

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

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

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

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

1. Overview of the Financial Statements - continued

Fund Financial Statements

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

Governmental Funds

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

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

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

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

The Department's major governmental funds are the following:

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

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

1. Overview of the Financial Statements - continued

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

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

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

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

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

Proprietary Funds

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

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

1. Overview of the Financial Statements - continued

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

Notes to the Financial Statements

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

Other Information

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

1. Overview of the Financial Statements - continued

Government-wide Financial Analysis

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

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

Net Assets

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

Table A-1 The Department's Net Assets

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

1. Overview of the Financial Statements - continued

Total	
2011	2010
<hr/>	
\$ 587,566,838	\$ 505,776,586
7,124,000,071	7,253,383,083
<hr/>	
\$ 7,711,566,909	\$ 7,759,159,669
<hr/>	
\$ 226,344,077	\$ 317,949,152
1,762,005,867	1,724,188,249
<hr/>	
\$ 1,988,349,944	\$ 2,042,137,401
<hr/>	
\$ 5,335,465,257	\$ 5,390,883,051
387,751,708	326,139,217
<hr/>	
\$ 5,723,216,965	\$ 5,717,022,268
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Management's Discussion and Analysis
Year Ended June 30, 2011

1. Overview of the Financial Statements - continued

Changes in Net Assets

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

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

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

1. Overview of the Financial Statements - continued

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

1. Overview of the Financial Statements - continued

Governmental Funds

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

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

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

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

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

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

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

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

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

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

1. Overview of the Financial Statements - continued

Budgetary Highlights

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

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

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

1. Overview of the Financial Statements - continued

Capital Assets Overview

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

Major Infrastructure Projects

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

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

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

1. Overview of the Financial Statements - continued

Automotive and Major Road Fund Equipment

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

Table A-3
Department's Capital Assets

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

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

1. Overview of the Financial Statements - continued

Debt Administration

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

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

Table A-4
Department's Outstanding Debt

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

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

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

2. Economic Factors and Revenue Forecasts

Economic and Demographic Characteristics

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

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

Revenue Forecasts and Budgets

Federal Revenue:

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

2. Economic Factors and Revenue Forecasts - continued

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

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

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

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

State Revenue:

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

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

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

2. Economic Factors and Revenue Forecasts - continued

State Revenue Forecasts - Major Revenue Sources

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

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

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

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

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

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

2. Economic Factors and Revenue Forecasts - continued

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

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

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

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

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

2. Economic Factors and Revenue Forecasts - continued

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

Background - Gasoline Tax and Tribal Tax Sharing Agreements

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

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

3. Contacting the Department's Financial Management

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

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

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FINANCIAL STATEMENTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Assets

As of June 30, 2011

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

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Assets

As of June 30, 2011

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

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities

For the Year Ended June 30, 2011

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

See Independent Auditors' Report and Notes to Financial Statements

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds

As of June 30, 2011

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

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds

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

See Independent Auditors' Report and Notes to Financial Statements

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

As of June 30, 2011

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

\$ 431,268,219

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

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

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

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

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

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

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

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

8,904,321

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

(133,121,764)

Net Assets of Governmental Activities (Statement of Net Assets)

\$ 5,702,624,599

See Independent Auditors' Report and Notes to Financial Statements

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

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

For the Year Ended June 30, 2011

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

See Independent Auditors' Report and Notes to Financial Statements

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

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

See Independent Auditors' Report and Notes to Financial Statements

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

For the Year Ended June 30, 2011

Net Changes in Fund Balances - Total Governmental Funds

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

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

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

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

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

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

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

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental
Funds to the Statement of Activities**

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

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

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

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

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

3,467,645

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

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

Change in Net Assets of Governmental Activities (Statement of Activities)

\$ 6,111,769

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

As of June 30, 2011

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

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities-Proprietary Fund

For the Year Ended June 30, 2011

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

See Independent Auditors' Report and Notes to Financial Statements

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

For the Year Ended June 30, 2011

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

See Independent Auditors' Report and Notes to Financial Statements

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

For the Year Ended June 30, 2011

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

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

See Independent Auditors' Report and Notes to Financial Statements

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

For the Year Ended June 30, 2011

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

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

See Independent Auditors' Report and Notes to Financial Statements

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

For the Year Ended June 30, 2011

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

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

See Independent Auditors' Report and Notes to Financial Statements

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

For the Year Ended June 30, 2011

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

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

See Independent Auditors' Report and Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

NATURE OF ORGANIZATION

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Reporting Entity - continued

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

Government-wide and Fund Financial Statements

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

Basis of Presentation

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of Presentation - continued

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

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

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

The Department's major governmental funds are the following:

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Government-Wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

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

The following are the governmental fund types used:

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Special Revenue Funds – continued

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Special Revenue Funds – continued

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Special Revenue Funds – continued

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Special Revenue Funds – continued

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Special Revenue Funds – continued

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

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Debt Service Funds - continued

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

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Debt Service Funds - continued

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Capital Project Funds - continued

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

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

Budgets and Budgetary Accounting

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

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

Interfund and Interagency Transactions

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Restricted Cash and Cash Equivalents

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

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

Taxes Receivable

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Accounts Receivable

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

Severance Tax Bonds Proceeds Receivable

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

Notes and Loans Receivable

Notes receivable represent:

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

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

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

Loans receivable represent:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Due From the U.S. Department of Transportation

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

Due From/To Other Funds

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

Due to State Treasurer's Office

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

Due to State General Fund (Reversions)

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

Inventory

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

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

Prepaid Expense - Warranty

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Property Held for Resale

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

Capital Assets

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets - continued

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

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

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

Deferred Revenue

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

Compensated Absences

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

Long-Term Obligations

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Long-Term Obligations - continued

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

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

Net Assets

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

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

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

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

Encumbrances

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Nonspendable Fund Balance

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

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

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

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

Restricted Fund Balance

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

Committed Fund Balance

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

Assigned Fund Balance

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

Unassigned Fund Balance

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Pledged Revenue

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

Use of Estimates

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

Eliminations

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

2. CASH AND CASH EQUIVALENTS

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

Cash equivalents on deposit with State Treasurer's Office:

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

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

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

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

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

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

2. CASH AND CASH EQUIVALENTS (continued)

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

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

\$ -

Cash Equivalents:

Restricted:

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

2. CASH AND CASH EQUIVALENTS (continued)

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

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

Cash equivalents managed by New Mexico Finance Authority

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

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

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

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

2. CASH AND CASH EQUIVALENTS (continued)

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

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

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

\$ 211,244,577

3. ACCOUNTS RECEIVABLE

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

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

4. SEVERANCE TAX BOND PROCEEDS RECEIVABLE

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

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

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

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

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

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

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

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

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

Agency

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS

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

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

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS - continued

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

8. DUE FROM OTHER AGENCIES

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

8. DUE FROM OTHER AGENCIES - continued

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

9. INVENTORY

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

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

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

10. CAPITAL ASSETS

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

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

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

Depreciation:

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

Amortization

Total depreciation and amortization	<u><u>\$ 599,526,323</u></u>
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10. CAPITAL ASSETS (continued)

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS

Transfers within the Agency:

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

Transfers outside of Agency:

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

12. DUE TO OTHER AGENCIES

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

13. LONG-TERM OBLIGATIONS

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Series 2002A CHAT

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

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

13. LONG-TERM OBLIGATIONS - continued

Series 2002C HIF

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Series 2002D CHAT

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Series 2004A GRIP

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Series 2004B GRIP

The Department issued \$237,950,000 of bonds through the New Mexico Finance Authority's (NMFA) State Transportation Refunding Revenue Bonds (Subordinate Lien), Series 2004B, in May 2004. The gross proceeds to the Department were \$254,129,187, including \$16,347,187 of an original issue premium. The cost of issuance including underwriter fees was \$2,196,442.

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Refundings

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

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

2010A

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

2010B

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

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

13. LONG-TERM OBLIGATIONS - continued

Derivative Instruments

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

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

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

Objectives of the Swaps

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

Significant Terms

2004 Swaps:

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

13. LONG-TERM OBLIGATIONS - continued

Significant Terms - continued

2006 Forward Starting Swaps:

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

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

Fair Value

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

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

13. LONG-TERM OBLIGATIONS - continued

Fair Value - continued

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

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

Associated Debt

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Risks

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

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

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

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

Swap Collateral Requirements – Taxable Line of Credit

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

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

Interest Rate Risk.

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

13. LONG-TERM OBLIGATIONS - continued

Basis Risk.

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

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

Termination Risk

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

Bonds Issued by NMFA

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

13. LONG-TERM OBLIGATIONS - continued

Series 2006A GRIP

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2006B GRIP

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008A GRIP

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008B GRIP

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008C GRIP

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008D GRIP

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Series 2009A Refunding

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

2010A Revenue and Refundings

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

2010B Revenue and Refundings

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

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

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

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

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

13. LONG-TERM OBLIGATIONS - continued

Total future principal and interest obligation repayments are as follows:

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

Long-Term Debt Interest Expense

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

Capital Leases

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

Compensated Absences

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

14. NEGATIVE FUND BALANCES

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

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

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

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

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

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

This amount represents unreimbursed expenditures awaiting administrative processing requirements.

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

This amount represents unreimbursed expenditures awaiting administrative processing requirements.

15. REVERSIONS

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

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

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

Plan Description

Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION - continued

Funding Policy

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

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

Plan Description

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

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

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

Funding Policy

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

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

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

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

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

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

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
C05209	AMEC Earth & Environmental Inc	Construction augmentation	1,206,913
C05210	Wilson & Co Engineering	Construction augmentation	1,288,875
C05216	Gannett Fleming West Inc	SW intelligent transportation systems planning	368,340
C05219	University of New Mexico	Plan/Coordination CDWI conference	362,500
C05224	Marketing Solutions LLC	Management media contracts	2,063,784
C05244	University of New Mexico	Bridge procedures & design	7,640
C05247	University of New Mexico	FHWA-536(HWY finance report)	24,965
C05249	New Mexico Institute of Mining & Tech	Snow barrier effectiveness	43,060
C05250	Regents of NM State University	To investigate the feasibility and limitations of UHPC for Prestressed Concrete Bridge Applications in New Mexico.	39,874
C05252	Regents of NM State University	Dust storm detection	39,874
C05253	University of New Mexico	Exam Short and Long Term Properties of Self Consolidating Concrete (SCC)	79,007
C05258	Wilson & Company Inc	Study to evaluate the proposed roadway urban improvements for 1st and 2nd streets within the city of Portales and include a rehabilitation section from MP 421.6 to the junction of Avenue K.	551,934
C05261	Intera Inc	Hazardous material assessments and investigations which document site conditions with regard to contamination that may impact the acquisition and completion of proposed highway projects statewide.	121,140
C05263	Vector Engineering LLC	Interchange study for US550/NM165/I125 interchange, complete environmental documentation, develop a preliminary design including preliminary rights of way documentation and a potential for preliminary R/W mapping.	378,490
C05271	Gannett Fleming West Inc	Road Grade Separation Alignment and Corridor Studies for I-25/University Interchange and I-25/Engler.	478,546
C05273	Las Vegas Primary Care Inc	Post-offer physical exams	535
C05278	Wilson & Company Inc	Statewide engineering on-call services and engineering resource augmentation services for any number of the activities listed under scope of services upon the request of the Department.	111,695
C05279	Louis Berger Group Inc, The	Statewide engineering on-call services and engineering resource augmentation services for any number of the activities listed under scope of services upon the request of the Department.	127,957
C05280	URS Corporation	Statewide engineering on-call services and engineering resource augmentation services for any number of the activities listed under scope of services upon the request of the Department.	19,841
C05281	D Pennington & Associates LLC	Engineering services for NM 41 Jct. I-40 to Jct. US 285 in Santa Fe County.	211,078

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

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

19. RISK MANAGEMENT

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

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

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

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

20. FEDERAL HIGHWAY ADMINISTRATION (FHWA) AUTHORIZATIONS

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

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

21. LITIGATION

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

22. OPERATING LEASE COMMITMENT

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

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

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

23. COMMITMENTS AND CONTINGENCIES

Grant Revenue

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

24. GAAP TO BUDGET RECONCILIATION

Revenue:

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

24. GAAP TO BUDGET RECONCILIATION (continued)

Revenues (continued):

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

24. GAAP TO BUDGET RECONCILIATION (continued)

Expenditures:

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

24. GAAP TO BUDGET RECONCILIATION (continued)

Expenditures (continued):

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

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

25. BUDGETED VS. ACTUAL EXPENDITURES

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

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

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

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

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

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

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

27. SUBSEQUENT EVENTS

Updated Fair Value of Swaps

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

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

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

Taxable Line of Credit

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

28. CHANGE IN ACCOUNTING METHOD

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

29. INSURANCE COVERAGE

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

SUPPLEMENTARY INFORMATION

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

2001A CHAT BOND DEBT SERVICE (SHARE 00700)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
State general fund	-	-	-	-	-
Transfers outside the agency	-	-	-	-	-
Interest revenue	-	-	1,173	1,173	
Bond proceeds	-	-	-	-	-
Total Revenues:	-	-	\$ 1,173	\$ 1,173	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Total Annual Budgeted					
Expenditures	\$ -	\$ -	\$ -	\$ -	-

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

For the Year Ended June 30, 2011

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

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

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

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

As of June 30, 2011

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

See Independent Auditors' Report

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

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

See Independent Auditors' Report

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

For the Year Ended June 30, 2011

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

See Independent Auditors' Report

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

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

See Independent Auditors' Report

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

As of June 30, 2011

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

See Independent Auditors' Report

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

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

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

For the Year Ended June 30, 2011

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

See Independent Auditors' Report

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

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

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

As of June 30, 2011

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

See Independent Auditors' Report

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

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

See Independent Auditors' Report

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

As of June 30, 2011

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

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

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

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

As of June 30, 2011

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

See Independent Auditors' Report

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

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

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

As of June 30, 2011

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

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

As of June 30, 2011

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

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

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

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

For the Year Ended June 30, 2011

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

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

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

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

For the Year Ended June 30, 2011

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

See Independent Auditors' Report

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

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

See Independent Auditors' Report

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

For the Year Ended June 30, 2011

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

See Independent Auditors' Report

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

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

See Independent Auditors' Report

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

For the Year Ended June 30, 2011

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

See Independent Auditors' Report

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

2002D CHAT Debt Service	2004A GRIP Debt Service	2004B GRIP Debt Service	2006A GRIP Debt Service	2006B GRIP Debt Service	2006D GRIP Debt Service
(SHARE 18700)	(SHARE 10080)	(SHARE 10090)	(SHARE 10220)	(SHARE 10240)	(SHARE 10280)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	3,663	-
49	7,761	2,260,082	2,768	1,196	-
49	7,761	2,260,082	2,768	4,859	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
61,425	408,198	-	-	-	-
-	965,816	-	-	-	-
-	-	-	-	-	-
61,425	1,374,014	-	-	-	-
(61,376)	(1,366,253)	2,260,082	2,768	4,859	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,625	-	(2,228,766)	(1,437,073)	1,246,707	-
-	-	-	-	-	-
-	-	-	-	-	-
39,625	-	(2,228,766)	(1,437,073)	1,246,707	-
(21,751)	(1,366,253)	31,316	(1,434,305)	1,251,566	-
54,417	1,875,670	46,090,579	1,467,886	(1,247,032)	-
-	-	-	-	-	-
54,417	1,875,670	46,090,579	1,467,886	(1,247,032)	-
\$ 32,666	\$ 509,417	\$ 46,121,895	\$ 33,581	\$ 4,534	\$ -

See Independent Auditors' Report

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

For the Year Ended June 30, 2011

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

See Independent Auditors' Report

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

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

See Independent Auditors' Report

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

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OTHER SUPPLEMENTAL INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

As of June 30, 2011

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

As of June 30, 2011

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

As of June 30, 2011

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

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

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Special Revenue Fund

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

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

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

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

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

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

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

Capital Projects Fund

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

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

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

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

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

As of June 30, 2011

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

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

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

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Pledged State Revenues

As of June 30, 2011

Pledged State Revenues

Pledged User & Fuel Taxes

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

Other Pledged Revenue

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

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

As of June 30, 2011

	1998B-WIPP	1998-CHAT	2000-CHAT	2001-CHAT
	(SHARE 97200)	(SHARE 54800)	(SHARE 43200)	(SHARE 00700)
Gasoline Excise Taxes	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687
Motor Vehicle Registration Fees	3,865,528	3,865,528	3,865,528	3,865,528
Special Fuel Excise Taxes	4,788,245	4,788,245	4,788,245	4,788,245
Vehicle Transaction Fees	282,186	282,186	282,186	282,186
Driver's License Fees	210,766	210,766	210,766	210,766
Oversize/Oversight Permit Fees	246,684	246,684	246,684	246,684
Public Regulation Commission Fees	144,220	144,220	144,220	144,220
Trip (Mileage) Tax	314,342	314,342	314,342	314,342
Weight/Distance Taxes	3,942,925	3,942,925	3,942,925	3,942,925
Leased Vehicle Gross Receipts Taxes	-	-	-	-
Tire Recycling Fees	-	-	-	-
FHWA Revenues	-	-	-	-
	<u>19,546,583</u>	<u>19,546,583</u>	<u>19,546,583</u>	<u>19,546,583</u>
Interest on Cash Balances*	5,034	5,034	5,034	5,034
Total Pledged Revenues				
Received	<u>\$ 19,551,617</u>	<u>\$ 19,551,617</u>	<u>\$ 19,551,617</u>	<u>\$ 19,551,617</u>
	1998B-WIPP	1998-CHAT	2000-CHAT	2001-CHAT
Debt Service Principal Expenditures	\$ -	\$ -	\$ -	\$ -
Debt Service Interest Expenditures	-	-	-	-
Total Debt Service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Service Coverage	0.00%	0.00%	0.00%	0.00%

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

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

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

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

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

As of June 30, 2011

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

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

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

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

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

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

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

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

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

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

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

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

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

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

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

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

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

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

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract Number	Contractor	Description	Expended in 2011
M00914	Zia Therapy Ctr Inc	Public transportation svcs	70,728
M00915	City of Roswell	Public transportation svcs	203,903
M00916	City of Clovis	Public transportation svcs	105,074
M00917	North Central Regional Transit District	Public transportation svcs	486,456
M00918	Nanizhoozhi Center Inc	Public transportation svcs	31,912
M00919	Torrance County	Public transportation svcs	11,219
M00921	Riometro Regional Transit District	Public transportation svcs	169,513
M00922	Zuni Entrepreneurial Ent Inc	Public transportation svcs	28,860
M00923	Village of Milan	Public transportation svcs	26,690
M00925	University of New Mexico	Economic analysis/forecasting	2,114
M00926	Pueblo of Laguna	Public transportation svcs	19,033
M00927	City of Las Cruces	Promoting ridesharing	514
M00928	City of Socorro	Public transportation svcs	22,975
M00929	Village of Los Lunas	Public transportation svcs	22,276
M00930	City of Hobbs	Public transportation svcs	38,396
M00931	Southwest Regional Transit District	Public transportation svcs	152,613
M00932	City of Carlsbad	Public transportation svcs	68,516
M00933	City of Ruidoso Downs	Public transportation svcs	67,823
M00934	Town of Taos	Public transportation svcs	81,743
M00935	New Mexico Passenger Transportation Association	Statewide transit conference	43,250
M00937	City of Portales	Public transportation svcs	19,119
M00938	City of Las Vegas	Public transportation svcs	31,885
M00939	Village of Angel Fire	Public transportation svcs	7,183
M00940	Riometro Regional Transit District	Commuter rail service	6,233,333
M00943	City of Albuquerque	Rideshare/TDM	471,198
M00944	Good Shepherd Lutheran Church	Use of parking lot agreement	500
M00945	Navajo Nation	Public transportation svcs	149,505
M00948	Museum of Indian Arts/Culture	TPE-7649(5) CN 7834	33,367
M00950	Southwest Regional Transit District	Public transportation svcs	283,700
M00951	City of Hobbs	Public transportation svcs	680,614
M00952	Navajo Nation	Public transportation svcs	14,963
M00956	TW Telecom	Rail runner network maintenance	19,120
M00958	Good Shepherd Lutheran Church	Use of parking lot	5,370
M00960	New Mexico Passenger Transportation Association	Statewide transit conference	34,882
M00961	Zia Therapy Ctr Inc	Public transportation svcs	12,290
M00962	City of Santa Fe	Promoting ridesharing	67,653

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
10/2/2009	9/30/2010	431,080	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	747,420	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	471,445	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	1,065,726	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	169,611	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	130,842	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	996,513	50%/80%	Contractor	Department		Department
10/2/2009	9/30/2010	168,589	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	134,170	50%/80%	Contractor	Department		Department
9/5/2009	6/30/2010	12,451	100%	Contractor	Department		Department
10/1/2009	9/30/2010	86,514	50%/80%	Contractor	Department		Department
10/2/2009	6/30/2010	31,000	100%	Contractor	Department		Department
10/26/2009	9/30/2010	92,615	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	253,041	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	243,189	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	594,384	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	298,997	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	143,593	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	285,382	50%/80%	Contractor	Department		Department
10/26/2009	6/30/2010	113,600	100%	Contractor	Department		Department
10/26/2009	10/30/2010	82,319	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	140,233	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	182,140	50%/80%	Contractor	Department		Department
10/20/2009	10/20/2019	16,440,000	100%	Contractor	Department		Department
11/23/2009	6/30/2010	953,181	80%	Contractor	Department		Department
11/10/2009	6/30/2010	9,000	100%	Contractor	Department		Department
12/1/2009	9/30/2010	330,777	50%/80%	Contractor	Department		Department
12/23/2009	12/30/2012	323,000	80%	Contractor	Department		Department
2/26/2010	3/31/2011	286,200	100%	Contractor	Department		Department
3/4/2010	12/31/2010	697,631	100%	Contractor	Department		Department
3/16/2010	12/31/2010	767,500	100%	Contractor	Department		Department
1/13/2010	1/13/2014	29,500	80%	Contractor	Department		Department
7/1/2010	6/30/2011	9,000	100%	Contractor	Department		Department
6/25/2010	6/30/2011	108,000	100%	Contractor	Department		Department
6/25/2010	9/30/2011	24,750	50%	Contractor	Department		Department
6/30/2010	7/31/2010	67,653	80%	Contractor	Department		Department

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract Number	Contractor	Description	Expended in 2011
M00964	City of Roswell	Public transportation svcs	2,997
M00965	Southwest Regional Transit District	Public transportation svcs	10,962
M00966	South Central Council of Governments	Public transportation svcs	23,381
M00967	North Central Regional Transit District	Public transportation svcs	118,018
M00968	Ben Archer Health Center	Public transportation svcs	89,789
M00969	City of Carlsbad	Public transportation svcs	26,175
M00970	Riometro Regional Transit District	Public transportation svcs	122,417
M00971	Village of Milan	Public transportation svcs	31,757
M00973	City of Albuquerque	Bus stop facilities improvement	200,000
M00974	County of Los Alamos	Public transportation svcs	137,755
M00975	US Geological Survey	Investigation/analysis floods	69,456
M00976	City of Las Vegas	Public transportation svcs	30,791
M00977	City of Albuquerque	Rapid ride transit services	471,939
M00980	City of Las Cruces	Ridesharing program	5,558
M00981	North Central Regional Transit District	Public transportation svcs	667,350
M00982	Zia Therapy Ctr Inc	Public transportation svcs	228,868
M00983	Golden Spread Rural Frontier	Public transportation svcs	68,136
M00984	City of Roswell	Public transportation svcs	399,346
M00985	City of Las Vegas	Public transportation svcs	80,850
M00987	Southwest Regional Transit District	Public transportation svcs	329,945
M00988	City of Portales	Public transportation svcs	50,097
M00989	Town of Red River	Public transportation svcs	57,949
M00992	Village of Milan	Public transportation svcs	70,972
M00993	Lending Hands Inc	Public transportation svcs	37,847
M00994	Door of Opportunity	Public transportation svcs	38,983
M00996	Adelante Development Center	Public transportation svcs	12,045
M00997	Riometro Regional Transit District	Public transportation svcs	667,759
M01000	City of Clovis	Public transportation svcs	283,937
M01001	Pueblo of Laguna	Public transportation svcs	43,832
M01002	Coyote Canyon Rehab Ctr Inc	Public transportation svcs	26,031
M01003	ARCA	Public transportation svcs	53,991
M01008	Pay N Save Inc	Parking lot agreement	1,500
M01009	City of Carlsbad	Public transportation svcs	10,035
M01010	City of Carlsbad	Public transportation svcs	214,068
M01011	City of Ruidoso Downs	Public transportation svcs	83,454

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
7/22/2010	6/30/2011	13,200	50%	Contractor	Department		Department
7/22/2010	6/30/2011	44,348	50%	Contractor	Department		Department
7/22/2010	6/30/2011	62,500	50%	Contractor	Department		Department
7/30/2010	9/30/2011	175,744	50%	Contractor	Department		Department
7/30/2010	9/30/2011	133,318	50%	Contractor	Department		Department
7/30/2010	9/30/2011	39,610	50%	Contractor	Department		Department
7/30/2010	9/30/2011	189,831	50%	Contractor	Department		Department
7/30/2010	9/30/2011	43,750	50%	Contractor	Department		Department
8/9/2010	9/30/2010	200,000	82.96%	Contractor	Department		Department
8/9/2010	9/30/2011	185,969	50%	Contractor	Department		Department
10/1/2010	9/30/2011	138,912	50%	Contractor	Department		Department
8/18/2010	3/31/2011	112,390	100%	Contractor	Department		Department
8/30/2010	9/30/2010	471,939	85.44%	Contractor	Department		Department
9/2/2010	6/30/2011	31,000	100%	Contractor	Department		Department
9/13/2010	9/30/2011	1,182,640	50%/80%	Contractor	Department		Department
9/13/2010	9/30/2011	498,432	50%/80%	Contractor	Department		Department
9/13/2010	9/30/2011	173,284	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	687,025	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	145,838	50%/80%	Contractor	Department		Department
9/16/2010	9/30/2011	596,823	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	149,504	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	93,922	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	136,853	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	37,847	80%	Contractor	Department		Department
9/15/2010	9/30/2011	38,983	80%	Contractor	Department		Department
9/16/2010	9/30/2011	33,043	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	1,403,655	50%/80%	Contractor	Department		Department
9/20/2010	9/30/2011	539,845	50%/80%	Contractor	Department		Department
9/23/2010	9/30/2011	96,516	50%/80%	Contractor	Department		Department
9/23/2010	9/30/2011	31,940	80%	Contractor	Department		Department
9/23/2010	9/30/2011	61,167	80%	Contractor	Department		Department
9/20/2010	8/31/2012	6,000	100%	Contractor	Department		Department
9/24/2010	9/30/2011	16,750	50%	Contractor	Department		Department
9/25/2010	9/30/2011	388,296	50%/80%	Contractor	Department		Department
9/27/2010	9/30/2011	207,845	50%/80%	Contractor	Department		Department

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract Number	Contractor	Description	Expended in 2011
M01012	City of Hobbs	Public transportation svcs	188,067
M01013	City of Socorro	Public transportation svcs	42,510
M01014	Nanizhoozhi Center Inc	Public transportation svcs	74,598
M01015	Town of Taos	Public transportation svcs	175,074
M01016	Share Your Care Inc	Public transportation svcs	104,678
M01018	Zuni Entrepreneurial Ent Inc	Public transportation svcs	95,058
M01021	County of Los Alamos	Public transportation svcs	426,253
M01023	County of Los Alamos	Public transportation svcs	124,860
M01024	Navajo Nation	Public transportation svcs	165,823
M01027	University of New Mexico	Forecasting services	10,324
M01028	Mid-Region Council of Governments	Transportation plans/programs	291,134
M01029	Northwest New Mexico Council	Transportation plans/programs	16,290
M01030	Southwest NM COG	Transportation plans/programs	16,475
M01031	SE NM Economic Development District	Transportation plans/programs	15,785
M01032	City of El Paso	Transportation plans/programs	2,369
M01034	City of Farmington	Transportation plans/programs	53,520
M01035	North Central New Mexico Economic	Transportation plans/programs	11,764
M01036	North Central New Mexico Economic	Transportation plans/programs	18,789
M01037	Mid-Region Council of Governments	Transportation plans/programs	396,490
M01038	City of Santa Fe	Transportation plans/programs	44,361
M01040	South Central Council of Governments	Transportation plans/programs	16,290
M01047	City of Santa Fe	Ridesharing program	25,454

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
9/27/2010	9/30/2011	318,647	50%/80%	Contractor	Department		Department
9/27/2010	9/30/2011	134,667	50%/80%	Contractor	Department		Department
9/27/2010	9/30/2011	266,891	50%/80%	Contractor	Department		Department
9/28/2010	9/30/2011	302,237	50%/80%	Contractor	Department		Department
9/30/2010	9/30/2011	116,950	80%	Contractor	Department		Department
9/30/2010	9/30/2011	181,378	50%/80%	Contractor	Department		Department
10/4/2010	9/30/2011	1,011,284	50%/80%	Contractor	Department		Department
10/6/2010	9/30/2011	317,632	50%/80%	Contractor	Department		Department
10/12/2010	9/30/2011	616,969	50%/80%	Contractor	Department		Department
7/10/2010	6/30/2011	12,792	12.69%	Contractor	Department		Department
12/23/2010	6/30/2015	2,780,471	20%	Contractor	Department		Department
12/20/2010	6/30/2015	97,740	20%	Contractor	Department		Department
12/20/2010	6/30/2015	99,857	85%	Contractor	Department		Department
12/20/2010	6/30/2015	112,989	85%	Contractor	Department		Department
12/23/2010	6/30/2015	202,617	85%	Contractor	Department		Department
12/23/2010	6/30/2015	397,324	85%	Contractor	Department		Department
12/21/2010	6/30/2015	98,067	85%	Contractor	Department		Department
12/20/2010	6/30/2015	112,541	85%	Contractor	Department		Department
12/20/2010	6/30/2015	491,225	85%	Contractor	Department		Department
12/20/2010	6/30/2015	796,976	85%	Contractor	Department		Department
12/23/2010	6/30/2015	97,740	85%	Contractor	Department		Department
3/25/2011	6/30/2011	67,653	80%	Contractor	Department		Department

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SINGLE AUDIT

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2011

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
Direct Assistance Programs:		
U.S. Department of Energy:		
State Energy Program - ARRA (pass through from NMEMNR)	81.041	\$ 18,640
Waste Isolation Pilot Plant 2004	81.106	26,622,957
Total U.S. Department of Energy		<u>26,641,597</u>
U.S. Department of Transportation:		
Federal Highway Administration highway research, planning and construction (FHWA):		
FHWA	20.205	316,554,534
FHWA - ARRA	20.205	108,785,223
		<u>425,339,757</u>
National Highway Traffic Safety Administration (NHTSA):		
Highway Safety Grant	20.600	1,705,961
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	1,128,565
Occupant Protection Program	20.602	289,350
Section 164 Transfer Funds	20.608	5,072,319
Safety Belt Performance Grants	20.609	82,848
Safety Information Improvement Grants	20.610	356,712
Incentive Program to Increase Motorcycle Safety	20.612	18,281
Motorcyclist Safety Grants	20.614	125,179
		<u>8,779,215</u>
Federal Aviation Division:		
State Planning	20.106	17,352
Federal Transit Administration (FTA):		
Capital Program Grants and Loans	20.500	426,504
Federal Transit Metropolitan Planning Grants	20.505	489,291
Urbanized Area Formula Program	20.507	6,233,333
Formula Grants for Other Than Urbanized Areas	20.509	8,139,102
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	1,110,192
Job Access Reverse Commute Job Access	20.516	457,480
New Freedom Program	20.521	206,834
Formula Grants for Other Than Urbanized Areas-ARRA	20.509	3,357,109
		<u>20,419,845</u>
Total U.S. Department of Transportation		<u>454,556,169</u>
Total Federal Financial Assistance		<u>\$ 481,197,766</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the New Mexico Department of Transportation (Department).

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Department's governmental fund financial statements.

Federal grant revenues collected in advance of the period they are intended to finance expenditures are recorded as deferred revenues, except for the amounts for the State Infrastructure Bank, which are recorded as contributions when they are received. The Department did not receive non-cash assistance from federal sources during the current year.

Reconciliation of Federal Awards

Statement of Revenues, Expenditures and
Changes in Fund Balances:

U.S. Department of Transportation	\$ 453,176,835
U.S. Department of Energy	26,622,957
Transfer in of ARRA from Other Agency	18,639
Retainage Payable U. S. Department of Transportation (2010)	-
Deferred U.S. Department of Transportation (2011)	12,090,612
Deferred U.S. Department of Transportation (2010)	<u>(10,711,277)</u>

Supplemental Schedule of Expenditures,
of Federal Awards

\$ 481,197,766

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards

National Highway Traffic Safety Administration (NHTSA):

CFDA	Program Name	Sub Recipient Name	Amount
20.600	Highway Safety Grant		
		Albuquerque, City of	\$ 1,975
		Artesia, City of	459
		Hobbs, City of	390
		Rio Arriba, County of	1,030
		Rio Rancho Dept of Public	145,808
		San Juan, County of	747
		Total CFDA 20.600	150,408
20.601	Alcohol Impaired Driving Countermeasures Incentive Grant		
		Albuquerque, City of	75,934
		Artesia, City of	3,764
		Aztec, City of	342
		Bayard, City of	4,170
		Belen, City of	1,320
		Bernalillo, County of	68,669
		Bernalillo, Town of	5,905
		Bloomfield, City of	13,342
		Bosque Farms, Village of	5,488
		Capitan, Village of	3,666
		Carlsbad, City of	2,567
		Carrizozo, Town of	2,484
		Chaves County	3,615
		Clayton, Town of	2,050
		Cloudcroft, Village of	1,473
		Clovis, City of	20,284
		Colfax County	1,764
		Corrales, Village of	1,440
		Cuba, Village of	572
		Eddy County	12,232
		Espanola, City of	4,131
		Estancia, Town of	1,244
		Farmington, City of	21,956
		Grant County Clerk	15,015
		Hope, Village of	800
		Santa Fe, County of	10,152
		Total CFDA 20.601	284,378

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.602	Occupant Protection Incentive Grant		
		Bosque Farms, Village of	1,976
		Las Cruces, City of	9,786
		Sandoval, County of	3,041
		Total CFDA 20.602	14,803
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		
		Alamogordo, City of	6,099
		Albuquerque, City of	546,597
		Artesia, City of	6,385
		Aztec, City of	2,812
		Bayard, City of	9,255
		Belen, City of	9,407
		Bernalillo, County of	67,621
		Bernalillo, Town of	16,765
		Bloomfield, City of	21,129
		Bosque Farms, Village of	17,003
		Capitan, Village of	11,265
		Carlsbad, City of	6,730
		Carrizozo, Town of	917
		Chaves County	7,962
		Cimarron, Village of	906
		Clayton, Town of	3,353
		Cloudcroft, Village of	835
		Clovis, City of	6,604
		Colfax County	2,937
		Corrales, Village of	7,405
		Cuba, Village of	3,848
		Dona Ana, County of	29,722
		Eddy County	47,326
		Espanola, City of	2,012
		Estancia, Town of	2,356
		Farmington, City of	219,961
		Grant County Clerk	15,507
		Grants, City of	3,221
		Guadalupe County	2,304

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Hidalgo County	10,502
		Hobbs, City of	9,541
		Hope, Village of	3,458
		Hurley, Town of	6,992
		Jemez Springs, Village of	3,154
		Jemez, Pueblo of	7,187
		Las Cruces, City of	75,537
		Las Vegas, City of	14,648
		Lordsburg, City of	15,430
		Los Alamos, County of	14,667
		Los Lunas, Village of	12,673
		Lovington, City of	1,539
		Luna County (Sheriffs Dept)	20,040
		Mckinley, County of	186,471
		Mesilla, Town of	4,720
		Mora, County of	2,159
		Moriarty, City of	3,772
		Picuris, Pueblo of	7,756
		Portales, City of	6,916
		Pueblo of Isleta	1,155
		Pueblo of Nambe	7,322
		Raton, City of	7,703
		Red River, Town of	18,357
		Rio Arriba, County of	106,657
		Rio Rancho Dept of Public	197,616
		Rio Rancho, City of	7,984
		Roosevelt, County of	7,916
		Ruidoso, Village of	2,472
		San Ildefonso, Pueblo de	8,323
		San Juan, County of	27,055
		San Miguel County	767
		Sandoval, County of	13,954
		Santa Clara Pueblo	3,120
		Santa Clara, Village of	7,482
		Santa Fe, City of	51,838

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Santa Fe, County of	312,356
		Santa Rosa, City of	6,993
		Silver City/Grant County	11,992
		Socorro County	18,171
		Socorro, City of	14,053
		Sunland Park, Treasurer of	17,686
		Taos, County of	11,448
		Taos, Town of	8,134
		Texico, City of	3,353
		Torrance County	4,283
		Truth or Consequences, City of	6,326
		Tucumcari, City of	4,254
		Valencia, County of	14,591
		Zuni, Pueblo of	4,367
		<hr/>	<hr/>
		Total CFDA 20.608	2,393,133
20.610	State Traffic Safety Information System Improvement Grant		
		Rio Arriba, County of	16,832
		<hr/>	<hr/>
		Total CFDA 20.610	16,832
			<hr/>
Total Sub-Recipient Funds passed through__NHTSA			\$ 2,859,555
			<hr/> <hr/>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA):

CFDA	Program Name	Sub Recipient Name	Amount	
20.500	Federal Transit Capital Investment Grants			
		Carlsbad, City of	\$ 41,236	
		Hobbs, City of	2,307	
		Laguna, Pueblo of	1,279	
		Las Vegas, City of	2,698	
		Los Alamos, County of	73,982	
		North Central Regional Transit District	95,587	
		Roswell, City of	65,100	
		Southwest Regional Transit District	75,326	
		Zia Therapy Ctr Inc	2,232	
		Total CFDA 20.500		359,747
20.505	Federal Transit Metropolitan Planning Grants			
		Las Cruces, City of	16,976	
		Mid-Region, Council of	259,864	
		North Central Regional Transit District	58,524	
		Riometro Regional Transit District	35,125	
		Santa Fe, City of	49,630	
		Total CFDA 20.505		420,119
20.507	Federal Transit Formula Grants			
		Riometro Regional Transit District	6,233,333	
		Total CFDA 20.507		6,233,333
20.509	Formula Grants for Other Than Urbanized Areas and all Payroll			
		Adelante Development Center	17,234	
		Ben Archer Health Center	31,951	
		Carlsbad, City of	302,254	
		Clovis, City of	428,707	
		Golden Spread Rural Frontier	108,060	
		Hobbs, City of	250,266	
		Laguna, Pueblo of	70,548	
		Las Vegas, City of	118,283	
		Los Alamos, County of	607,961	
		Los Lunas, Village of	17,222	
		Milan, Village of	116,755	

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.509	Formula Grants for Other Than Urbanized Areas and all Payroll (continued)		
		Navajo Nation	298,495
		North Central Regional Transit District	1,162,263
		Portales, City of	87,843
		Red River, Town of	84,001
		Riometro Regional Transit District	936,589
		Roswell, City of	636,834
		Ruidoso Downs, City of	150,348
		Socorro, City of	88,739
		South Central Council of Governments	15,649
		Southwest Regional Transit District	547,976
		Taos, Town of	270,316
		Zia Therapy Ctr Inc	365,044
		Zuni Entrepreneurial Ent Inc	142,870
		Total CFDA 20.509	6,856,209
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities		
		Adelante Development Center	158,590
		ARCA	109,756
		Coyote Canyon Rehab Ctr Inc	26,031
		Door of Opportunity	38,983
		Lending Hands Inc	37,847
		Life Quest Inc	27,431
		Share Your Care Inc	104,678
		Zia Therapy Ctr Inc	27,375
		Total CFDA 20.513	530,692
20.516	Job Access Reverse Commute Job Access		
		Ben Archer Health Center	71,497
		Carlsbad, City of	29,485
		Las Vegas, City of	8,103
		Los Alamos, County of	73,499
		Milan, Village of	33,953
		North Central Regional Transit District	58,271
		Riometro Regional Transit District	146,880
		Roswell, City of	449
		South Central Council of Governments	15,962
		Southwest Regional Transit District	4,404
		Zia Therapy Ctr Inc	14,977
		Total CFDA 20.516	457,480

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.521	New Freedom Program		
		Carlsbad, City of	14,528
		Los Alamos, County of	191,906
		Southwest Regional Transit District	400
		Total CFDA 20.521	<u>206,834</u>
Total Sub-Recipient Funds passed through__FTA			\$ <u><u>15,064,415</u></u>

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of the State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2011, and have issued our report thereon dated December 13, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control,

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

such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting, 07-7, 07-14, 10-1, and 11-1. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 07-14 and 08-8.

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

We noted certain matters that are required to be reported pursuant to Governmental Auditing Standards paragraphs 5.14 and 5.16, and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as items 10-5, 10-12, 10-13, 10-14, 11-3 and 11-4.

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

This report is intended solely for the information and use of management, others within the Department, the State of New Mexico Office of the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2011

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the State of New Mexico Department of Transportation's (Department) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2011. The Department's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Department's management. Our responsibility is to express an opinion on Department's compliance based on our audit.

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

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

In our opinion, the Department complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 11-2.

Internal Control Over Compliance

Management of the Department is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Department's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 11-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

This report is intended solely for the information and use of management, others within the Department, and the State of New Mexico State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2011

SCEUDLE OF FINDINGS AND QUESTIONED COSTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Summary of Auditors' Results

For the Year Ended June 30, 2011

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

Unqualified

Internal Control over financial reporting:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☒ Yes ☐ None Reported

Non-compliance material to financials statements noted?

☒ Yes ☐ No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☒ Yes ☐ None Reported

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

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133

☒ Yes ☐ None Reported

Identification of Major Programs:

Name of Federal Program or Cluster

CFDA Number

Federal Highway Administration Programs (FHWA)

20.205

National Highway Traffic Safety Administration
(NHTSA Cluster)

20.600, 20.601, 20.602
20.609, 20.610, 20.612

National Highway Traffic Safety Administration (NHTSA)

20.608

Federal Transit Administration (FTA Cluster)

20.500, 20.507

Federal Transit Administration (FTA)

20.509

Transport of Transuranic Wastes to the Waste Isolation Pilot
Plant: States and Tribal Concerns, Proposed Solutions (WIPP)

81.106

Dollar threshold used to distinguish between Types A and B programs

\$3,000,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

B. FINDINGS – FINANCIAL STATEMENT AUDIT

07-7 ACCOUNTS PAYABLE (Significant Deficiency) – Repeated and Modified

CONDITION

When performing a search for unrecorded liabilities, we noted 14 invoices for goods or services received prior to June 30, 2011. Payment for these items totaling \$131,052 was made after June 30, 2011 ; however, the vouchers were not properly accrued at June 30, 2011. Throughout our fund testwork of accounts payable we consistently noted items that were improperly excluded from the accounts payable balance at year end.

CRITERIA

In accordance with the matching principle, expenditures should be recorded in the same period as the receipt and consumption of the goods or services. Governmental Accounting Standards Board (GASB) Codification Section 1600.102 states that: "Under the *cash* basis of accounting, revenues and transfers in are not recognized until cash is received, and expenditures or expenses (as appropriate) and transfers out are recognized only when cash is disbursed. Under the *accrual* basis of accounting, most transactions are recognized when they occur, regardless of when cash is received or disbursed. Items not practicably measurable until cash is received or disbursed are accounted for at that time using either basis of accounting as may be items whose measurement would be approximately the same under either basis or that are immaterial."

EFFECT

Liabilities were understated and adjustments were required to properly state accounts payable at year end.

CAUSE

The Department is lacking proper tracking of accounts payable at year end and adequate controls to identify key entry errors.

RECOMMENDATION

The Department should implement stronger controls to ensure accounts payable are tracked and recorded for goods or services received prior to year end.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

07-7 ACCOUNTS PAYABLE (Significant Deficiency) – Repeated and Modified (continued)

MANAGEMENT RESPONSE

The Department has made significant improvements in obtaining greater control in managing the accrual activity and observing the year-end cutoff. Throughout the several months prior to the end of the fiscal year, the Financial Control Bureau provides and communicates detailed year-end cutoff instructions in order to give specific guidance for accruals in typical situations. Additionally, the Financial Control Bureau inspects all payment vouchers after the year end until the audit cutoff date of September 30 to capture and report any un-accrued payments.

Nonetheless, a few errors occur. Although the controls are in place and communication takes place routinely, they will only assure that there won't be an unreasonable amount of error-not absolute assurance of no errors. Based on this particular sample it appears an isolated area within the department did not follow the instructions provided, while the majority of the Department did.

Management will continue to counsel and train staff in the year-end cutoff procedures and remind all operators of the procedures as part of the year-end planning and routine communications. The isolated areas that did not follow year-end cutoff procedures will be particularly targeted with trainings and communications.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

**07-14 OVER-EXPENDED APPROPRIATION UNITS (Significant Deficiency and Non Compliance)
–Repeated and Modified**

CONDITION

The Department exceeded budgeted expenditures for the following funds/categories as of June 30, 2011:

P564: Business Program Support; category 400—other costs over-expended by \$ 129,416,154.

CRITERIA

Per 2.2.10 NMAC, all actual expenditures exceeding budgeted expenditures at the level of budgetary compliance must be reported as a finding.

CAUSE

Failure of internal controls to detect or prevent over-expenditures of allowed budget per expenditure category timely.

EFFECT

The Department is not in compliance with statutory requirements to obtain approval prior to making expenditures.

RECOMMENDATION

We recommend the Department track legal budgets and applicable adjustments to budgets and expenditures properly to comply with all legal requirements.

MANAGEMENT RESPONSE

The Department is aware of the budgetary requirements related to normal program costs and is in compliance. However, when the Department refinances bond issues in order to achieve more favorable interest rates, the refunding costs including the principal repayments have not been formally budgeted. As a result, during FY11 the other costs category of expenditures related to the 2010A/LOC Bond Debt Service Fund exceeded the budgeted amounts. The payoff of the principal due on the Line of Credit was funded by the refunding bond (the NMFA State Transportation Revenue and Refunding Bond Series 2010A) as well as the issuance costs on the new debt. In the future, the Department will establish internal bond refunding procedures that will require the budgeting of these activities through the submission of formal budget adjustments.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

08-8 UNTIMELY REVERSIONS (Non Compliance) - Repeated and Modified

CONDITION

The Department's State Road Fund is their operating fund. However, this fund is non-reverting and House Bill 2 allows the Department to rollover prior year funds. The Department's General Fund Appropriations (GFA) 10070 Fund receives State General Fund appropriations for construction of infrastructure and special projects and is the only fund the Department reverts to the State General Fund. These GFA funds must revert upon completion of the appropriation project or upon expiration of the appropriation period.

During our testing of reversions, we noted the Department failed to revert \$181,585 of unexpended appropriations related to multiple projects that expired in FY09 and FY11.

CRITERIA

Section 6-5-10(A) NMSA 1978 requires all unreserved, undesignated fund balances in reverting funds as of June 30 to be reverted to the New Mexico State General Fund by September 30 and subsequently adjusted within 45 days of the completion of the annual audit. The FY11 reversion was due on September 30, 2011.

EFFECT

The Department is not in compliance with Section 6-5-10(A) NMSA 1978.

CAUSE

Due to staff turnover, the Department had not validated the amount to be transferred prior to the September 30 due date. The Department therefore did not proceed with transferring the reversion since the amount is based on actual amounts and not on estimates.

RECOMMENDATION

The Department should establish procedures, controls, and monitoring to ensure timely calculation and submission of reversions to the New Mexico State General Fund.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

08-8 UNTIMELY REVERSIONS (Non Compliance) - Repeated and Modified (Continued)

MANAGEMENT RESPONSE

During FY 11 NMDOT developed and implemented a Capital Outlay process and procedures that involved staff from three areas (Budget Bureau, Local Government Bureau, and Comptroller's Office). The new process allowed the Department to clean up prior year errors and submit most of FY 11 reversions in a timely manner. During the latter part of FY 11 two key staff involved in the Capital Outlay process left the Department and the Comptroller's office was merged into Accounting Services. These changes caused a delay in monitoring and ensuring all of the items that needed to be reverted were submitted.

For FY 12 management will update the Capital Outlay process to include the staff from Accounting Services and build a contingency plan in case of staff changes.

The reversion items that were missed are in the process of being reverted during FY12.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

10-1 SYSTEM STABILITY AND DATA INTEGRITY (Significant Deficiency)

CONDITION

SHARE financial system has been significantly modified to meet the specific requirements of the Department. Applications that are customized and/or have been modified typically bear an increased risk of lost or damaged data or the introduction of processing errors. To mitigate this risk, it is critical that the Department ensure application changes are thoroughly tested outside the production environment prior to implementation. It is additionally important that the Department internally retain copies of full documentation of the modifications to assist with troubleshooting as needed.

During interviews and testing of the IT environment, the following issues were noted:

i. Test environment: The Department does not have access to a viable test environment. The current test bed utilizes production data that has not been updated since July 2010. As a result, some system modifications are being tested directly in the production environment.

ii. System out of date: Vendor updates to the SHARE system have not been applied since 2008. This has resulted in documented system problems that have gone unresolved. For example, it was reported that the Commitment Control module's sub ledger is unable to remain in synch with its activity log. Maximus, a third party service provider, created a customized process to synchronize these components. While this modification was tested successfully in a separate environment, it caused data duplication when implemented into production during the current audit period. In order to resolve this, an "emergency fix", along with manual data deletions were implemented in the production environment. Likewise, it was reported that the transaction source types referenced in Requisitions, Purchases, and Vouchers do not match, this again is attributed to the system's inability to support further vendor updates due to a high level of customization.

Additionally, the SHARE financial system continues to experience the following functional anomalies resulting from modifications and configuration issues:

Processing delays: Journal entries created by staff must be approved by the Department of Finance. Time delays associated with this process are impacting the reporting of Capital Assets and Payroll. For example, personnel must reconcile Capital Assets in spreadsheets in order to produce accurate financial reports.

Inventory data validation: During the current audit period, the Inventory Management module was unable to perform validation during data entry. Specifically, invalid entry of chart field data items such as project and fund references resulted in data integrity issues for inventory allocations and fund balances. This problem was resolved in January 2009. It is recommended that the Department continue to monitor this issue in order to ensure accurate processing and reporting of inventory transactions.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

10-1 SYSTEM STABILITY AND DATA INTEGRITY (Significant Deficiency) (continued)

CONDITION (CONTINUED)

Segregation of duties: Access rights to the Inventory Management module are not being properly controlled. It was reported that all users in this module have “super user” access rights. This implies that inventory adjustments can be made without management review and approval.

Data integrity issues: Data integrity issues between the General Ledger and SHARE sub ledgers exist. During interviews with Department staff, it was noted that when AP vouchers are processed, invalid fund references are subsequently corrected by way of manual journal entries. While control totals are reportedly correct, customized queries are utilized to tie fund balances with manual journal entries. These queries also serve as data sources for analysis and reporting of accounts payable and accounts receivable. Overall, DOT has accumulated an extensive library of customized queries to support sub ledger reconciliation throughout the SHARE system.

CRITERIA

The Department should have best practices, policies, and a system of controls over system stability and data integrity.

EFFECT

The Department's system and data could be at risk.

CAUSE

The Department has not implemented compensating controls for the weaknesses that exist.

RECOMMENDATION

It is recommended that the Department be provided with a viable test environment, and that user access rights be revisited in order to support day to day operations and ensure proper segregation of duties. Additionally, the Department should consider its alternatives for updating the SHARE system to a currently supported version, or replacing this system with a platform that meets its current business requirements, while providing vendor support for maintenance and updates.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

10-1 SYSTEM STABILITY AND DATA INTEGRITY (Significant Deficiency) (continued)

MANAGEMENT RESPONSE

The Department will relay the audit recommendations again to the Department of Finance & Administration (DFA). SHARE is controlled by DFA and these findings are not under the control of the Department. Senior executive management is aware of the SHARE deficiencies and continues to discuss these issues with DFA executive management. The Department has proposed to invest resources to:

- 1) Create a test system locally such that testing can be conducting quickly. This will require that DFA / DoIT provide useable and timely system backups such that a test system can be restored and be within two weeks of current production system.
- 2) Plan, design, and implement a current version of the People Soft software (at least version 9.1). Once implemented this system could be used by other SHARE users who are interested in migrating / converting to software that is supported by the vendor (Oracle).

Both proposals have been unofficially rejected by the charter members, DFA, SPO & DoIT.

At the present time, DFA does not have the resources to provide a separate test environment to the Department and upgrades to SHARE are being considered given fiscal and other state agency user constraints. Processing delays that result from the DFA approval process and insufficient user access rights are also not under the control of the Department. DFA Model Accounting Practices require that all agencies submit certain transactions such as journal entries to DFA for final approval and that access to certain reports and data tables are restricted to DFA only. The Department will continue to lobby DFA for exemptions from journal entry processing requirements and for more access to tables and queries. The Department will also revisit user access rights and try to match access rights with employee duties within the constraints of SHARE security groups. SHARE security groups consolidate certain access and approval rights according to predefined criteria and don't always match current assigned employee responsibilities and proper segregation of duties. The Department will continue to develop a plan should the state reconsider. It is critical for the Department to be able to test and to develop processes in conjunction with FHWA.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

11-1 LACK OF CONTROLS OVER INVENTORY (Significant Deficiency)

CONDITION

During our inventory testwork we noted a lack of controls over inventory. Once the annual inventory count was completed the Department noted inventory was understated by approximately \$1.9 million and made an adjustment to increase inventory to agree to the final inventory count. Per our review of inventory at District Five, we noted the following:

Inventory was labeled incorrectly, and in some cases was being entered into the system using the incorrect inventory code, resulting in misclassification of the inventory.

Inventory was placed on the floor and was expensed before it was entered into SHARE.

In certain instances, inventory items were kept in an unsecure location with access available to all Department personnel.

CRITERIA

Per good accounting practices and guidance issued by the New Mexico Financial Control Division, Manual of Model Accounting Practices FIN 10.2, when significant shortages or overages are found, state agencies shall determine the cause(s) and augment internal controls as necessary to control and minimize any future occurrences. Per the Manual of Model Accounting Practices FIN 10.1 the receiving clerk should enter the inventory received into SHARE and then put the inventory item away. Additionally, per the Manual of Model Accounting Practices FIN 10.5 inventory controls should provide safeguards against pilferage, fraud, fire, vandalism, theft, and irregularities caused by employees, customers, or vendors. State agencies should designate a secure place for physically storing inventories and state agencies should limit access to inventories to authorized personnel.

EFFECT

The Department is not in compliance with the Manual of Model Accounting Practices. There is increased risk of errors, unauthorized transactions and inaccurate or incomplete financial reporting.

CAUSE

Due to a limited amount of staff, the Department is unable to train staff as to the proper procedures for receiving, disbursing and accounting for inventory.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

11-1 LACK OF CONTROLS OVER INVENTORY (Significant Deficiency) (continued)

RECOMMENDATION

We recommend that the Department allocate time to train staff responsible for the oversight of inventory to properly account for inventory and ensure employees are following procedures implemented by state statute. The Department should also ensure all inventory is kept in a secure location with access only available to authorized personnel.

MANAGEMENT RESPONSE

The increase in stockpile inventory during FY 11 was caused by two contributing factors: 1) Measurement of stockpiles at year end and 2) mixing of inventory items.

Per NMDOT AD 201 section 3, C.1 Managing and Costing Stockpiles ; NMDOT will measure winter material by June 1st each year and Summer material by November 15th each year. NMDOT does this to account for stockpile depletion, stockpile measurement difference, loss due to theft, erosion, pad loss, etc. Each year we can have an increase or decrease in our inventory based on the measurement. One contributing factor that cause the increase or decrease of the stockpiles is the fact NMDOT does not have weigh scales at each district or patrol yards. We use the receiving slips for the receiving of the supplies and we estimate how much we use by the type of equipment we use to dispense the supplies (ex. Most loaders bucket = 2 cubic yards). Another contributing factor is weather. If the year is extremely wet the pile could be heavier than normal and can sink into the ground or run off with the excess water. If the year is windy the pile can be blown away. We use the cross section of the plies to true up our inventory at year end and have to adjust the general ledger to reflect this change.

During FY 11 Accounting Services hired a Temporary employee to help us reconcile NMDOT inventory. As we developed the reconciliation process we found that NMDOT was not doing the mixing process correctly. We developed a mixing form to ensure the ratio and cost is done correctly to ensure that when the new missed item was accounted for correctly and tested the new mixing process to ensure it was going to work and allow the sub-ledger to ledger to balance. Then we sent out guidance and training on how the mixing must be done going forward.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

11-1 LACK OF CONTROLS OVER INVENTORY (Significant Deficiency) (continued)

During the annual inventory freeze at District 5, there were some items found that needed to be corrected:

- 1) During the counting of the inventory items, two items were labeled incorrectly and therefore entered into SHARE incorrectly. As these items were identified their labels were corrected immediately and corrected in SHARE during the freeze process. Out of the entire store's inventory items the two items mis-labeled equate to less than 1% of the total inventory items.
- 2) It was noted that inventory was left on the floor and being expensed before it was entered into SHARE. NMDOT's policy is that all items being received must be verified with the vendor. The items received on that day must be entered into SHARE within 24 hours of receipt. If an item should be needed a hand receipt is used to issue the item out. Hand receipts will be entered into SHARE after the receiving items have been entered into SHARE. District 5 was shorthanded during FY 11. They have hired personnel and this will help them with the timeliness.
- 3) During the inventory freeze the yard and warehouse were unlocked. This was due to the fact there were multiple count teams working within the yard. District 5's policy is all inventory must be kept secure by locks and they have a camera system in place. There is only one set of keys and when one of the yards or warehouses needs to be accessed it requires two employees to be together and they must be locked upon their departure.

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C. FINDINGS – FEDERAL AWARDS (CONTINUED)

11-2 UNTIMELY REPORTING (Significant Deficiency & Non-Compliance)

U.S. Department of Transportation

Federal Highway Administration (FHWA)

Program Years: 2010 and 2011

CFDA #20.205, Highway Planning and Construction (Federal-Aid Highway Program)

QUESTIONED COSTS: None

CONDITION

During our testing of reporting for the FHWA major program we noted that three out of the nine reports selected were not submitted through the Federal Management Information System (FMIS) in a timely manner. The three reports were submitted over a year after the project was closed out.

CRITERIA

FHWA requires that a Federal Project Closeout Form be submitted through the FMIS at the close of each project. According to the Code of Federal Regulations (CFR), 49 CFR 18.41(b)(4), when reports are required on a quarterly basis or semi-annual basis, they will be due 30 days after the reporting period. When required on an annual basis, they will be due 90 days after the grant year. Final reports will be due 90 days after the expiration or termination of grant support. Three reports were submitted over 90 days after the expiration of the grant support.

EFFECT

Reports were not being submitted in a timely manner for the FHWA program and the Department is not in compliance with applicable requirements. Untimely submittal of reports could result in a reduced ability to appropriately track the performance of projects funded with federal funds.

CAUSE

Management did not monitor this requirement sufficiently due to re-organizations and system conversion challenges.

RECOMMENDATION

We recommend that the staff review federal grant and federal guidance such as OMB Circulars and OMB Compliance Supplements for all the specific federal requirements and implement policies and procedures to safeguard the Department against non-compliance.

C. FINDINGS – FEDERAL AWARDS (CONTINUED)

11-2 UNTIMELY REPORTING (Significant Deficiency & Non-Compliance) (continued)

MANAGEMENT RESPONSE

NMDOT recognized that there were projects that had not been closed timely. This was due to three issues that impacted the program during the fiscal year. The implementation of the new financial system, the consolidation in closure procedures from two bureaus to one bureau as recommended by FHWA during their Project Closure review, and the providing of project managers with clear direction on the project closure process. Therefore, in November 2010 the department implemented closure procedures and commenced a review of all FHWA construction projects. As a result of these efforts over two hundred and seventy projects were closed. The process has since been moved to all other FHWA funded projects. The Department will continue to review all projects annually.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS

10-5 UNTIMELY BILLINGS & REIMBURSEMENTS (Control Deficiency)

CONDITION

During our testwork related to the Federal Highway Administration (FHWA) we noted a lack of controls over billings which led to approximately \$3.2 million of expenditures related to March of FY 2011 that were not billed to the federal agency until August 31, 2011 and \$43,564 in expenditures related to September 2009 that were not billed to the federal agency until February 2011. Per discussion with Department personnel in the instance related to the \$3.2 million, the Department incorrectly billed the wrong project that no longer had funding. A journal entry was not prepared timely in order to bill the correct project which caused an untimely billing. In the instance related to the \$43,564, the billing is a manual billing and not system generated. The billing was overlooked and not found until the Department proceeded to close the project.

While auditing accounts receivable related to the National Highway Traffic Safety Administration (NHTSA), we noted approximately \$4.7 million of expenditures in FY 2011 that were not billed by NHTSA at June 30, 2011. This occurred because subrecipients of DOT did not turn in federal expense reports and bill the Department timely for proper cut off of federal expenditures at the Department's fiscal year-end, June 30, 2011. The Department did estimate the amount of pending expense reports based on a summary report provided by NHTSA. However, of the 43 reimbursement requests tested, there were 18 related to FY12, totaling \$882,245 in expenditures that were improperly accrued into FY11.

CRITERIA

Billings should be performed on a timely basis and reconciled to the general ledger monthly for proper cash management. Per Section 8-6-7 NMSA 1978 drawing from accounts with insufficient funds is prohibited. Per Section 6-5-2 NMSA 1978 states that agencies should not make payments of state funds without corresponding positive cash balances.

In addition, per DFA's MAPS guidance FIN 9.1, if state agencies utilize the SHARE system to bill the Federal grantor agency, they are to reconcile the detail of the grant award billings recorded in the accounts receivable subsidiary schedule to the control account for accounts receivable within the general ledger on a monthly basis. If the billing cycle occurs outside of the SHARE system, state agencies must reconcile Federal receipts to the agency's record of amounts receivable from the Federal agency and complete general ledger reconciliation monthly to ensure the receipt of anticipated federal funds.

EFFECT

The federal agency can deny funding for expenditures if they are not received within an eight quarter time period. While generally our testing showed the Department is billing within federal guidelines, this internal control deficiency still causes the agency to have negative cash for a period of time. This draws down on state funds and decreases state interest earnings.

CAUSE

Lack of controls over billings lead to billings being overlooked and billed untimely.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-5 UNTIMELY BILLINGS & REIMBURSEMENTS (Control Deficiency) (continued)

RECOMMENDATION

The Department should implement controls to ensure that all accounts receivables are billed timely and all expense reports are obtained from sub-recipients timely to help maintain positive cash balances.

MANAGEMENT RESPONSE

The Department continues to improve its FHWA federal billing processes to ensure timely and accurate billings are submitted to FHWA. NMDOT has created a data base for project related correcting entries (Journal Entries as well as Journal Vouchers). This data base is being used to provide NMDOT with internal controls on all project related corrections. It will monitor each transaction to evaluate the length of time it takes for agency and/or DFA approval. It will also validate that the journals are reviewed after they've been posted to assure they've billed FHWA correctly and timely.

In the instance that NMDOT must request additional funding from FHWA it will be controlled by the length of time it takes to obtain FHWA approval. No entries can be made prior to FHWA approval.

The purpose of the final reconciliation prior to the closure of a project is to validate that all eligible expenditures have billed FHWA correctly. A reconciliation is done between the program manager's data, SHARE (NMDOT's financial system) and FMIS (FHWA's financial system). At this point NMDOT will process correcting entries necessary. Due to the fact most construction projects average three years it is normal to have a substantial amount of time. It would be impossible for NMDOT reconcile each project on monthly even quarterly basis in a detail manner with the number of projects. NMDOT currently has over 500 active FHWA projects totaling \$700M. The Department will continue to prioritize and improve on its current billing processes.

NHTSA does not require the Traffic Safety Division (TSD) to close out by State fiscal year. Since NHTSA funding is authorized yearly to coincide with the Federal Fiscal year (October 1st through September 30th), the NMDOT Traffic Safety Division also issues contracts concurrently with the Federal Fiscal year. NHTSA only requires TSD to close out each year by December 31st for any expenditures incurred for the previous Federal fiscal year. Therefore, TSD could receive a billing from a contract in December for work performed in May of the previous Federal fiscal year and NHTSA would still allow the State to recoup the cost assuming that TSD has not closed out that Federal fiscal year by submitting a final billing.

To try and estimate as close as possible in FY12, TSD has now required that contractors bill monthly. This was new language added into FY12 contracts. Therefore, theoretically, all expenditures should be known by July 31st for any activity prior to June 30th. This will help in estimating a more accurate amount of expenditures by State fiscal year.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-5 UNTIMELY BILLINGS & REIMBURSEMENTS (Control Deficiency) (continued)

MANAGEMENT RESPONSE (continued)

While the Department is aware of the statute requiring agencies to have positive cash balances before issuing payments, NMSA 6-4-6, as amended provides that, for cash flow purposes, the Department may use its positive cash from its other funds to cover any cash shortfalls. The Department maintains sufficient positive cash balances in its other funds to cover any cash shortfalls in any one fund. Furthermore, NMSA 8-6-7, as amended, provide that valid receivables can be considered as cash equivalents for the purposes of determining available cash balances. Since the FHWA and NHTSA programs are on a reimbursement basis, the amounts due to the Department from these federal agencies are valid receivables until they are billed and collected by the Department. The Department is aware that timely and accurate billings are essential to minimize the impact of its negative cash while awaiting federal reimbursements and will continue to improve its billing processes to bill expediently under the constraints imposed by the Cash Management Improvement Act (CMIA). This act establishes the minimum number of days that the Department must wait from the time of expenditure to the time that it can bill its Federal agencies.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-12 RECONCILIATIONS – FINANCIAL CLOSE AND REPORTING (Control Deficiency)– Repeated and Modified

CONDITION

During our walkthrough of the financial close and reporting process, we noted that year-end reconciliations and financial statement schedules and disclosures completed by the Accounting Services Manager and Advanced Staff Accountant are not signed off and are not reviewed by someone independent of the process and preparation. The Department has made significant improvement over financial reporting by performing monthly closes and meeting regularly to improve processes and documentation, but should continue to improve timeliness of adjustments and reconciliations.

CRITERIA

Good accounting practices and strong internal controls require segregation of duties to mitigate internal control weaknesses and material misstatements due to error or fraud. The financial closing and reporting process should be timely, well established and documented, including the identification and updating of internal and external financial reporting requirements and deadlines; the methodology, format, and frequency of required analyses; and the content of reporting packages from districts and subrecipients.

EFFECT

The lack of adequate segregation of duties, processes, and review in some cases has caused deficiencies in the internal controls at the Department. There is increased risk of errors, unauthorized transactions, inaccurate or incomplete financial reporting, and unmet deadlines.

CAUSE

As a result of limited resources, staff turnover, and late audits in years past, the Department has not yet fully implemented strong, well-established systems of controls and review over the financial close and reporting process.

RECOMMENDATION

We recommend that year-end reconciliations, financial statements and disclosures be reviewed by a separate individual other than the preparer and that the employee performing the work sign off as the preparer and the employee reviewing it also sign off as the reviewer. We recommend that the Department continue their momentum with becoming fully staffed, training qualified employees, delegating appropriately, meeting regularly, closing monthly, preparing documents timely, and improving this process.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-12 RECONCILIATIONS – FINANCIAL CLOSE AND REPORTING (Control Deficiency)– Repeated and Modified (continued)

MANAGEMENT RESPONSE

Management agrees that reconciliations and financial schedules prepared by senior accounting services staff are not independently and consistently reviewed and analyzed by other staff not involved in the process. It is the intent of the Department to restructure the General Ledger Unit to include a direct General Ledger Manager that will train, oversee and review all General Ledger Unit staff and Audit staff work. The General Ledger Manager will be a CPA and will be responsible for managing and coordinating the annual financial audit and will restructure General Ledger staff reconciliations and schedules in accordance with GAAP and the requirements of the annual financial audit. In addition, any schedules and reconciliations directly performed by the General Ledger Manager will be formally reviewed and analyzed by the Accounting Services Director.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-13 SHARE AND NETWORK USER ACCOUNTS (Control Deficiency)– Repeated and Modified

CONDITION

The Department has procedures in place for initiating user accounts in the SHARE financial system and on the network. However, it was noted during interviews with Department staff that consistent practices are not being followed to disable SHARE and network accounts in the event of staff turnover and terminations.

CRITERIA

To protect the Department, it is important to develop, implement, and monitor best practices and controls over user accounts.

EFFECT

There is increased risk to the Department of misuse, error, or fraud. It is easier for passwords to become compromised and for employees to share passwords, thus negating the benefits of password controls.

CAUSE

Notification typically occurs by way of phone calls, and these communications are not consistent. The Department has not implemented a password policy.

RECOMMENDATION

It is recommended that the Department revisit existing procedures and update them as needed to ensure the timely notification, processing, and recording tasks necessary to disable SHARE system and network accounts when turnover occurs.

MANAGEMENT RESPONSE

As a result of this finding during the FY10 audit, the Department implemented a process during FY11 where Human Resources notified the Information Technology Help Desk for any employees changing job responsibilities or for any employee leaving the Department so that changes in SHARE security and Network security could be made expediently. The process was not completely effective due to staff turnover. The Department will continue to adhere to the policy and practices established by the Department of Information Technology (DOIT) and to further review and improve its own practices to:

- 1) Have HR send notice as personnel turnover occurs.
- 2) Once notified or determined that an individual has left the department, access to SHARE and other internal systems will be disabled within twenty-four (24) hours or as directed by HR.

The Department will ensure that IT and HR personnel are made aware of its importance and that staff are cross trained in these functions in order to strengthen our internal controls.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-14 SECURITY ACCESS CONTROL TESTING AND REVIEW (Control Deficiency)– Repeated and Modified

CONDITION

The Department's Security access controls for the SHARE systems are not tested regularly. Given the ongoing changes in the Department's technology environment, its customized software applications, and personnel turnover, the access controls in place could be substantially affected. Meanwhile, security access controls for the network are being reviewed on a quarterly basis. However, this process is not being formally recorded. Additionally, it was observed that password policies have not been implemented on the Department's network domain.

Additionally, it was observed that password policies have not been implemented on the Department's network domain.

CRITERIA

The Department should have best practices, policies, and controls over security access.

EFFECT

Given the ongoing changes in the Department's technology environment, its customized software applications, and personnel turnover, the access controls in place could be substantially affected.

CAUSE

The Department has not assessed risks and implemented controls and monitoring over security access.

RECOMMENDATION

Access should be tested periodically to ensure that unauthorized users are not allowed access, and that different types of authorized users have their access appropriately restricted. It is recommended that these tasks be assigned and tracked through the Department's HEAT Help Desk system on a regular basis, to help ensure the timely review of security access controls for all mission critical systems. Additionally, the Active Directory should be utilized to enforce a uniform password policy on the network, and that this policy be reviewed on an annual basis in order to remain in line with Departmental guidelines.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-14 SECURITY ACCESS CONTROL TESTING AND REVIEW (Control Deficiency)– Repeated and Modified (continued)

MANAGEMENT RESPONSE

NMDOT adheres to the policy and practices established by the Department of Information Technology (DOIT). NMDOT is further reviewing the practice to:

- 1) Implement group practice / policy by bureau / program using Active Directory whereby users will have access to required data.
- 2) The Infrastructure Bureau Chief will review at least quarterly and recommend changes to the CIO and/or NMDOT Executive management to eliminate any potential avenues that may provide unauthorized access to the network.
- 3.) Additionally, NMDOT is reviewing a proposal to have an independent contractor conduct an in-depth review of security. If retained, the contractor will document findings and recommended action to eliminate exposures. NMDOT conducted such a review during 2009 and implemented several changes.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

11-3 Sub-recipient Monitoring-FTA (Non-Compliance)

CONDITION

During our testing of sub-recipient monitoring for the FTA program, we noted one out of six sub-recipients did not have a current Central Contractor Registration (CCR). This sub-recipient received federal funds in fiscal year 2011 but its CCR expired in June 2010 and did not have a current registration until three months after year end.

CRITERIA

The FTA program is required to periodically verify that sub-recipients receiving federal funds have current and updated information in the CCR website. Section 1512(h) of ARRA and 2 CFR section 176.50(c) require that the recipients and their first tier recipients must maintain current registrations in the Central Contractor Registration (<http://www.ccr.gov>) at all times during which they have active federal awards funded with Recovery Act funds.

EFFECT

The Department could unknowingly award federal assistance with Recovery Act funds to sub-recipients that are not maintaining current registrations in the CCR.

CAUSE

The Department is not adequately performing periodic checks to ensure that subrecipients are updating information.

RECOMMENDATION

We recommend that the Department assign appropriate accounting personnel to perform and document periodic checks of all subrecipients to ensure that registrations are current before awarding federal assistance with Recovery Act funds.

MANAGEMENT RESPONSE

For our ARRA grants, we were utilizing the State of New Mexico's 1512 CertiClear reporting system for validation of DUNS numbers for our ARRA awards. All ARRA subgrantee's DUNS numbers were validated through this process, and NMDOT's Transit and Rail Division was not notified of any irregularities.

NMDOT's Transit and Rail Division has since implemented a requirement in our annual subgrantee application process, whereby the subgrantee provides its DUNS number in order to apply for Federal Transit Administration funding. When applications are received Transit Staff validates the subgrantees DUNS number through <https://www.bpn.gov/CCRSearch/Search.aspx>. Additionally, the contract for the subgrantee award states that the subgrantee will maintain a current CCR and DUNS number.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

11-4 DISPOSAL OF CAPITAL ASSETS (Non-Compliance)

CONDITION

During our testwork over capital assets, we noted one out of four items tested of \$115,026 was improperly disposed of by the Department. The Department did not follow internal administrative directives regarding disposal of capital assets and did not notify the Office of the State Auditor prior to the disposal of the assets.

CRITERIA

Per NMSA 1978 13.6.1 and the Department's own Administrative Directive (AD) 302.4.09-12g, the Department must give notification at least thirty days prior to its action of making the deletion by sending a copy of its official finding and proposed disposition of the property to the State Auditor and approval authority.

EFFECT

The Department deleted assets in violation of NM State statute and internal policies and procedures.

CAUSE

Various Districts and departments within the New Mexico Department of Transportation (NMDOT) failed to comply with NMSA 1978 13.6.1 and Department internal procedures.

RECOMMENDATION

Assets scheduled for deletion must be identified to the Office of the State Auditor 30 days prior to deletion. Assets that are unusable due to loss should be identified as such when reporting to the Office of the State Auditor before removing them from the capital asset listing.

MANAGEMENT RESPONSE

Asset 34018 OCE Printer was disposed of prior to approval from our Policies and Procedures Committee. At the time the disposal was brought to our attention we did not have a solid process in place to address disposal violations and in turn notified the NMDOT Comptroller via an internal memo noting that asset disposal took place.

Accounting Services has since made improvements to address disposal violations. A notification citing a violation of the above mentioned statute and AD is now sent to the N.M State Auditor also noting the "deletion" will not take place until 30 days of the notification. Copies of the violation notice are also sent to the Division/District's executive management and our Inspector General's office in order to ensure the level of importance is emphasized from the highest levels down.

B. Financial Statement Audit

- 07-7 Accounts Payable (Significant Deficiency) - **Repeated and Modified**
- 07-14 Over-Expended Appropriation Units (Significant Deficiency & Non-Compliance) - **Repeated and Modified**
- 08-8 Untimely Reversion to State General Fund (Non-Compliance) - **Repeated and Modified**
- 10-1 System Stability and Data Integrity (Significant Deficiency) - **Repeated and Modified**
- 10-2 Loan Receivable Not Billed Timely (Significant Deficiency) - **Resolved**
- 10-3 Financial Close and Reporting Accounts Receivable (Significant Deficiency) - **Resolved**
- 10-4 Accounting For Capital Assets and Infrastructure (Significant Deficiency) - **Resolved**

C. Federal Awards

- 10-5 FHWA Untimely Billings (Control Deficiency) - **Repeated and Modified**
- 10-6 NHTSA Untimely Billings (Control Deficiency) - **Repeated and Modified (combined with 10-5)**
- 10-7 Subrecipient Monitoring Exception (Non-Compliance) - **Resolved**
- 10-8 Suspension & Debarment Exception (Non-Compliance)- **Resolved**
- 10-9 Physical Equipment Inventory Count Exception (Significant Deficiency and Non-Compliance)- **Resolved**
- 10-10 Payroll Access to Recovery-Level of Effort (Non-Compliance)- **Resolved**
- 10-11 Reconciliation of Federal Revenues to Federal Expenditures (Significant Deficiency)- **Resolved**

D. Compliance and Other Matters

- 08-5 Interfund Balances (Control Deficiency) - **Resolved**
- 10-12 Reconciliations-Financial Close and Reporting (Control Deficiency)- **Repeated and Modified**
- 10-13 SHARE and Network User Accounts (Control Deficiency)- **Repeated and Modified**
- 10-14 Security Access Control Testing and Review (Control Deficiency)- **Repeated and Modified**

An exit conference was held with the Department on December 12, 2011. The conference was held at the Department's offices in Santa Fe, New Mexico. In attendance were:

STATE OF NEW MEXICO DEPARTMENT OF TRANSPORTATION

Alvin C. Dominguez, Cabinet Secretary
Tom J. Church, Deputy Secretary
Pete K. Rahn, Commission Chairman
Ronald L. Schmeits, Commissioner
Mike McEntee, Adjutant Secretary
Larry L. Viarreal, Accounting Services Director
Alex Williams, Senior Staff Accountant
Bridgette Long, Accounting Services Manager

MOSS ADAMS LLP

Larry Carmony, CPA, Partner
Audrey Jaramillo, Assurance Senior Manager
Chris Gilman, Assurance Manager
Miranda Mascarenas, Assurance Senior

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the Department and are the responsibility of management.

**NM DEPARTMENT OF TRANSPORTATION
Financial Statements
for the Year Ended
June 30, 2012
and Report of
Independent Auditors**

NEW MEXICO DEPARTMENT OF TRANSPORTATION
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Official Roster

Year Ended June 30, 2012

Commission

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

Administrative Officers

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

REPORT OF INDEPENDENT AUDITORS

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2012, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's nonmajor governmental funds, the budgetary comparisons for the major debt service funds, major capital project funds, the nonmajor enterprise fund, and all nonmajor governmental funds presented as supplementary information in the accompany combining and individual fund financial statements as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the Department's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As discussed in Note 1, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities, major funds and aggregate remaining fund information of the State of New Mexico that is attributable to the transactions of the Department. They do not

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

purport to, and do not present fairly the financial position of the State of New Mexico as of June 30, 2012, and the changes in its financial position and budgetary comparisons for the year ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Department as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of each nonmajor governmental and nonmajor enterprise fund of the Department as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project funds, debt service funds, nonmajor enterprise funds and nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2012 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited

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

procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as other supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing procedures general accepted in the United states of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mess Adams LLP

Albuquerque, New Mexico
December 14, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of New Mexico Department of Transportation (Department), we offer the readers of the Department's financial statement this narrative overview and analysis of the financial activities of the Department for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in footnotes to the basic financial statements, which start on page 43 of this audit report.

1. Overview of the Financial Statements

Financial Highlights

The Department's net assets decreased by \$84,851,210, and the net assets of the Department's governmental activities decreased by \$84,919,852 primarily due to depreciation of infrastructure assets exceeding additions and improvements during the current fiscal year.

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

Government-wide Financial Statements

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

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

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

The Department's primary purpose is the construction and maintenance of the infrastructure of the State of New Mexico. Thus, in the government-wide financial statements, the primary function is public works.

The government-wide financial statements start on page 26 of this report.

1. Overview of the Financial Statements - continued

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Department uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Department are divided into two categories: governmental funds and proprietary fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current resources and use of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Department has 52 governmental funds. Governmental funds are reported as major funds in the accompanying financial statements if they meet both of the following criteria:

- 1) Ten percent criterion - An individual governmental fund reports as least 10 percent of any of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund expenditures.
- 2) Five percent criterion - An individual governmental fund reports at least 5 percent of the total for both governmental and enterprise funds of any of the items for which it met the 10 percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040, 10140, 20100, and 82000). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) are the operating fund of the Department and is used to account for substantially all of the Department's financial activities.

2010A Bond Project Fund (Fund #10450). The 2010A Bond Project Fund was created by the engagement of \$200,000,000 Line of Credit June 2008. The Line of Credit was engaged in with an adjustable rate and to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion. In September 2010, the Department refunded the Line of Credit with the NMFA State Transportation Revenue and Refunding Revenue Bonds Series 2010A.

1. Overview of the Financial Statements - continued

2008B GRIP Bond Debt Service Fund (Fund #10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the three major funds. Data from the other 49 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in this report. See pages 168 through 194.

Proprietary Funds

The Department has one type of proprietary fund. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Department uses its enterprise fund to account for the State Infrastructure Bank, since its purpose is to make loans for road projects.

Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the State Infrastructure Bank since it is considered to be a major fund of the Department.

The basic proprietary fund financial statements can be found on pages 38 through 39 and the cash flows statement is on page 40 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 43.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information including the Schedule of Severance Tax Bonds, Schedule of Special Appropriations, Schedule of Petty Cash Deposit Accounts, Schedule of State Road Fund User and Fuel Taxes, Schedule of Debt Service and Coverage Ratios and the Schedule of Expenditures of Federal Awards.

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1. Overview of the Financial Statements - continued

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the Department's financial position. At June 30, 2012, the Department's assets exceeded liabilities by \$5,638,365,755.

The largest portion of the Department's net assets reflect its investments in capital assets (e.g., land, building, equipment, improvements, and infrastructure) less any debt and unspent bond proceeds used to acquire those assets that are still outstanding. Although the Department's investment in its capital assets is reported net of related debt and unspent bond proceeds, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net Assets

As of June 30, 2012 and 2011, the Department has positive balances in two categories of net assets, both for the government fund financial statement as a whole, as well as for its separate categories - governmental and business-type activities. Table A-1 summarizes the Department's net assets for the fiscal years ended June 30, 2012 and 2011.

Table A-1 The Department's Net Assets

	Governmental Activities		Business-type Activities	
	2012	2011	2012	2011
Assets:				
Current and other assets	\$ 617,291,608	\$ 566,763,598	\$ 20,873,271	\$ 20,803,240
Capital assets and other	6,986,486,203	7,124,000,071	-	-
Total Assets	\$ 7,603,777,811	\$ 7,690,763,669	\$ 20,873,271	\$ 20,803,240
Liabilities:				
Current liabilities	\$ 262,548,766	\$ 226,133,203	\$ 212,263	\$ 210,874
Long-term liabilities	1,723,524,298	1,762,005,867	-	-
Total Liabilities	\$ 1,986,073,064	\$ 1,988,139,070	\$ 212,263	\$ 210,874
Net Assets:				
Invested in capital assets, net of related debt and unspent bond proceeds	\$ 5,133,222,251	\$ 5,335,465,257	\$ -	\$ -
Restricted	484,482,496	367,159,342	20,661,008	20,592,366
Total Net Assets	\$ 5,617,704,747	\$ 5,702,624,599	\$ 20,661,008	\$ 20,592,366

1. Overview of the Financial Statements - continued

Total	
2012	2011
\$ 638,164,879	\$ 587,566,838
6,986,486,203	7,124,000,071
<u>\$ 7,624,651,082</u>	<u>\$ 7,711,566,909</u>
\$ 262,761,029	\$ 226,344,077
1,723,524,298	1,762,005,867
<u>\$ 1,986,285,327</u>	<u>\$ 1,988,349,944</u>
\$ 5,133,222,251	\$ 5,335,465,257
505,143,504	387,751,708
<u>\$ 5,638,365,755</u>	<u>\$ 5,723,216,965</u>

1. Overview of the Financial Statements - continued

Changes in Net Assets

Table A-2 provides a summary of the Department's operations for the years ended June 30, 2012 and 2011. Governmental activities decreased the Department's net assets by \$84,919,852 in 2012 and increased the Department's net assets by \$6,111,769 in 2011. Business-type activities increased the Department's net assets by \$68,642 in 2012 and by \$82,928 in 2011, due to interest income earned during the year.

Table A-2 Changes in the Department's Net Assets

	Governmental Activities		Business-type Activities	
	2012	2011	2012	2011
Revenues:				
Program revenues:				
Charges for services	\$ 33,838,571	\$ 33,708,736	\$ -	\$ -
Operating grants	30,830,847	29,203,468	-	-
Capital grants	440,135,455	447,931,325	-	-
General revenues:				
User and fuel taxes	386,438,418	388,370,420	-	-
Interest income	3,895,557	4,222,039	68,642	82,928
Special revenues:				
Gain (loss) on disposal of assets	(71,697)	1,857,311	-	-
Total Revenues	895,067,151	905,293,299	68,642	82,928
Expenses:				
Programs and infrastructure	593,274,035	721,146,288	-	-
Transportation and highway operations	376,172,487	222,820,447	-	-
Program support	48,777,112	51,860,125	-	-
Total Expenses	1,018,223,634	995,826,860	-	-
Net Revenues Before Transfers and Reversions	(123,156,483)	(90,533,561)	68,642	82,928
Transfers and Reversions	38,236,631	96,645,330	-	-
(Decrease) Increase in Net Assets	(84,919,852)	6,111,769	68,642	82,928
Net Assets, Beginning of Fiscal Year	5,702,624,599	5,696,512,830	20,592,366	20,509,438
Net Assets, End of Fiscal Year	\$ 5,617,704,747	\$ 5,702,624,599	\$ 20,661,008	\$ 20,592,366

1. Overview of the Financial Statements - continued

Total	
2012	2011
<hr/>	
\$ 33,838,571	\$ 33,708,736
30,830,847	29,203,468
440,135,455	447,931,325
386,438,418	388,370,420
3,964,199	4,304,967
(71,697)	1,857,311
895,135,793	905,376,227
<hr/>	
593,274,035	721,146,288
376,172,487	222,820,447
48,777,112	51,860,125
1,018,223,634	995,826,860
<hr/>	
(123,087,841)	(90,450,633)
38,236,631	96,645,330
<hr/>	
(84,851,210)	6,194,697
5,723,216,965	5,717,022,268
<u>\$ 5,638,365,755</u>	<u>\$ 5,723,216,965</u>

1. Overview of the Financial Statements - continued

Governmental Funds

The Department's governmental funds are designed to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Department's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2012 fiscal year, the Department's governmental funds reported combined ending fund balances of \$471,028,699 an increase of \$39,760,480 from the prior year. Restricted fund balance indicates amounts available for expenditures in subsequent years for the purposes for which the initial revenues were intended. Non-spendable fund balance indicates amounts which have already been spent and now consist of inventories, long-term assets and prepaid items and other reserved items of \$37,550,499.

The changes in fund balance for the Department's major funds for 2012 are as follows:

State Road Fund(s) (Fund #10040, 10140, 20100, 82000)	\$ 59,405,039
2010A Project Fund (Fund #10450)	3,294,891
2008B GRIP Bond Debt Service Fund (Fund #10420)	<u>(970,999)</u>
Major funds, net change in fund balances	<u>\$ 61,728,931</u>

The net increase in the State Road Fund(s) is due to revenues exceeding budgeted expenditures.

The net increase in the 2010A Project Fund is due to an accounting adjustment of previous year expenditures now being allocated to other bond project funds.

The net decrease in the 2008B GRIP Bond Debt Service Fund is due to interest costs and SWAP collateral costs exceeding interest earnings.

1. Overview of the Financial Statements - continued

Budgetary Highlights

The Department budgets are on a modified accrual basis and not all funds are budgeted. The Department made revisions to the original approved budget by \$137,088,672. Overall, these changes were caused by the following significant budget adjustments:

Increase--State of Texas contribution for Park n Ride for El Paso to Las Cruces	\$ 387,848
Increase--WIPP funding for 2 projects on U.S. 285 and I-40	22,000,000
Increase--NHTSA grant to implement concurrent pedestrian safety and enforcement	131,029
Increase--NMED/ARRA reimbursement for vehicle purchase	70,698
Increase--5 Federal Mass Transit grants for supporting capital and operating expenditures.	1,749,297
Increase--State of Good Repair Federal Transit Administration grant	1,950,000
Increase--obligate reamaining FHWA funding balances for FY12 plus state match	106,300,000
Increase--Mesa PDC warranty reimbursement work on U.S. 550	4,563,000
Decrease--Reduction to reflect decrease in FY12 transfers to Department of Public Safety	(63,200)
	\$ 137,088,672

The Department's original operating budget for fiscal year 2012 was \$821,664,200. The final budget for the fiscal year was \$1,244,530,467. The \$422,866,467 increase in budget was mainly due to budget adjustments discussed above and the Department's authorized practice of rolling forward into FY12 its remaining FY11 unexpended contracts and purchase orders. The appropriation budgetary period for those FY11 unexpended contracts and purchase orders lapses at the end of the FY11 fiscal year and the Department has to re-establish the budget in FY12 to fund the roll forward of its unexpended contracts and purchase orders. The Department funds the budget increase by utilizing the balance of the unused FY11 budget revenues that were originally budgeted for the unexpended contracts and purchase orders. The roll forward budget of \$285,777,595 is not included in the above schedule of budget adjustments.

Capital Assets Overview

The Department's investment in capital assets for its governmental activities as of June 30, 2012, amounts to \$6,818,982,980 (net of accumulated depreciation). This investment in capital assets includes land, right of way, buildings, equipment, improvement and the infrastructure. Business-type activities have no capital assets.

Major Infrastructure Projects

The Department develops plans to build a transportation system that will better serve the State of New Mexico. Advanced and innovative strategies include building roads using a corridor approach, where an entire route between communities is built. By designing and constructing entire corridors, the Department has been able to realize efficiencies to benefit the state. The Department also employs innovative project development techniques, warranty agreements and highly advanced financing techniques to accomplish the objectives of the Major Investment Program.

1. Overview of the Financial Statements - continued

Capital Assets Overview - continued

Fiscal Year 2011-2012 Active Projects with a contract amount of \$10 million or more:

I-10/NM 292 Interchange for 3.30 miles. - Doña Ana County
NM 136, MP 4.000 to MP 5.000 and - Doña Ana County
I-25, MP 220.500 to MP 222.860 for 2.358 miles - Bernalillo County
NM 26, MP 0.000 to MP 25.760 for 25.760 miles - Luna County
I-40, MP 14.692 to MP 21.267 for 6.575 miles - MC Kinnley County
US 84/285, MP 183.215 to MP 185.223 for 2.008 miles - Santa Fe County
I-40, MP 140.543 to MP 145.789 for 6.918 miles - Bernalillo County
US 54, MP 107.000 to MP 112.700 for 5.691 miles - Lincoln County
US 54, MP 112.700 to MP 119.000 for 6.345 miles - Lincoln County
US 62/180, MP 35.040 to MP 35.590 and US 285, MP 33.262 to - Eddy County
I-25, MP 239.686 to MP 242.208 for 2.522 miles - Sandoval County
US 64/87, MP 390.332 to MP 400.000 for 9.668 miles - Union County
US 64, MP 62.000 to 64.000 for 2.000 miles - San Juan County
US 64, MP 140.000 to MP 148.560 for 8.560 miles - Rio Arriba County
US 491, MP 67.700 to MP 77.000 for 9.300 miles - San Juan County
I-40, MP 150.042 to 152.334 for 2.292 miles - Bernalillo County
US 491, MP 77.000 to MP 85.200 for 8.220 miles - San Juan County
US 491, MP 59.05 to MP 67.74 for 8.69 miles - San Juan County
US 54, MP 163.230 to MP 175.098 for 11.866 miles - Lincoln County
US 491, MP 46.000 to MP 59.000 for 13.042 - San Juan County
I-25, MP 234.600 to MP 239.800 for 5.227 miles - Sandoval County
US64/87, MP 359.950 to MP 375.200 for 15.109 miles - Colfax County
I-10, Las Cruces to Texas State Line for 18.310 miles - Doña Ana County
I-10/I-25, Interchange for 2.255 miles. - Doña Ana County
I-40, MP 160.730 to MP 162.170 and I-40/San Mateo - Bernalillo County
US 84/285, Santa Fe Relief Route to Santa Fe Opera and - Santa Fe County

1. Overview of the Financial Statements - continued

Automotive and Major Road Fund Equipment

For fiscal year 2012, the Automotive and Major Road Fund Equipment modified accrual basis budget total was approximately \$10.1 million. Of this budget, approximately \$10.1 million was fully expended at June 30, 2012. Automotive and Major Road Fund Equipment purchased includes pickups, dump trucks, rollers, excavators, mowers, tractors, loaders, snowplows, brooms, dozers, motor graders, spreaders, millers, trailers, motor vehicles, etc. All items are approved during the legislative session prior to July of each fiscal year. The Department holds several sales and public auctions during the year to liquidate old and obsolete equipment to public and private entities.

Table A-3
Department's Capital Assets

	2012	2011
Land	\$ 5,177,044	\$ 5,203,234
Construction in Process	193,830,627	138,315,764
Right of Way	485,300,485	482,057,709
Infrastructure	15,071,694,230	15,198,106,783
Equipment and furniture	30,453,316	30,059,620
Library	102,614	102,614
Buildings	45,823,291	45,966,744
Automotive and Major Road Fund Equipment	205,816,651	199,045,213
Accumulated depreciation	(9,219,215,278)	(9,090,753,273)
Total	\$ 6,818,982,980	\$ 7,008,104,408

Additional information on the Department's capital assets can be found in Note 10 of this report.

1. Overview of the Financial Statements - continued

Debt Administration

The Department is authorized to issue bonds by authority of Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA)(1978), as amended. The focus of the Department's bond program is to accelerate transportation construction projects while maintaining strong debt service coverage ratios and minimizing the costs of borrowing.

At June 30, 2012, the Department had a total outstanding debt (bonds) of \$1,635,870,000. Outstanding bond debt is backed by the Department's anticipated state tax revenues and FHWA revenues.

Table A-4
Department's Outstanding Debt

	2012	2011
Bonds (excludes deferred amounts on refunding)	<u>\$ 1,635,870,000</u>	<u>\$ 1,704,450,000</u>

The Department's total bond debt decreased by 4%, or (\$68,580,000). Total outstanding bond debt at the end of the 2012 fiscal year was \$1,635,870,000 compared to \$1,704,450,000 at the end of the 2011 fiscal year. The net decrease in debt resulted from principal repayments. See Note 13 for a detail of all outstanding bonds.

The Department made \$2,482,729 in arbitrage payments to the Internal Revenue Service for excess income earned on the bond proceeds from the 2006A, 2006B and 2006C GRIP Bonds during the fiscal year.

2. Economic Factors and Revenue Forecasts

Economic and Demographic Characteristics

New Mexico is the 36th largest state by population and the fifth largest in land area. According to the decennial census the State's population as of April 1, 2010 was 2,059,179. Between 2000 and 2010, the State was the fifteenth fastest growing state, as the population increased 13.2 percent from the 2000 population of 1,819,046. Over the same period of time, the national population grew 9.7 percent. Most of this population growth is occurring in or near the larger cities. There are four Metropolitan Statistical Areas (MSA) in the state. The Albuquerque MSA is comprised of Bernalillo, Sandoval, Torrance and Valencia Counties; the Las Cruces MSA is Dona Ana County; the Santa Fe MSA is Santa Fe County, and the Farmington MSA is San Juan County. The fastest growing counties in the state are Sandoval, Dona Ana, Bernalillo, Valencia and Lea.

Major industries in the State are energy resources, semi-conductor manufacturing, tourism, services, agriculture-agribusiness, government, and mining. In 2011, New Mexico was the 6th largest producing state of natural gas and the 6th largest producing state of onshore crude oil. In 2010 coal, copper and potash production value amounted to \$1.58 billion and the state ranked 12th, 4th and 1st respectively in the US. The mining and logging industry employed more than 22,000 New Mexicans in 2012. Major federally funded scientific research facilities at Los Alamos, Albuquerque and White Sands are also a notable part of the State's economy. The state's major transportation routes include Interstate-25, running north-south from El Paso, Texas through Las Cruces, Albuquerque, Santa Fe, Las Vegas and Raton, New Mexico toward Pueblo and Denver, Colorado. Major east-west routes, especially important to interstate commercial carrier traffic, include Interstate-10 from El Paso, Texas to Tucson and Phoenix, Arizona, and Interstate-40 from Amarillo, Texas through Tucumcari, Albuquerque and Gallup, New Mexico to Flagstaff, Arizona.

Revenue Forecasts and Budgets

Federal Revenue:

FHWA Revenue - Federal Revenue – The amount of FHWA revenue (obligation authority) available to all states has slightly increased as a result of the passage of the 5 year transportation reauthorization bill entitled "Safe, Accountable, Flexible, and Efficient Transportation Equity Act for the 21st Century – A Legacy for Users" "SAFETEA-LU" in 2005. The amounts of "obligation limitation" available to New Mexico are \$287.5 million in FY2005, \$292.8 million in FY2006, \$271.1 million in FY2007, \$253.5 million in FY2008, \$372.5 million in FY2009, \$314.8 million in FY2010, \$321.8 million in FY2011 and \$322.1 million in FY12. MAP-21 was signed and will be a two year plan impacting the funding for FY13 and FY14. The reauthorization bill provides "apportionment" amounts, but the real spending amount (the "obligation amount") is determined by the appropriation levels in each year's federal budget bill.

2. Economic Factors and Revenue Forecasts - continued

Federal Transit Administration Funds - NMDOT reported revenue of \$18,660,602 in FY 2012 Federal Transit Administration grant funds.

National Highway Traffic Safety Administration Funds - NMDOT reported revenue of \$12,031,664 in FY 2012 of National Highway Traffic Safety Administration grant funds.

ARRA Revenue - NMDOT reported revenue of \$70,698 of FY 2012 ARRA funds passed through from the New Mexico Environment Department (DERA). NMDOT also reported \$1,226,400 revenue of FY 2012 ARRA funds from FTA and \$30,304,182 revenue of FY 2012 ARRA funds from FHWA.

State Revenue:

Revenues for the New Mexico Department of Transportation over the long-term (20 years) are characterized as being steady and growing at rates associated with the Consumer Price Index (CPI). There have been periods of stronger and slower, even declining, rates of growth. From fiscal years 1988 to 2000, the average annual compound growth rate was 2.7% and from 2003 to 2007 it was 7.5%. In fiscal year 2001, there was a contraction and then a slowdown due to economic recession that lasted three years.

Department of Transportation revenues was not immune from the latest recession. However, diversity of revenue sources helped to moderate the impact. State Road Fund revenues are split roughly half and half between passenger car based and interstate trucking sourced. Those revenues associated with trucking (special fuel and weight/distance) were negatively influenced by the US economic recession during FY2008 through FY2010 and fell about 15% while passenger cars based revenues (gasoline and vehicle registrations) have been comparatively more stable. With recent current improvements in the US economy, trucking activity has begun to improve and concurrently there has been an increase in the trucking related revenues. FY 2007 was the peak year for Road Fund revenues before the recession; FY 2010 was the low point with revenues falling by over \$35 million or 9%. FY 2017 is forecast to be the year that revenues finally surpass the FY 2007 level, with the peak-to-return cycle lasting 10 years: falling for 3 years by 10% and slowly climbing for 7 years to fully recover.

The latest (July 2012) revenue forecast for the State Road Fund expects revenue growth of about 2.6% in FY2013, followed by growth in the 0.3% to 1.9% range during the subsequent four fiscal years. The revenue growth forecast for the Department as a whole is somewhat less at slightly over 2.0% for FY2012, followed by growth in the 0.3% to 2.1% range during the subsequent four fiscal years.

2. Economic Factors and Revenue Forecasts - continued

State Revenue Forecasts - Major Revenue Sources

In the fall of 2003, a special session of the New Mexico Legislature was held and transportation rates and fees were raised on special fuels (primarily diesel), weight/distance trucking rates and motor vehicle registration fees. The basis of these increases was to provide \$40 million annually for the debt service on GRIP, a large, multi-year road construction program. The increases were designed also to add \$20 million for road maintenance. These rate/fee increases, along with the strong economy, added almost \$100 million (36%) from FY 2003 to FY 2007 to the annual State Road Fund revenue levels.

The budget estimate for state tax and fee revenue is prepared in July/August and December/January for each year for the budget year ending 24 months (or 18 months) later. Each fiscal year's revenue estimate is formally assessed six times: twice before the year begins, twice during the fiscal year and twice after the end, with the final numbers being the actual audit.

In fiscal years 2005 through 2007, state revenues from gasoline, special fuels, weight/distance and vehicle registrations grew by \$47.7, \$15.9, \$18.7, million each year, respectively. In fiscal years 2008 through 2010, these same revenues declined \$13.2, \$19.0 and \$5.6 million each year. These four revenue sources constitute 93% of the state road fund. These revenues were consistent with the forecasts for the periods and did add the expected \$60 million for GRIP debt service and highway maintenance expenditures. Strong economic trends, particularly in the trucking industry, also helped to provide for strength in revenue growth in FY 2005 through FY 2007 and have led the decline in FY 2008 through FY 2010, and are now the primary contributors to the return to historic levels as growth in gasoline revenue is expected to moderate to a lower long term growth trend.

Due to the size and importance of each of these four sources, a look at each individually helps to provide a more complete picture of the Department's revenues.

Gasoline tax is the largest of State's revenue sources, providing about \$105 million in revenue in FY 2012. This tax is 17 cents per gallon of gasoline sold, with about three-fourths going to the state road fund and the remainder going primarily to municipalities and counties. It is the one major tax that was not increased during the special session of 2003. Historically, gasoline gallons sold increased until 1995, remained relatively stable from 1995 to 1999, and decreased in 2001, when they again stabilized. The peak years were 1995 to 1999, with 1998 providing \$117.9 million. When increases, slowing and plateaus are discussed in conjunction with gasoline revenues, it should be noted that they are very moderate changes.

Of much interest and frequent query, is how the gasoline usage (gallons) has fared during the dramatic price increase between 2004 and 2008 and in light of the economic slowdown. Somewhat surprisingly, for New Mexico, there has been surprisingly little change in gasoline usage.

2. Economic Factors and Revenue Forecasts - continued

Special fuel tax (primarily diesel) is the second largest of the state's revenue sources, providing about \$92.3 million in FY 2012, down from the peak of \$101.5 in FY 2008. The tax per gallon was raised from 18 to 21 cents per gallon effective in FY 2005. Of the 21 cents, the State Road Fund receives 19 cents, with the remainder going to the Local Governments Road Fund. Including the 2003 special legislative session rate increase, special fuels grew by \$27.0 million, or 36%, from FY 2004 to FY 2008. Special fuel, over time, has been a strongly growing revenue source with an average annual compound growth rate of 5.2% from 1988 to 2008. After the collapse of the national housing bubble, special fuel revenue fell to a low \$85.6 million in FY 2009 and has since climbed slowly to \$92.3 million in FY 2012.

Weight/Distance tax is charged on trucks over 26,000 pounds and varies by weight and distance traveled in New Mexico. It ranges from a rate of around one cent per mile for vehicles weighing 26,001 to 28,000 pounds to slightly over 4 cents per mile for vehicles weighing over 78,000 pounds. It is historically the third largest revenue producer, with about \$72.8 million in revenue in FY 2012, down from the peak of \$77.4 million in FY 2008. Its rates, too, were raised in the fall 2003 special session. Prior to the tax rate increase, revenues averaged \$50+ million. After FY 2004, revenue increased from 43% to 50%, primarily due to the 38% tax rate increase. (It should be noted that an additional "bump" increase occurred in 2007 because of revenue accrual accounting changes.)

During the latest economic recession, declining consumer durable goods expenditures led to a fairly steep and sudden reduction in freight of all types including air, ship, rail and truck. That decline was in the range of 20% and began in December, 2008. Corresponding reductions in State Road Fund trucking related revenues began in March 2009 and, in only four months, dropped the annual revenue by \$2 million in FY2009. The full year impact in FY2010 of this Weight/Distance tax revenue decline was a \$7.8 million decrease relative to FY2008.

Motor vehicle registration fees are now the third largest revenue source at about \$75.6 million in FY 2012. These fees were raised in the 2003 Special Legislative session by about 33%, and revenue increased by about \$20.7 million or 39%, from FY 2004 to FY 2008. The fees are based on three weight classes for passenger vehicles and 14 weight classes for trucks and commercial carriers. The annual registration fees for trucks over 26,000 pounds are low because those vehicles are subject to the weight/distance taxes, discussed above. This revenue, like gasoline, has remained stable during both the economic expansions and recessionary periods.

Two revenue sources have been impacted negatively by recent federal procedure rulings and legislation. One is the Trip Tax and the other is New Mexico Public Regulation Commission common carrier registration fees. Trip Tax is charged on trucks in lieu of the weight/distance tax and vehicle registration fees for those trucks/companies not registered for weight/distance. What was called a cab card and carried in each truck was used for weight/distance registration identification. Federal regulations now prevent states from requiring the showing of state-specific taxpayer documentation cards. Trip tax rose to a peak of \$8.6 million in FY 2006 and provided revenues of about \$5.7 million in FY 2012. New Mexico is one of four states that impose a weight/distance tax and its associated trip tax. There have been strong investments recently in reporting enforcement and an optical scanning computer truck identification interface with the weight/distance tax data base. These have been accompanied by penalty increases for improper weight/distance tax filing, capital improvements at ports of entry and statewide enhanced documentation checks.

2. Economic Factors and Revenue Forecasts - continued

The New Mexico Public Regulation Commission previously collected common carrier registration fees. Because of efforts by the trucking industry to centralize registrations (because so many trucks are on the road and prorating registrations in so many states), a new common system and procedures were passed into law in the fall of 2006. In FY 2006, the Department received \$3.7 million in revenue. Under the new national system, the total fees across the country were capped at \$100 million and then apportioned such that the maximum New Mexico can now receive is \$3.2 million. Because of delays in getting the system up and running, revenue for FY 2007 came in at \$377,000, \$866,000 for FY 2008, \$2.3 million in FY 2009, and \$1.4 million in FY 2010. With improvements to this situation, FY2011 revenue came in at about \$2.7 million; however, late payments from the national depository in FY 2012 led to revenue of only \$881 thousand. Future years are expected at the \$3 million level.

Background - Gasoline Tax and Tribal Tax Sharing Agreements

The state permits gasoline to be sold at retail by registered Indian tribal distributors on Indian land free of State gasoline tax if the applicable Indian government imposes an equivalent or higher tax (for its own benefit) on retail gasoline sales. The growth in tribal market share initially out-paced the overall growth rate of gasoline sales as a result of competitive pricing, casino traffic, and new tribal travel centers. Over the past few years tribal sales have stabilized at around 60 million gallons per year with 56.4 million gallons reported in FY 2012.

In 2003 and 2004, legislation allowed the state to enter into "tax sharing agreements" with the two Native American Pueblos that were previously entitled to market a limited amount of state-tax-free gasoline outside reservation boundaries. Under the agreements, 40% of the tax collected on 30 million gallons of gasoline per year will be shared with each of the two Pueblos, in exchange for the Pueblos ceasing their wholesale sales activities outside reservation boundaries. The result of these agreements (entered into on January 1, 2004 and July 1, 2004) was significantly more predictable gasoline revenues. These agreements also resulted in a net revenue gain for the State while the gasoline excise tax was higher than the average gross receipts tax otherwise imposed. The term of the two agreements was for a period of 10 years. Chapter 15, Laws 2010 (Senate Bill 59 from the 2010 regular legislative session) allows these agreements to be extended under the same terms for an additional 10 years.

3. Contacting the Department's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, legislators and investors and creditors with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact:

Attn: Accounting Services Director
New Mexico Department of Transportation
1120 Cerrillos Road
P.O. Box 1149
Santa Fe, New Mexico 87504-1149
(505) 827-5108

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FINANCIAL STATEMENTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Assets

As of June 30, 2012

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Assets:			
Cash (Note 2):			
Unrestricted	\$ 2,600	\$ -	\$ 2,600
Cash equivalents (Note 2):			
(Investment in state general fund investment pool)			
Restricted	265,097,186	20,199,312	285,296,498
Managed by NMFA	201,667,771	-	201,667,771
Receivables:			
Taxes receivable, net	62,494,204	-	62,494,204
Accounts receivable, net (Note 3)	3,059,519	-	3,059,519
Interest receivable	199,200	-	199,200
Notes and loans receivable (Note 5)	6,397	669,814	676,211
Other receivables	99,731	-	99,731
U.S. Department of Transportation (Note 6)	53,681,950	-	53,681,950
Due from other state agencies (Note 8)	4,601,850	4,145	4,605,995
Capitalized issuance costs	899,144	-	899,144
Inventories (Note 9)	13,260,425	-	13,260,425
Prepaid expense - other	3,387	-	3,387
Prepaid expense - NM44 warranty	3,189,030	-	3,189,030
Property held for resale, net	9,029,214	-	9,029,214
Total Current Assets	617,291,608	20,873,271	638,164,879
Non-Current Assets:			
Deferred outflow of resources	137,082,035	-	137,082,035
Capitalized issuance costs, net	7,106,032	-	7,106,032
Prepaid expense - NM44 warranty, net	23,315,156	-	23,315,156
Capital assets, net (Note 10)	6,818,982,980	-	6,818,982,980
Total Non-Current Assets	6,986,486,203	-	6,986,486,203
Total Assets	\$ 7,603,777,811	\$ 20,873,271	\$ 7,624,651,082

See Report of Independent Auditors and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Assets

As of June 30, 2012

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Liabilities:			
Accounts payable and contracts payable, including retainage of \$11,758,637	\$ 86,409,451	\$ -	\$ 86,409,451
Due to other agencies (Note 12)	20,684,803	-	20,684,803
Due to state general fund	44,566	-	44,566
Payable to other governments		212,263	212,263
Deferred revenue	15,753,071	-	15,753,071
Other accrued expenses	4,015,567	-	4,015,567
Other liabilities	502,009	-	502,009
Short-term note payable (taxable line of credit) (Note 13)	35,000,000	-	35,000,000
Current portion of long-term obligations (Note 13):			
Compensated absences	5,961,995	-	5,961,995
Debentures payable, net of deferred loss on refunding	82,312,469	-	82,312,469
Capitalized bond premium	11,864,835	-	11,864,835
Total Current Liabilities	262,548,766	212,263	262,761,029
Long-Term Liabilities:			
Long-term obligations (Note 13):			
Derivative instruments interest rate swap	137,082,035	-	137,082,035
Debentures payable, net of deferred loss on refunding	1,477,050,169	-	1,477,050,169
Capitalized bond premium, net	109,392,094	-	109,392,094
Total Long-Term Liabilities	1,723,524,298	-	1,723,524,298
Total Liabilities	1,986,073,064	212,263	1,986,285,327
Net Assets:			
Invested in capital assets, net of any related debt and unspent debt proceeds	5,133,222,251	-	5,133,222,251
Restricted for:			
Loans	-	20,661,008	20,661,008
Specific purposes	484,482,496	-	484,482,496
Total Net Assets	5,617,704,747	20,661,008	5,638,365,755
Total Liabilities and Net Assets	\$ 7,603,777,811	\$ 20,873,271	\$ 7,624,651,082

See Report of Independent Auditors and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities

For the Year Ended June 30, 2012

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Program Expenses:			
Programs and infrastructure	\$ 593,274,035	\$ -	\$ 593,274,035
Transportation and highway operations	376,172,487	-	376,172,487
Program support	48,777,112	-	48,777,112
Total Program Expenses	<u>1,018,223,634</u>	<u>-</u>	<u>1,018,223,634</u>
Program Revenues:			
Charges for services	33,838,571	-	33,838,571
Operating grants	30,830,847	-	30,830,847
Capital grants	440,135,455	-	440,135,455
Total Program Revenues	<u>504,804,873</u>	<u>-</u>	<u>504,804,873</u>
Net Program Revenue (Expense)	<u>(513,418,761)</u>	<u>-</u>	<u>(513,418,761)</u>
General Revenues (Losses):			
User and fuel taxes	386,438,418	-	386,438,418
Interest income	3,895,557	68,642	3,964,199
Gain (loss) on disposal of assets and adjustments	(71,697)	-	(71,697)
Total General Revenues (Losses)	<u>390,262,278</u>	<u>68,642</u>	<u>390,330,920</u>
Transfers:			
Reversions to state general fund (Note 15)	(1,090,100)	-	(1,090,100)
Transfers from: severance tax bond appropriation (Note 11)	45,822,731	-	45,822,731
Transfers from (to) other state agencies and local governments, net (Note 11)	(6,496,000)	-	(6,496,000)
Total Transfers	<u>38,236,631</u>	<u>-</u>	<u>38,236,631</u>
Net General Revenues and Transfers	<u>428,498,909</u>	<u>68,642</u>	<u>428,567,551</u>
Change in Net Assets/Operating Income	(84,919,852)	68,642	(84,851,210)
Net Assets, Beginning of Fiscal Year	5,702,624,599	20,592,366	5,723,216,965
Net Assets, End of Fiscal Year	<u>\$ 5,617,704,747</u>	<u>\$ 20,661,008</u>	<u>\$ 5,638,365,755</u>

See Report of Independent Auditors and Notes to Financial Statements

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds

As of June 30, 2012

	Major Funds		
	State Road Fund(s) (SHARE 10040, 10140, 20100, 82000)	2010A Bond Project Fund (SHARE 10450)	2008B GRIP Bond Debt Service Fund (SHARE 10420)
Assets:			
Cash: (Note 2)			
Unrestricted	\$ 2,600	\$ -	\$ -
Restricted	-	-	-
Cash Equivalents: investment in state general fund investment pool) (Note 2)			
Unrestricted	-	-	-
Restricted	155,182,564	14,945,051	-
Managed by NMFA	76,098	55,087,524	32,335,088
Receivables:			
Taxes receivable, net	57,115,473	-	-
Accounts receivable, net (Note 3)	3,058,519	-	-
Interest receivable	195,582	591	35
Notes and loans receivable (Note 5)	6,397	-	-
Other receivables	99,731	-	-
Due from:			
U.S. Department of Transportation (Note 6)	42,576,769	-	-
Other funds (Note 7)	7,831,546	-	-
Other state agencies (Note 8)	21,443	-	-
Inventories (Note 9)	13,260,425	-	-
Prepaid expenses - other	3,387	-	-
Prepaid expenses - risk management	-	-	-
Prepaid expense - NM44 warranty	26,504,186	-	-
Property held for resale	9,029,214	-	-
Total Assets	\$ 314,963,934	\$ 70,033,166	\$ 32,335,123
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 65,584,258	\$ 4,104,007	\$ -
Due to other funds	1,323,919	-	6,409,295
Due to other agencies (Note 12)	10,830,639	-	-
Due to state general fund	16,456	-	-
Deferred revenue	3,708,135	-	-
Other accrued expenses	3,962,872	-	-
Other liabilities	502,010	-	-
Short-term notes payable (taxable line of credit)	-	-	25,522,244
Total Liabilities	85,928,289	4,104,007	31,931,539
Fund Balances:			
Non-spendable	37,550,499	-	-
Restricted	-	65,929,159	403,584
Committed	191,485,146	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	229,035,645	65,929,159	403,584
Total Liabilities and Fund Balances	\$ 314,963,934	\$ 70,033,166	\$ 32,335,123

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds

<u>Other Governmental</u>	<u>Total Governmental</u>
\$ -	\$ 2,600
-	-
-	-
94,969,571	265,097,186
114,169,061	201,667,771
5,378,731	62,494,204
1,000	3,059,519
2,992	199,200
-	6,397
-	99,731
11,105,178	53,681,947
5,751,103	13,582,649
4,580,407	4,601,850
-	13,260,425
-	3,387
-	-
-	26,504,186
-	9,029,214
<u>\$ 235,958,043</u>	<u>\$ 653,290,266</u>
\$ 16,721,185	\$ 86,409,450
5,849,435	13,582,649
9,854,164	20,684,803
28,109	44,565
18,314,388	22,022,523
52,695	4,015,567
-	502,010
9,477,756	35,000,000
<u>60,297,732</u>	<u>182,261,567</u>
-	37,550,499
138,947,596	205,280,339
47,167,664	238,652,810
-	-
(10,454,949)	(10,454,949)
<u>175,660,311</u>	<u>471,028,699</u>
<u>\$ 235,958,043</u>	<u>\$ 653,290,266</u>

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Assets

As of June 30, 2012

Total Fund Balances - Governmental Funds
(Governmental Fund Balance Sheet)

\$ 471,028,699

Amounts reported for governmental activities in the Statement of
Net Assets are different because:

Amounts recorded as deferred revenue in the governmental funds
that were not received within the period of availability - 60 days
after year end; recorded as revenue in the Statement of Activities:

Balance Sheet - Governmental Funds

22,022,525

Statement of Net Assets

(15,753,071)

Change in deferred revenue

6,269,454

Capital assets used in governmental activities are not financial
resources and, therefore, not reported in the funds:

The cost of capital assets is

16,038,198,258

Accumulated depreciation is

(9,219,215,278)

Total capital assets

6,818,982,980

Long-term debt not recorded as liabilities in the governmental
funds, but recorded as long-term liabilities in the Statement of
Net Assets:

Debentures payable (bonds only)

(1,635,870,000)

Deferred loss on refunding (net of current period amortization)

76,507,362

Compensated absences

(5,961,995)

Capitalized issuance costs not recorded in the governmental funds
as an asset, net of amortization:

8,005,176

Capitalized bond premiums not recorded in the governmental
funds as a liability, net of amortization:

(121,256,929)

Net Assets of Governmental Activities (Statement of Net Assets)

\$ 5,617,704,747

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Assets

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

For the Year Ended June 30, 2012

	Major Funds		
	State Road Fund(s) (SHARE 10040, 10140, 20100, 82000)	2010A Bond Project Fund (SHARE 10450)	2008B GRIP Bond Debt Service Fund (SHARE 10420)
Revenues:			
User and fuel taxes	\$ 360,092,177	\$ -	\$ -
U.S. Department of Transportation	405,584,655	-	-
U.S. Department of Energy	-	-	-
Fees and fines	-	-	-
Licenses and permits	5,667,260	-	-
Charges for services	2,374,255	-	-
DWI interlock device	-	-	-
Other revenue	11,955,641	2,654	-
Interest earnings	108,827	6,246	1,077,659
Total Revenues	785,782,815	8,900	1,077,659
Expenditures:			
Current:			
Operating costs	11,299,066	-	-
Personal services	86,308,690	-	-
Out-of-state travel	27,695	-	-
Grants and services	2,637,304	-	-
Travel	18,630,369	-	-
Maintenance and repairs	8,079,247	-	-
Supplies	34,298,708	-	-
Contractual services	60,808,565	227,338	-
Other costs	5,707,456	-	1,348,031
Employee benefits	40,145,892	-	-
Capital outlay	310,104,658	(3,513,329)	-
Debt service:			
Principal	64,265,035	-	-
Interest	77,196,530	-	700,644
Trustee and broker fees	-	-	-
Debt issuance costs	-	-	-
Total Expenditures	719,509,215	(3,285,991)	2,048,675
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,273,600	3,294,891	(971,016)
Other Financing Sources (Uses):			
Appropriations, net of reversions (Note 15)	(11,137)	-	-
Transfers: severance	-	-	-
tax bond appropriation	-	-	-
Transfers from (to) other agencies (Note 11)	(6,796,000)	-	-
Transfers from (to) escrow agent (Note 11)	-	-	-
Transfers: intra-agency (Note 11)	(61,424)	-	17
Proceeds from LT notes payable (Note 11)	-	-	-
Face value of debentures payable (Note 11)	-	-	-
Premiums of debentures payable (Note 11)	-	-	-
Total Other Financing Sources (Uses)	(6,868,561)	-	17
Net Changes in Fund Balances	59,405,039	3,294,891	(970,999)
Fund Balance, June 30, 2011	169,630,606	62,634,268	1,374,583
Fund Balance, June 30, 2012	\$ 229,035,645	\$ 65,929,159	\$ 403,584

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

<u>Other Governmental</u>	<u>Total Governmental</u>
\$ 26,346,240	\$ 386,438,417
62,432,127	468,016,782
11,545,850	11,545,850
67,160	67,160
11,825,333	17,492,593
-	2,374,255
1,376,576	1,376,576
569,693	12,527,988
2,702,826	3,895,558
<u>116,865,805</u>	<u>903,735,179</u>
38,220	11,337,286
1,016,459	87,325,149
6,154	33,849
54,404,960	57,042,264
4,449	18,634,818
21,409	8,100,656
5,822	34,304,530
1,836,474	62,872,377
2,528,417	9,583,904
347,314	40,493,206
115,831,347	422,422,676
4,314,965	68,580,000
3,583,441	81,480,615
-	-
-	-
<u>183,939,431</u>	<u>902,211,330</u>
<u>(67,073,626)</u>	<u>1,523,849</u>
(1,078,963)	(1,090,100)
45,822,731	45,822,731
300,000	(6,496,000)
-	-
61,407	-
-	-
-	-
-	-
<u>45,105,175</u>	<u>38,236,631</u>
<u>(21,968,451)</u>	<u>39,760,480</u>
197,628,762	431,268,219
<u>\$ 175,660,311</u>	<u>\$ 471,028,699</u>

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental
Funds to the Statement of Activities

For the Year Ended June 30, 2012

Net Changes in Fund Balances - Total Governmental Funds

(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ 39,760,480

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in deferred revenue adjustments from prior to current year (reported as a liability in the Balance Sheet-Governmental Funds and reported as revenue in the Statement of Activities.) (8,596,328)

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) - are measured by the amounts earned during the year to the Governmental Funds, however, expenditure for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The increase (decrease) in the compensated absences liabilities for the fiscal year was: (310,736)

The Statement of Revenues, Expenditures and Changes in Fund Balances report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period these amounts were:

Capital outlay	422,422,676
Depreciation expense	(611,472,407)
Sale of capital asset and adjustments, net book value	<u>(71,697)</u>

Excess of depreciation expense over capital outlay (189,121,428)

(Issuance) repayment of debentures recorded as a (source of revenue) principal expenditure in the Statement of Revenues, Expenditures and Changes in Fund Balances recorded as an (increase) reduction in long-term debentures payable in the Statement of Net Assets:

Principal payments	<u>68,580,000</u>	68,580,000
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Net change in deferred loss on refunding (including write off of unamortized balance of premiums and issuance costs associated with the refunded bonds), which is recorded as a reduction of long-term liabilities in the Statement of Net Assets: (6,197,531)

NEW MEXICO DEPARTMENT OF TRANSPORTATION

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental
Funds to the Statement of Activities**

Additional bond premiums recorded as an other financing source in the Statement of Revenues, Expenditures and Changes in Fund Balance, recorded as a liability of \$121,256,929 in the Statement of Net Assets, net of \$11,864,835 of amortization, recorded as a decrease to interest expense in the Statement of Net Assets:

Amortization of bond premium	11,864,835	
		11,864,835

Bond issuance costs recorded as debt issuance costs in the Statement of Revenues, Expenditures and Changes in Fund Balances, recorded as an asset of \$8,005,176 in the Statement of Net Assets, net of amortization of \$899,144 recorded as an expense in the Statement of Activities:

Bond issuance costs reported in governmental funds as debt issuance costs	-	
Amortization of bond issuance cost	(899,144)	
		(899,144)

Change in Net Assets of Governmental Activities (Statement of Activities)	\$ (84,919,852)
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Assets-Proprietary Fund

As of June 30, 2012

	<u>State Infrastructure Bank</u>
Assets:	
Current Assets:	
Cash equivalents (Note 2):	
(Investment in state general fund investment pool)	
Restricted	\$ 20,199,312
Receivables:	
Due from other state agencies	4,145
Notes and loans receivable (Note 5)	669,814
Total Current Assets	<u>20,873,271</u>
Total Assets	<u><u>\$ 20,873,271</u></u>
Liabilities:	
Current Liabilities:	
Due to other governments	\$ 212,263
Total Current Liabilities	<u>212,263</u>
Total Liabilities	<u>212,263</u>
Net Assets:	
Restricted for:	
Loans	20,661,008
Total Net Assets	<u>20,661,008</u>
Total Liabilities and Net Assets	<u><u>\$ 20,873,271</u></u>

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities-Proprietary Fund

For the Year Ended June 30, 2012

	<u>State Infrastructure Bank</u>
Operating Revenues (Expenses):	
Interest income	\$ -
Total Operating Revenues (Expenses)	<u>-</u>
Non-Operating Revenues (Expenses):	
Interest income	68,642
Expense	-
Total Non-Operating Revenues (Expenses)	<u>68,642</u>
Change in Net Assets/Operating Income	68,642
Net Assets, Beginning of Fiscal Year	<u>20,592,366</u>
Net Assets, End of Fiscal Year	<u><u>\$ 20,661,008</u></u>

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Cash Flows-Proprietary Fund

For the Year Ended June 30, 2012

	<u>State Infrastructure Bank</u>
Cash flows provided from operating activities:	\$ 67,366
Cash flows from financing activities:	
Loans issued	(109,069)
Loans repaid	1,371,060
Net increase in cash and cash equivalents	<u>1,329,357</u>
Cash and cash equivalents at June 30, 2011	<u>18,869,955</u>
Cash and cash equivalents at June 30, 2012	<u><u>\$ 20,199,312</u></u>
 Reconciliation of operating income to net cash provided from operating activities:	
Operating income	\$ 68,642
 Adjustment to reconcile operating income to net cash by operating activities:	
Decrease in interest receivable	-
Decrease in due from other funds	-
Increase from due from other agency	(2,665)
Decrease in accounts payable	-
Decrease in due to other funds	-
Increase in due to local governments	1,389
Cash flows provided by operating activities:	<u><u>\$ 67,366</u></u>

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2012

STATE ROAD FUND(S) (SHARE 10040, 10140, 20100, 82000)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 370,231,700	\$ 463,031,700	\$ 405,584,655	\$ (57,447,045)
Other state funds	374,965,800	378,347,658	380,089,333	1,741,675
Interest revenue	-	-	108,827	108,827
Total Revenues:	<u>745,197,500</u>	<u>841,379,358</u>	<u>778,986,815</u>	<u>\$ (62,392,543)</u>
Prior Year Funds Rebudgeted	<u>247,839,878</u>	<u>262,845,668</u>		
	<u>\$ 993,037,378</u>	<u>\$ 1,104,225,026</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			6,796,000	
Total GAAP Revenues			<u>\$ 785,782,815</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 24,606,700	\$ 24,606,700	\$ 21,108,065	\$ 3,498,635
Contractual services	544,860,031	648,547,879	15,178,120	633,369,759
Other	160,827,913	163,827,913	633,494	163,194,419
Intra-agency transfers (in) out	-	-	61,425	(61,425)
Reversions	-	-	11,137	(11,137)
	<u>730,294,644</u>	<u>836,982,492</u>	<u>36,992,241</u>	<u>799,990,251</u>
Transportation and Highway Ops:				
Personal services/employee benefits	94,282,600	94,282,600	83,250,645	11,031,955
Contractual services	43,847,329	48,410,329	42,528,558	5,881,771
Other	74,065,305	74,065,305	513,605,191	(439,539,886)
	<u>212,195,234</u>	<u>216,758,234</u>	<u>639,384,394</u>	<u>(422,626,160)</u>
Program Support				
Personal services/employee benefits	24,620,600	24,620,600	22,095,873	2,524,727
Contractual services	4,628,100	4,628,100	3,101,887	1,526,213
Other	14,389,600	14,389,600	9,775,984	4,613,616
Intra-agency transfers (in) out	6,909,200	6,846,000	-	6,846,000
	<u>50,547,500</u>	<u>50,484,300</u>	<u>34,973,744</u>	<u>15,510,556</u>
Total Annual Budgeted Expenditures	<u>\$ 993,037,378</u>	<u>\$ 1,104,225,026</u>	<u>711,350,379</u>	<u>\$ 392,874,647</u>
Reconciliation to GAAP expenditures:				
Accruals			8,231,398	
Transfers in (out)			(61,425)	
Amortization and reversions			(11,137)	
Total GAAP Expenditures			<u>\$ 719,509,215</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2012

	2010A BOND PROJECT FUND (SHARE 10450)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	2,654	2,654
Interest revenue	-	-	6,246	6,246
Total Revenues:	-	-	8,900	\$ 8,900
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 8,900	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	227,338	(227,338)
Other	-	-	(4,225,025)	4,225,025
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	(3,997,687)	3,997,687
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	(3,997,687)	\$ 3,997,687
Reconciliation to GAAP expenditures:				
Accruals			711,696	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ (3,285,991)	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

See Report of Independent Auditors' and Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

NATURE OF ORGANIZATION

A primary government is any state or general purpose local government consisting of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government. The Department, therefore, is part of the primary government of the State of New Mexico and its financial data should be included in the financial data of the State.

The New Mexico Department of Transportation (Department), formerly known as the New Mexico State Highway and Transportation Department, within the State of New Mexico is responsible for planning, organizing and directing a comprehensive transportation network. The Department was created by the Constitution of New Mexico, Article V, Section 14; and Sections 67-3-1 through 67-3-70, New Mexico Statutes Annotated, 1978 Compilation. The Highway & Transportation Department Reorganization Bill (House Bill 210) created the Department as of July 1, 1987. Under this reorganization act, portions of the Transportation Department were merged into the Department to create the Department's Aviation and Transportation Divisions. On April 4, 2003, the Governor signed a bill changing the Department's name to the New Mexico Department of Transportation.

The governing body of the Department is a six person State Highway Commission. Commissioners are appointed by the Governor, with the advice and consent of the Senate, and each serves for staggered six-year terms.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB has issued Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, and Statement No. 38, *Certain Financial Statement Note Disclosures*. These Statements established the financial reporting requirements for state and local governments throughout the United States. The Department is responsible for the fair presentation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America. The Department has prepared required supplementary information entitled, *Management's Discussion and Analysis*, which precedes the basic financial statements.

Financial Reporting Entity

The accompanying financial statements of the Department include all funds and activities over which the Department has oversight responsibility. The Department is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Even though the Governor appoints the Commission, the Commission has decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. Effective July 1, 2003, GASB 39, *Determining Whether Certain Organizations are Component Units*, expands the criteria of component units. GASB 39 has no impact on the Department and the Department has no blended or discretely presented component units during the year ended June 30, 2012.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Reporting Entity - continued

The Department, the New Mexico Finance Authority (NMFA) and the Federal Highway Administration (FHWA) established a State Infrastructure Bank (SIB) on September 30, 1997. The SIB is a revolving loan program accounted for as a business-type operation - enterprise fund and is administered by the Department to finance highway projects. The initial capitalization for the SIB came from the Highway Department's allotment of federal funds. The Department matched the federal funds based on the required matching percentage from state funds.

Government-wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Assets and the Statement of Activities) report information of all of the activities, except for fiduciary and component units, of the Department. The effect of material interfund activity has been removed from these government-wide statements. Governmental activities, primarily the construction and maintenance of the State's road system, which normally is supported by taxes and intergovernmental revenues, are reported separately from the business-type activities of the SIB, which to a significant extent acts as a business, loaning funds to other entities and charging interest on the loans. Operating income for the SIB is interest income earned on the funds loaned to other entities. All other income, including interest earned on funds on hand, is non-operating income to the SIB.

Basis of Presentation

The Statement of Activities demonstrates the degree to which the direct expenses of a function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific department function of building and maintaining the State's road system (public works). Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a department. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements for public works. Taxes and other items not properly included among program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenues rather than as program revenues. The Department does not allocate general government expenses to other functions except for depreciation (in direct) (Note 10).

Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, it is generally the Department's policy to use restricted resources first, then unrestricted resources as they are needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of Presentation - continued

Governmental funds are reported as major funds in the accompanying financial statements if they meet **both** of the following criteria:

Ten percent criterion- An individual governmental fund reports at least ten percent of *any* of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures.

Five percent criterion- An individual governmental fund reports at least five percent of the total for both governmental and enterprise funds of any of the items for which it met the ten percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040, 10140, 20100, and 82000). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) combine to create the operating fund of the Department and is used to account for substantially all of the Department's financial activities. Section 67-3-59 NMSA establishes that this is a non-reverting fund. This is a general fund. Individual fund data for each fund comprising the State Road Fund(s) are provided in the form of combining statements in this report. See pages 168 to 169.

2010A Bond Project Fund (Fund #10450). The 2010A Bond Project Fund was created by the engagement of \$200,000,000 Line of Credit June 2008. The Line of Credit was engaged in with an adjustable rate and to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion. In September 2010, the Department refunded the Line of Credit with the NMFA State Transportation Revenue and Refunding Revenue Bonds Series 2010A.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation

2008B GRIP Bond Debt Service Fund (Fund #10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

Government-Wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Business Type - Proprietary Fund - State Infrastructure Bank (SIB) Financial Statements. The financial statements of the proprietary fund are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements described above.

A proprietary fund has the option under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The SIB has elected to not apply FASB pronouncements issued after the applicable date.

Governmental Fund Financial Statements. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department considers revenues to be available if they are collected within 60 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

Employees' vested compensated absences are recorded as an expenditure when utilized. The amount of accumulated compensated absences unpaid at June 30, 2012, has been reported only in the government-wide financial statements.

Interest and principal payments on general long-term obligations is recognized as expenditures when paid.

Executory purchase orders and contracts are recorded as a restriction of fund balance in the Capital Project Funds and Special Revenue Funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

The financial activities of the Department are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Department uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The measurement focus is on the flow of expendable financial resources, rather than on net income determination. All governmental funds are accounted for using the modified accrual basis of accounting. The funds' revenues are recognized in the period in which they become susceptible to accrual (i.e., when they are both measurable and available to pay liabilities in the current period). "Available" is defined as collectible within the current period or soon enough thereafter, within 60 days after year-end, to be used to pay liabilities of the current period. Intergovernmental revenues, including Federal allotments and grants, are recorded in accordance with their legal or contractual requirements if collected in the current period or if collectability is assured subsequent to year-end. Grant revenues are collected in advance of the period intended to finance expenditures. If the eligibility requirements are not met, they are recorded as deferred revenues.

The following are the governmental fund types used:

General Funds - The General Funds (Funds #10040, 10140, 20100, and 82000) are used to account for the proceeds of specific revenue sources that are not otherwise required to be reported in a special revenue fund. The State Road Fund(s) are the operating and general funds of the Department and are used to account for substantially all of the Department's financial activities. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

HIF Bond Fund (Fund #20200). The Highway Infrastructure (HIF) Fund was created under Laws 1998, chapters 84 and 85. This fund is used to account for acquisition for right of ways, planning, design, engineering, construction or improvement of state highway projects. This is a non-reverting fund. The governmental fund types used by the Department were evaluated based on the provisions of GASB Statement No. 54.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Local Government Road Fund (Fund #20300). The Local Government Road Fund was created by Section 67-3-28.2, NMSA 1978. This fund is used to account for monies received for (1) cooperative agreements program for construction and improvement of public highways and streets, and public school parking lots; (2) a municipal arterial program for construction for reconstruction of highways and streets not on the state highway systems; (3) a school bus route program for maintaining, repairing, improving and paving school bus routes, and public school parking lots; and (4) a county arterial program for construction, reconstruction, improvement and maintenance of county roads. Funding is received from state excise taxes. The fund does not receive state general fund appropriations that are subject to reversion.

Federal Planning and Development Fund (Fund #10030). This fund is authorized by the Commission to account for the planning and administration of federal grant monies and state matching funds for mass transportation and railroad improvements. The Highway Safety Act of 1966, as amended, 23 U.S.C. 401 Et. Seq. and 23 U.S.C. 410, authorizes the establishment of this fund. The fund does not receive state general fund appropriations that are subject to reversion.

State Aviation Fund (Fund #20500). The State Aviation Fund was created by Section 64-1-15, NMSA 1978. This fund is used to account for planning, construction and maintenance of a system of airports, navigation aids and related facilities serving New Mexico. Financing is provided from all unrefunded taxes collected on the sale of motor fuel sold for use in aircraft. This is a non-reverting fund.

Traffic Safety Fund(s). Previously three funds were combined for presentation as the Traffic Safety Fund(s). These were the Traffic Safety Fund (#20800), the Federal Traffic Safety Fund (#10010) and the Ignition Interlock Fund (#82600). The following three funds are now also combined into the Traffic Safety Fund(s); the Driver Improvement Program Fund (#10020), Motorcycle Training Fund (#20600) and the DWI Prevention and Education Fund (#20700). Individual fund data for each fund comprising the Traffic Safety Fund(s) are provided in the form of combining statements in this report. See pages 170 through 173.

The Federal Traffic Safety Fund (#10010). The Federal Traffic Safety Fund is the fund through which federal funds are received for various traffic safety programs. This is a non-reverting fund.

Driver Improvement Program Fund (Fund #10020). The Driver Improvement Program Fund was created by Executive Order 87-20. This fund is used to account for the operation of a driver improvement program. Financing is provided from fees collected for drivers' manuals and admissions to driver training courses. This is a non-reverting fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Motorcycle Training Fund (Fund #20600). The Motorcycle Training Fund was created by Section 66-10-10, NMSA 1978. This fund is used to account for the operation of a motorcycle safety training program. Financing is provided from motorcycle registration fees and student training fees. All money in the motorcycle training fund in excess of amounts budgeted revert to the State Road Fund.

DWI Prevention and Education Fund (Fund #20700). The DWI Prevention and Education Fund was created by Section 66-5-35, NMSA 1978. This fund is used to account for the operation of a DWI (Driving While Intoxicated) prevention and education program for elementary and secondary school students. Financing is provided from limited license and permit fees. This is a non-reverting fund.

The Traffic Safety Fund (#20800). The Traffic Safety Fund was created by Section 66-7-512, NMSA 1978. The fund is used for the state match for the federal traffic safety fund programs. This is a non-reverting fund.

The Ignition Interlock Fund (#82600). The Ignition Interlock Fund was created by Section 66-8-102.3, NMSA 1978 for the administration of the Ignition Interlock program. This is a non-reverting fund.

1993 Bond Project Fund (Fund #39400). The bond project fund was created due to the issuance of the December 1993 \$50,000,000 State of New Mexico Highway debentures. The funds from the sale of all of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations held by the State Treasurer with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1999A CHAT Bond Project Fund (Fund #43000). The bond project fund was created due to the issuance of the October 1998 \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A and the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 issued in November 1999. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Also, proceeds can be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2001A CHAT Bond Project Fund (Fund #00600). The bond project fund was created due to the issuance of the March 2001 \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2002C HIF Bond Project Fund (Fund #36100). The bond project fund was created due to the issuance of the May 2002 \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Highway Bonds Series 2002C. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

ARRA Project Fund (Fund #89000). The ARRA Project Fund was created under the American Recovery and Reinvestment Act of 2009, a federal economic stimulus program. This fund tracks the expenditure and reimbursement of projects which qualify under the terms of the Act. This is a non-reverting fund. This is a special revenue fund.

WIPP Bond Project Fund (Fund #43100). The Waste Isolation Pilot Plant (WIPP) Bond Project Fund was created under US congress Public Laws Waste Isolation Pilot Plant Withdrawal Act Public Law 102-579 of 1992 and National Defense Act Public Law 104-201 of 1997. The funds provided under these acts become state funds under the purposes specified under the acts. These funds are required to be used for road projects related to the Waste Isolation Pilot Plant in Carlsbad, New Mexico. This is a non-reverting fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2002D CHAT Bond Project Fund (Fund #11500). The bond project fund was created due to the issuance of the December 2002 \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2004A GRIP Bond Project Fund (Fund #20400). The bond project fund was created when \$700,000,000 New Mexico State Transportation Senior Lien Revenue Bonds Series 2004A were issued through the New Mexico Finance Authority in May 2004. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversions.

2006A GRIP Bond Project Fund (Fund #10210). The bond project fund was created due to the issuance of the September 2006 \$150,000,000 Revenue Bond Series 2006A. The 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has deemed necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

2006B GRIP Bond Project Fund (Fund #10230). The bond project fund was created due to the issuance of the September 2006 \$40,085,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission.

2006C GRIP Bond Project Fund (Fund #10250). The bond project fund was created due to the issuance of the September 2006 \$220,000,000 of State Transportation, Series 2006C Revenue Bonds. The series 2006C Bonds were issued as adjustable rate securities and were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2006D GRIP Bond Project Fund (Fund #10270). The bond project fund was created due to the issuance of the September 2006 \$50,400,000 of State Transportation, Series 2006D Revenue Bonds. The series 2006D Bonds were issued to provide funds for an escrow account required to be maintained by the Department pursuant to a Joint Use Agreement between the Department and the BNSF Contingent Liability Fund. The fund does not receive state general fund appropriations that are subject to reversion.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Debt service requirements are met through the monthly transfer of vehicle and gasoline tax revenues from the State Road Fund. The Department may transfer interest earned on the other bond issues to their respective debt service funds. These funds do not receive state general fund appropriations that are subject to reversion.

1998A WIPP Bond Debt Service Fund (Fund #97200). The fund was created when the \$100,000,000 New Mexico State Highway Commission Subordinate Lien Tax Revenue Highway Bond Series 1998B were issued in October 1998.

1998A CHAT Bond Debt Service Fund (Fund #54800). The fund was created when the \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A were issued in October 1998.

1999 CHAT Bond Debt Service Fund (Fund #43400). The fund was created when the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 were issued in November 1999.

2000 CHAT Bond Debt Service Fund (Fund #43200). The fund was created when the \$201,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2000A were issued in May 2001.

2001A CHAT Bond Debt Service Fund (Fund #00700). The fund was created when the \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A were issued in March 2001.

2002A CHAT Bond Debt Service Fund (Fund #54700). The fund was created when the \$95,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002A were issued in January 2002.

2002B WIPP Bond Debt Service Fund (Fund #75000). The fund was created when the \$79,920,000 New Mexico State Highway Commission Lien Tax Revenue Bonds Series 2002B were issued in January 2002.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2002C HIF Bond Debt Service Fund (Fund #36300). The fund was created when the \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Bonds Series 2002C were issued in May 2002.

2002D CHAT Bond Debt Service Fund (Fund #18700). The fund was created when the \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D were issued in December 2002.

2004A GRIP Bond Debt Service Fund (Fund #10080). The fund was created when the \$700,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bond Series 2004A were issued through the New Mexico Finance Authority in 2004.

2004B GRIP Bond Debt Service Fund (Fund #10090). The fund was created when the \$237,950,000 and \$200,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bonds Series 2004B and Series 2004C were issued through the New Mexico Finance Authority in May 2004. The 2004C Revenue Bond was refunded in 2008 by the 2008A and 2008C Refunding Revenue Bonds.

2006A GRIP Bond Debt Service Fund (Fund #10220). The fund was created when the \$150,000,000 New Mexico State Highway Commission Revenue Bonds Series 2006A were issued in September 2006.

2006B GRIP Bond Debt Service Fund (Fund #10240). The fund was created when the \$40,085,000 New Mexico State Highway Commission Revenue Bonds Series 2006B were issued in September 2006.

2008A GRIP Bond Debt Service Fund (Fund #10410). The fund was created when the \$115,200,000 New Mexico State Transportation Commission Revenue Bonds Series 2008A were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008B GRIP Bond Debt Service Fund (Fund #10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2008C GRIP Bond Debt Service Fund (Fund #10430). The fund was created when the \$84,800,000 New Mexico State Transportation Commission Revenue Bonds Series 2008C were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008D GRIP Bond Debt Service Fund (Fund #10440). The fund was created when the \$50,400,000 New Mexico State Transportation Commission Revenue Bonds Series 2008D were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2009A Bond Debt Service Fund (Fund #11130). The fund was created when the \$112,345,000 NMFA's State Transportation Senior Lien Refunding Revenue Bonds, Series 2009A were issued in November 2009 to refund portions of series 1998A, 1998B, 2001A, 2002A and 2002C.

2010A Bond Debt Service Fund (Fund #11140). The fund was created when the \$174,625,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010A were issued in October 2010 to refund a portion of a borrowing under a tax-exempt line of credit with Bank of America N.A. and finance the costs of certain State Transportation Projects for the Department.

2010B Bond Debt Service Fund (Fund #20450). The fund was created when the \$461,075,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010B were issued in October 2010 to refund portions of series 2002A, 2002C, 2002D and 2004A GRIP.

Capital Project Funds - Capital Project Funds are used to account for the purchase or construction of facilities used in the operation of the Department or other long term Department projects specifically appropriated by the state. Expenditures are incurred to build and improve the transportation system within the State of New Mexico.

Capital Projects Fund (Fund #10050). The Capital Projects Fund is used to account for the purchase or construction of facilities used in the operation of the Department. It is a non-major fund. This fund reverts to the State Road Fund upon completion of the appropriation project or appropriation period.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Capital Project Funds - continued

Severance Tax Bond Appropriations Fund (Fund #10060). The Severance Tax Bond Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable. This is a capital projects fund.

General Fund Appropriations Fund (Fund #10070). The General Fund Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund.

STB Capital Outlay Fund (Fund #89200). This fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable. This is a capital projects fund. The existing Fund 10060 will be phased out.

GF Capital Outlay Fund (Fund #93100). This fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund. The existing Fund 10070 will be phased out.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Budgets and Budgetary Accounting

Per the General Appropriations Act of 2011, Chapter 179, Section 3O, "For the purpose of administering the General Appropriation Act of 2011 and approving operating budgets, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at year end. Appropriation periods are sometimes for periods in excess of twelve months (multiple-year appropriations). When multiple-year appropriation periods lapse, the authority for the budget also lapses, and encumbrances can no longer be charged to that budget.

The legal level of budgetary control is at the appropriation unit level at the entity-wide level, except for multiyear funds.

Interfund and Interagency Transactions

Transfers which, because of budgetary or legal restrictions, must be expended by funds other than the fund initially receiving the revenue, are recorded as operating transfers in (out) under the other financing sources (uses) category (Note 11) in the governmental fund financial statements.

Restricted Cash and Cash Equivalents

The funds deposited in the debt service funds are restricted to pay future principal and interest payments. The remaining balance of the proceeds from the sale of the debentures, bonds and the NMFA loan are also classified as restricted cash because of the limited use of these funds. Proceeds of the various bond issues are also invested through the State Treasurer's Office in securities repurchase agreements with financial institutions and a money market mutual fund that invests in U.S. Treasury securities. Cash received from the Department of Energy (for the WIPP Project fund) in advance of incurring the eligible expenditures is also reflected as restricted cash because the cash can only be used on specified road projects. Cash held in the State Infrastructure Bank is restricted for use in funding loans (Note 2).

Cash and cash equivalents, for the purpose of the cash flows, has interest in the State General Fund Investment Pool of the State Treasurer's Office.

Taxes Receivable

Taxes receivable represent the amounts due from the New Mexico Taxation and Revenue Department for the Department's June 30 fiscal year user and fuel taxes that are received by the Department after year-end. Accordingly, no allowance for uncollectible amounts is necessary. The revenue related to taxes is recorded when the underlying transaction occurs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Accounts Receivable

Accounts receivable consists of amounts due from various entities: individuals and other state and local agencies located within the State of New Mexico for the sale of maps, brochures and other materials; and for other services performed by the Department. It is the policy of the Department to actively pursue collections of all valid accounts receivable and to comply with Article IV, Section 32 of the New Mexico Constitution that mandates that no amounts owed to the State can be exchanged, transferred, remitted, released or postponed. As a result of this policy, the Department does not write off any receivable balances and, instead, provides an allowance for uncollectible accounts. The Department has specific procedures in place for the treatment and collection of invoices past 30, 60, 90, and 120 days and, any receivables older than 120 days are moved to the allowance account at year end. A detail listing of all uncollectible accounts is maintained and uncollectible accounts are referred to the Department's legal department for possible legal collection actions. The balance of receivables deemed uncollectible through the end of FY12 was \$4,634,833 and a net total of \$544,286 was moved to the uncollectible account during the current fiscal year. A total of \$260,880 was recovered from the uncollectible account during the current fiscal year. (Note 3)

Severance Tax Bonds Proceeds Receivable

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents expenditures incurred by the Department, but not yet reimbursed by the Board of Finance (Note 4).

Notes and Loans Receivable

Loans receivable represent:

Loans to other governmental entities made by the State Infrastructure Bank. Loans are stated at their principal amount. Interest on loans is accrued based on the daily principal balance outstanding, except when a loan has been past due for 90 days. All loans are to governmental entities and secured by certain pledged revenues. The loans are being repaid in accordance with their loan agreements. Management's evaluation of the loan portfolio has determined that no allowance for uncollectible loans is required at June 30, 2012. There are no loans past due for more than 90 days as of the end of the fiscal year which require placement on non-accrual status (Note 5).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Due From the U.S. Department of Transportation

Due from the U.S. Department of Transportation represents amounts billed and unbilled in accordance with the various grant agreements. The "billed" portion represents contract expenditures incurred and billed by the Department. The "unbilled" portion represents expenditures included in accounts payable that will be billed when paid by the Department. The "excess project costs" represents costs actually incurred on a project in excess of approved amounts. The Department provides for an allowance for uncollectible accounts in excess of project costs classification. The allowance is based on an analysis of amounts that are reasonably assured of collection (Note 6). There was no allowance for FY 2012.

Due From/To Other Funds

Due from/to other funds represent amounts due from and to other funds within the Department (Note 7) and are included in the governmental fund financial statements. Inter-fund transactions are eliminated in the GAAP-basis governmental-wide financial statements.

Due to State Treasurer's Office

The amount of negative cash balances are reported in the Due to State Treasurer's Office by fund.

Due to State General Fund (Reversions)

Reversions to the State General Fund by the Department are based on the definitions of both reverting and non-reverting funds. Reversions are calculated by applying the percentage of reverting fund (to total budget for the category) to the amount unexpended for the category at fiscal year-end.

Inventory

Inventory is valued at cost using the first-in, first-out method. Special Revenue Fund inventory consists of materials used in the Department's operations.

The inventory costs are recorded as expenditures when consumed rather than when purchased. Reported inventories are equally offset in the unspendable fund balance, which indicates that it does not constitute "available spendable resources" (Note 9) even though they are a component of current assets.

Prepaid Expense - NM 44 Warranty

The warranty represents the no-fault portion of 3 categories of costs that will meet performance criteria: The pavement, which originally cost \$36,100,000, is being amortized over 20 years. At the end of fiscal year 2012 the unamortized value was \$21,660,000. The structures, which originally cost \$15,916,345 is being amortized over 11 1/2 years. At the end of fiscal year 2012 the unamortized value was \$4,844,105. The remaining amount, which originally cost \$13,564,126, is fully amortized and has no net book value after fiscal year ending June 30, 2006 when it became fully amortized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Property Held for Resale

Property held for resale represents excess land acquired through condemnation and is recorded at its estimated fair value. The Department's management estimated the fair value based upon original cost plus inflation using the Consumer Price Index (CPI). Reported property held for resale is equally offset by the fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of assets.

Capital Assets

Capital assets, which include property, plant, equipment, software in the equipment category, and infrastructure assets (which is normally immovable and of value only to the state, such as roads, streets, tunnels and similar infrastructure items), are reported in the governmental activities columns in the government-wide financial statements. The Department has no internally developed software that requires capitalization. As a result of House Bill 1074, effective date June 17, 2005, and Section 12-6-10 NMSA 1978 the State's capitalization policy threshold was changed from \$1,000 to \$5,000, requiring agencies to capitalize acquisitions greater than \$5,000. Assets purchased prior to June 17, 2005 were not removed and will continue to be depreciated. Purchased and constructed capital assets are valued at historical or estimated historical cost. The Department has not capitalized any construction period interest expense. Donated capital assets are recorded at their estimated fair value at the date of donation.

The Department records as capital assets the specific roads, tunnels and other infrastructure it owns or over which it has primary responsibility for maintenance. According to the GASB, if the Department has the primary responsibility for the asset's maintenance, then the capital asset would be recorded on its books.

An estimated historical cost of the entire infrastructure on the Department's government-wide financial statements was determined as of June 2001. The Department calculated the replacement cost as of June 30, 2001 for its entire infrastructure and then deflated the cost by use of a construction price level index maintained by the Federal Highway Administration. Accumulated depreciation at June 30, 2001 was calculated based on the estimated historical cost of the infrastructure, estimated use of the assets and using a 25 to 30-year life of the infrastructure. Current year activity is shown in Note 10 to the financial statements.

The Department follows the depreciation method to record infrastructure assets. This method requires the Department to allocate the cost of infrastructure assets over their useful lives as depreciation expense. Another allowable methodology is to use the modified approach to record infrastructure. Under this process, the Department does not record depreciation expense nor are amounts capitalized in connection with improvements to these assets, unless the improvements expand the capacity or efficiency of an asset. If this method was used, it would require the Department to: 1) commit to maintaining and preserving the assets at or above a condition level established by the Department, 2) maintain an inventory of the assets and perform periodic assessments to ensure that the condition level is being maintained, and 3) make annual estimates of the amounts that must be expended to maintain and preserve assets at the predetermined condition levels. The Department elected to use the depreciation method as it determined it could not meet the condition to maintain the infrastructure at a predetermined condition level due to an anticipated lack of future funding for maintenance. All major infrastructure has been recorded.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets - continued

The Department records its other capital assets (buildings and machinery and equipment) at historical cost and depreciates the assets over their estimated useful lives. Capital assets acquired in the current year in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements.

Capital assets of the Department are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and right-of-way land. Generally, estimated useful lives are as follows:

Machinery and Equipment	7 - 14 years
Buildings and Other Improvements	40 years
Infrastructure	25 - 30 years

Deferred Revenue

Deferred revenue occurs when the Department receives funds before the corresponding expense or expenditure has been incurred, or all of the eligibility requirements have been met. The Department has received funds in advance of work done from the Department of Energy (DOE) for road projects and other costs relating to the Waste Isolation Pilot Plant (WIPP). Revenue is recognized when eligible expenditures are incurred for these projects and programs and all eligibility requirements are met.

Compensated Absences

The Department accounts for the accumulated vacation and sick leave on the accrual basis in accordance with GASB 16. Accrued vacation up to 240 hours is recorded in the Statement of Net Assets at 100% of the employee's hourly wage. In addition, accrued sick leave over 600 up to 720 hours less the amount classified as current is recorded in the Statement of Net Assets at 50% of the employee's hourly wage. Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each overtime hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2012, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

Long-Term Obligations

Premiums, Discounts and Issuance Costs - In the government-wide financial statements, long-term debt and other long-term obligations are presented in the column for governmental and business-type activities. The same is presented in the proprietary fund financial statements. Bond and note premiums and discounts, as well as issuance costs, are deferred and amortized straight line over the life of the debt. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges in other assets and also amortized straight line over the term of the related debt.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Long-Term Obligations - continued

In the governmental fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as other expenditures.

Arbitrage Rebate Liability - Any arbitrage rebate is recorded as a liability when it is determined to be owed to the Internal Revenue Service.

Net Assets

The government-wide financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Investments in Capital Assets - is intended to reflect the portion of net assets which is associated with non-liquid capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Assets - are liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory or granting agency) limitation on their use. When there is an option, the Department spends restricted resources first.

Unrestricted Assets - are all other net assets that do not meet the definition of "restricted assets" or "investments in capital assets".

Encumbrances

With the General Appropriations Act of 2011, Chapter 179, Section 30 establishing the modified accrual basis of accounting for governmental funds as the budgetary basis of accounting for the state of New Mexico, encumbrances related to single year appropriations lapse at fiscal year end. Appropriation periods for periods in excess of twelve months (multiple-year appropriations) lapse at the end of the appropriation period, the budget also lapses, and encumbrances can no longer be charged to that budget. Outstanding encumbrance balances for the Department's Severance Tax Bonds and Special Appropriations are shown in separate supplementary schedules. Significant unexpended encumbrance balances at June 30, 2012 for other multiple year appropriation periods are as follows:

2010A Bond Project Fund	10450	<u>\$ 18,714,182</u>
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Nonspendable Fund Balance

The nonspendable category of fund balance consists of the net financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable categories of fund balances are summarized below:

Inventory - This category was created to represent the portion of fund balance that are noncash assets available for expenditures in future periods.

Property Held for Resale - This category was created to represent the portion of fund balance that are long-term noncash assets available for sale.

Prepaid Expenses - This category was created to represent disbursements made that cannot be reported as expenditures in the current period for GAAP purposes.

Restricted Fund Balance

The restricted category of fund balance consists of the net financial resources that are restricted by either (a) external imposition by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposition by law through constitutional provisions or enabling legislation.

Committed Fund Balance

The committed category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose as established by the highest level of decision-making authority. This fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying these contractual requirements. The Department's highest level of decision-making authority is the Legislative and Executive branches of the State of New Mexico.

Assigned Fund Balance

The assigned category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose by the Department's intent but the constraint imposed does not satisfy the criteria to be classified as restricted or committed.

Unassigned Fund Balance

The unassigned category of fund balance consists of the net financial resources that are the least constrained. In the general fund, these are amounts that have not been restricted, committed or assigned to specific purposes. In other funds, they are negative fund balances that represent shortfalls which are covered by fund balances not restricted, committed or assigned to other specific purposes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Pledged Revenue

The Department has pledged future gasoline excise taxes, motor vehicle registration fees, special fuel excise taxes, vehicle transactions fees, driver's license fees, oversize/overweight permit fees, trip (mileage) taxes, weight distance taxes, leased vehicle gross receipts taxes, tire recycling fees and FHWA revenues, to repay \$1.8 billion in State Transportation Revenue and Refunding Bonds issued between 2002 and 2010. Proceeds from the bonds provided funding for various transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable, as well as to provide funds to refund and restructure certain outstanding bonds. The bonds are payable through 2027. Annual principal and interest payments on the bonds are expected to require less than 39% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$2.3 billion. Principal and interest paid for the current year and total customer net revenues were \$68,580,000 and \$81,480,630, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Eliminations

Total columns in the governmental fund financial statements are captioned "Total (Governmental Funds)" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operation or changes in financial position of the Department as a whole in conformity with generally accepted accounting principles. Eliminations of intra-fund transfers have not been made in the aggregation in the governmental fund financial statements. Due from/to other funds and intra-fund transfers have been eliminated in the government-wide financial statements.

2. CASH AND CASH EQUIVALENTS

The Department has two types of cash equivalents--those that are deposited with the State Treasurer's Office and those that are held with trustees that are managed by NMFA.

Cash equivalents on deposit with State Treasurer's Office

In June 2012, an independent expert diagnostic report revealed that the General Fund Investment Pool balances had not been reconciled at the business unit/fund level since the inception of the Statewide Human Resources, Accounting, and Management Reporting (SHARE) system in July of 2006. The diagnostic report is available in the Resources section of the Cash Control page of the New Mexico Department of Finance and Administration's website at: http://www.nmdfa.state.nm.us/Cash_Control.aspx. The document title is Current State Diagnostic of Cash Control.

The General Fund Investment Pool is the State of New Mexico's main operating account. State revenues such as income taxes, sales taxes, rents and royalties, and other recurring revenues are credited to the General Fund Investment Pool. The fund also comprises numerous State agency accounts whose assets, by statute (Section 8-6-3 NMSA 1978), must be held at the State Treasury.

As of June 30, 2012, the General Fund Investment Pool has not been reconciled at the business unit/fund level. Essentially, independent third-party verification/confirmation of the Department's balances at the business unit/fund level is not possible.

Under the direction of the State Controller/Financial Control Division Director, the Financial Control Division of the New Mexico Department of Finance & Administration (DFA/FCD) is taking aggressive action to resolve this serious problem. DFA/FCD has commenced the Cash Management Remediation Project (Remediation Project) in partnership with the New Mexico State Treasurer's Office, the New Mexico Department of Information Technology, and a contracted third party PeopleSoft Treasury expert. The New Mexico Department of Finance and Administration is responsible for the the monthly cash reconciliations.

The Purpose of the Remediation Project is to design and implement the changes necessary to reconcile the General Fund Investment Pool in a manner that is complete, accurate, and timely. The Remediation Project will make changes to the State's current SHARE system configuration, cash accounting policies and procedures, business practices, and banking structure. The scheduled implementation date for the changes associated with the Remediation Project is February 1, 2013. An approach and plan to address the population of historical reconciling items will be developed during the Remediation Project but a separate initiative will be undertaken to resolve the historical reconciling items.

The initial phase of the Remediation Project, completed on October 11, 2012, focused on developing a project plan and documenting current statewide business processes. The work product of the initial phase of the Remediation Project is a document entitled Cash Management Plan and Business Processes. The document is available on the Cash Control page of the New Mexico Department of Finance & Administration's website at http://www.nmdfa.state.nm.us/Cash_Control.aspx.

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

2. CASH AND CASH EQUIVALENTS (continued)

Cash equivalents on deposit with State Treasurer's Office (continued)

The Department is aware that the General Fund Investment Pool balances have not been reconciled at the Agency and Fund level by the Department of Finance and Administration. However, the Department has established its own internal reconciliation policies and procedures to mitigate the risk that our cash balances would be misstated as of June 30, 2012. The Department is confident that our reconciliation process ensures all incoming and outgoing cash transactions are properly identified and that they are timely and accurately recorded in the financial system. Deposit transactions originated by our agency are validated and verified to source documents to ensure for accuracy and compliance before they are recorded in the financial system. Recording is not final until approved by the State Treasurer's Office who compares the recorded transactions against validated bank deposit slips provided to them by the State's Fiscal Agent Bank. Our agency then compares all deposits to financial system cash transaction and general ledger reports to ensure they have been properly and thoroughly recorded. Similarly, incoming wire cash transfers and operating cash transfers originating outside our agency and received by the State's Fiscal Agent Bank are identified, reviewed and verified to ensure they are properly authorized, recorded, reported and reconciled to source documents. All outgoing cash transactions are pre-audited for compliance, accuracy and authority before they are approved, paid and recorded in the financial system. These transactions are then verified and reconciled to financial system cash transaction and general ledger reports to ensure they have been properly and thoroughly recorded. Finally, cash management is vital to the Department's daily operations and our agency's CFO monitors cash on an ongoing basis and performs analytical reviews for reasonableness, expected results and trends. Unusual balances and activities are researched and resolved to ensure the accuracy and integrity of our cash balances.

At June 30, 2012 the Department had the following invested in the General Fund Investment Pool:

General Fund Investment Pool	\$ 285,296,498
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Interest Rate Risk. The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk. The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2012.

The reconciled balances at June 30, 2012, are as follows:

	Fund Number	Amount (+)	Amount (-)
Cash:			
<i>Unrestricted</i>	20100	\$ 2,600	
Balance Sheet - Governmental Funds Cash, Unrestricted and Statement of Net Assets Cash, Unrestricted		\$ 2,600	

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

2. CASH AND CASH EQUIVALENTS (continued)

	Fund Number	Amount (+)	Amount (-)
Cash Equivalents:			
<i>Restricted:</i>			
2001A CHAT Bond Project Fund	00600	\$ 4,723,273	\$ -
2001A CHAT Bond Debt Service Fund	00700	234,030	-
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	9,572,636	-
Federal Planning and Development	10030	-	1,973,178
State Road Fund(s)	10040, 10140, 20100, 82000	155,182,564	10,830,639
Capital Projects Fund	10050	8,935,291	-
STB Appropriations Fund	10060	-	4,377,630
General Fund Appropriations	10070	851,475	-
2006A GRIP Bond Project Fund	10210	362,806	-
2006B GRIP Bond Project Fund	10230	49,671	-
2010A Bond Project Fund	10450	14,945,051	-
2002D CHAT Bond Project Fund	11500	637,756	-
2002D CHAT Bond Debt Service Fund	18700	12,823	-
HIF Bond Fund	20200	11,929,462	-
Local Government Road Fund	20300	20,926,848	-
2004A GRIP Bond Project Fund	20400	647,758	-
State Aviation Fund	20500	14,939,709	-
2002C HIF Bond Project Fund	36100	1,305,441	-
2002C HIF Bond Debt Service Fund	36300	62,296	-
1993 Bond Project Fund	39400	1,596,353	-
1999A CHAT Bond Project Fund	43000	2,120,048	-
WIPP Bond Project Fund	43100	14,815,874	-
2000 CHAT Bond Debt Service Fund	43200	204,303	-
1999 CHAT Bond Debt Service Fund	43400	266,496	-
2002A CHAT Bond Debt Service Fund	54700	83,662	-
1998A CHAT Bond Debt Service Fund	54800	141,739	-
2002B WIPP Bond Debt Service Fund	75000	111,037	-
ARRA Project Fund	89000	-	2,421,186

2. CASH AND CASH EQUIVALENTS (continued)

	Fund Number	Amount (+)	Amount (-)
STB Capital Outlay Fund	89200	-	29,316
GF Capital Outlay	93100	424,259	-
1998A WIPP Bond Debt Service Fund	97200	14,525	-
Balance Sheet - Governmental Funds Cash Equivalents, Restricted		<u>265,097,186</u>	
State Infrastructure Bank:			
Restricted Cash Equivalents	89300	<u>20,199,312</u>	
Statement of Net Assets Cash Equivalents, Restricted		<u><u>\$ 285,296,498</u></u>	
Balance Sheet-Governmental Funds and Statement of Net Assets included in Due to Other Agencies (See Note 12)			<u><u>\$ 19,631,949</u></u>

State law requires that repurchase agreements be secured by collateral with a market value greater than 102% of the value of the agreement. The securities are held by a third party in the Department's name. The fair value of the repurchase agreement approximates the cost at June 30, 2012.

Cash equivalents managed by New Mexico Finance Authority

Money market funds are managed by New Mexico Finance Authority (fiscal agent) and held by State Treasurer authorized bank accounts at Bank of Albuquerque and Bank of New York as trustees and paying agents for Department. The sources of funds are bond proceeds and other debt service requirements. These funds are invested in short-term money market accounts that invest in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations in accordance with state law. The trustees are also permitted to purchase U.S. Treasury obligations.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of failure of the counterparty, the Department will not be able to recover the value of its collateral securities that are in the possession of an outside party. All are fully collateralized and the collateral is held in the Department's name.

Credit Risk. The Authority's investments shall be in accordance with State Law, 6-10-10 and 6-10-10.1 NMSA 1978, including but not limited to the following: Treasury Bills, Notes, Bonds, Strips and U.S. Government.

Concentration of Credit Risk. Concentration of credit risk is defined as investments of more than 5% in any one issuer. The Department is not susceptible to concentration of credit risk.

2. CASH AND CASH EQUIVALENTS (continued)

Interest Rate Risk. Interest rate risk is the risk that interest rate fluctuations may adversely affect an investment's fair value. The prices of securities fluctuate with market interest rates and the value of securities held in a collateral portfolio will decline if market interest rates rise. In this event, the financial institution is required to provide additional collateral necessary to comply with New Mexico State Statute. Therefore, funds are not susceptible to interest rate risk as they are all fully collateralized.

	Fund Number	Amount
Cash Equivalents:		
<i>Managed by NMFA:</i>		
2001A CHAT Bond Debt Service Fund	00700	\$ 40
State Road Fund(s)	10040, 10140, 20100, 82000	76,098
2004A GRIP Bond Debt Service Fund	10080	509,821
2004B GRIP Bond Debt Service Fund	10090	43,925,329
2006A GRIP Bond Project Fund	10210	162,234
2006A GRIP Bond Debt Service Fund	10220	33,844
2006B GRIP Bond Project Fund	10230	10,382
2006B GRIP Bond Debt Service Fund	10240	639,761
2006C GRIP Bond Project Fund	10250	179,095
2006D GRIP Bond Project Fund	10270	50,004,491
2008A GRIP Bond Debt Service Fund	10410	9,800,912
2008B GRIP Bond Debt Service Fund	10420	32,335,088
2008C GRIP Bond Debt Service Fund	10430	5,289,361
2008D GRIP Bond Debt Service Fund	10440	3,189,044
2010A Bond Project Fund	10450	55,087,524
2009A Bond Debt Service Fund	11130	47,582
2010A/LOC Bond Debt Service Fund	11140	44,238
2002D CHAT Bond Debt Service Fund	18700	19,867
2004A GRIP Bond Project Fund	20400	108,988
2010B GRIP Bond Debt Service Fund	20450	203,934
2002C HIF Bond Debt Service Fund	36300	50
2000 CHAT Bond Debt Service Fund	43200	29
1999 CHAT Bond Debt Service Fund	43400	18
2002A CHAT Bond Debt Service Fund	54700	17
1998A CHAT Bond Debt Service Fund	54800	2
2002B WIPP Bond Debt Service Fund	75000	17
1998A WIPP Bond Debt Service Fund	97200	5
Balance Sheet - Governmental Funds and Statement of		
Net Assets Cash Equivalents, Managed by NMFA		<u><u>\$ 201,667,771</u></u>

3. ACCOUNTS RECEIVABLE

The aging of accounts receivable as of June 30, 2012 is as follows:

<u>Number of Days Outstanding</u>	
0 - 30	\$ 536,461
31 - 60	3,178
61 - 120	8,679
Beyond 120	7,146,034
	<u>7,694,352</u>
Allowance for uncollectible accounts	<u>(4,634,833)</u>
	<u><u>\$ 3,059,519</u></u>

4. SEVERANCE TAX BOND PROCEEDS RECEIVABLE

Severance tax bonds proceeds receivable as of June 30, 2012, appropriated to the Department, were held by the State Board of Finance to reimburse expenditures incurred by the Department. The activity of this account is as follows:

Balance, beginning of year	\$ 78,067,034
Sale and reauthorization of severance tax bonds	(8,932,854)
Funding from the State Board of Finance	(45,822,731)
Reversion to the State Board of Finance	<u>(1,050,804)</u>
Balance, end of year	<u><u>\$ 22,260,645</u></u>

The funding for the year ended June 30, 2012 was received under the Laws of 2007, Chapter 3; Laws of 2008, Chapters 2 and 92; Laws of 2009, Chapters 5, 7, and 128; Laws of 2010, Chapter 105; Laws of 2011, Chapter 183; and Laws of 2012, Chapter 63, for projects completed.

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs and are recorded as revenues by the Department. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents the amounts due and available from the State Board of Finance as of year-end.

Receivable at year end (Note 8)	<u><u>\$ 4,564,592</u></u>
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5. NOTES AND LOANS RECEIVABLE

Notes receivable as of June 30, 2012 consist of the following:

A note receivable from a private entity, non-interest bearing, in accordance with federal statutes, collateralized by various property.

\$ 6,397

Loans receivable funded by the SIB consist of the following:

Albuquerque Metropolitan Arroyo Flood Control Authority (AMAFCA), including interest at 1.5%, due during the 2012 federal fiscal year, secured by federal highway revenue.

\$ 669,814

6. DUE FROM U.S. DEPARTMENT OF TRANSPORTATION

Due from U.S. Department of Transportation (USDOT) consists of the following at June 30, 2012:

Agency

Federal Highway Administration	\$ 46,375,088
Less allowance for uncollectible amounts	<u>-</u>
Total Federal Highway Administration	46,375,088
Other USDOT Agencies	<u>7,306,859</u>
Total USDOT	<u>\$ 53,681,947</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS

These amounts represent interfund receivables and payables arising from the interfund transactions within the Department. Due from/to other funds occur for the following reasons:

- 1) The State Road Fund pays expenditures on behalf of other funds.
- 2) Grant and other funds are recorded in the State Road Fund and then transferred to the appropriate funds.

Interfund receivables and payables as of June 30, 2012 consist of the following:

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
Special Revenue Funds:				
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	\$ 7,848	\$ 2,383	
Federal Planning and Development	10030	6,211	114,353	
2006A GRIP Bond Project Fund	10210	434,454	-	
State Road Fund(s)	10040, 10140, 20100, 82000	7,831,546	1,323,919	
HIF Bond Fund	20200	-	34,586	
State Aviation Fund	20500	-	16,368	
ARRA Project Fund	89000	-	276,212	
Total Special Revenue Funds		8,280,059	1,767,821	6,512,238
Debt Service Funds:				
2001A CHAT Bond Debt Service Fund	00700	1,651,520	-	
2006B GRIP Bond Debt Service Fund	10240	-	635,093	
2008AGRIP Bond Debt Service Fund	10410	-	1,370,943	
2008B GRIP Bond Debt Service Fund	10420	-	6,409,295	
2008C GRIP Bond Debt Service Fund	10430	-	1,009,166	
2008D GRIP Bond Debt Service Fund	10440	-	2,319,928	
2000 CHAT Bond Debt Service Fund	43200	1,184,452	-	
1999 CHAT Bond Debt Service Fund	43400	750,144	-	
2002A CHAT Bond Debt Service Fund	54700	690,434	-	
1998A CHAT Bond Debt Service Fund	54800	86,180	-	
2002B WIPP Bond Debt Service Fund	75000	702,644	-	
1998 WIPP Bond Debt Service Fund	97200	199,253	-	
Total Debt Service Funds		5,264,627	11,744,425	(6,479,798)
Capital Projects Funds:				
Gen. Fund Appropriations Fund	10070	37,963	70,403	
Total Capital Projects Funds		37,963	70,403	(32,440)
Total Interfund Receivables and Payables		\$ 13,582,649	\$ 13,582,649	\$ -

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS - continued

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
Summary				
Total Special Revenue Funds - net				\$ 6,512,238
Total Debt Service Funds - net				(6,479,798)
Total Capital Projects Funds – net				(32,440)
Total Governmental – net				-
Total Enterprise Funds – net				-
Total All Funds				\$ -

8. DUE FROM OTHER AGENCIES

Fund Description	Fund Number	Sub-total	Total	Due From
State Road Fund	20100	\$ 63		EMNRD
Total reauthorizations due			63	
2001A CHAT Bond Project Fund	00600	970		State Treasurer's Office
2001A CHAT Bond Debt Service Fund	00700	49		State Treasurer's Office
2002D CHAT Bond Project Fund	11500	131		State Treasurer's Office
2002D CHAT Bond Debt Service Fund	18700	3		State Treasurer's Office
State Road Fund	20100	21,380		State Treasurer's Office
HIF Bond Fund	20200	2,572		State Treasurer's Office
Local Government Road Fund	20300	4,237		State Treasurer's Office
State Aviation Fund	20500	3,047		State Treasurer's Office
Motorcycle Training Fund	20600	31		State Treasurer's Office
Traffic Safety Fund	20800	320		State Treasurer's Office
2002C HIF Bond Project Fund	36100	268		State Treasurer's Office
2002C HIF Bond Debt Service Fund	36300	23		State Treasurer's Office
1993 Bond Project Fund	39400	328		State Treasurer's Office
1999A CHAT Bond Project Fund	43000	435		State Treasurer's Office
WIPP Bond Project Fund	43100	3,234		State Treasurer's Office
2000 CHAT Bond Debt Service Fund	43200	41		State Treasurer's Office

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

8. DUE FROM OTHER AGENCIES - continued

Fund Description	Fund Number	Sub-total	Total	Due From
1999 CHAT Bond Debt Service Fund	43400	55		State Treasurer's Office
2002A CHAT Bond Debt Service Fund	54700	16		State Treasurer's Office
1998A CHAT Bond Debt Service Fund	54800	30		State Treasurer's Office
2002B WIPP Bond Debt Service Fund	75000	23		State Treasurer's Office
1998A WIPP Bond Debt Service Fund	97200	2		State Treasurer's Office
Total accrued interest due			37,195	
STB Appropriations Fund	10060	4,535,276		DFA Board of Finance
STB Capital Outlay Fund	89200	29,316		DFA Board of Finance
Total reimbursement due			4,564,592	
Total due from other agencies--government funds only			4,601,850	
SIB Interest accrued from Local Gov't Investment Pool			4,145	
Total due from other agencies--government wide only			<u>\$ 4,605,995</u>	

9. INVENTORY

Inventory as of June 30, 2012 consists of the following:

Highway maintenance materials stockpiled	\$ 6,846,300
Repair Parts and expendable supplies	5,440,640
Fuel, oil and lubricants	973,485
	<u>\$ 13,260,425</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

10. CAPITAL ASSETS

A summary of changes in capital assets for fiscal year ended June 30, 2012 follows:

	Beginning Balance June 30, 2011	Additions	Adjustments & Transfers	Retirements
Non-depreciable assets:				
Construction in Progress	\$ 138,315,764	\$ 409,741,748	\$ 1,054,349	\$ -
Rail System Infrastructure - Right of Way	77,252,100	-	-	-
Land	5,203,234	28,500	-	(54,690)
Right of Way	404,805,609	-	31,670	-
Total non-depreciable assets	625,576,707	409,770,248	1,086,019	(54,690)
Depreciable assets:				
Infrastructure	14,834,612,699	-	-	(478,482,681)
Automotive and Major Road Fund Equipment	199,045,213	10,153,162	178,598	(3,560,322)
Rail System Infrastructure	363,494,084	-	-	-
Buildings	45,966,744	1,114,257	(1,043,660)	(214,050)
Equipment and furniture	30,059,620	1,385,009	247,663	(1,238,976)
Library	102,614	-	-	-
Total depreciable assets	15,473,280,974	12,652,428	(617,399)	(483,496,029)
Total Assets	16,098,857,681	422,422,676	468,620	(483,550,719)
Less Accumulated Depreciation:				
Infrastructure	(8,849,228,998)	(584,209,339)	-	478,482,681
Automotive and Major Road Fund Equipment	(144,337,939)	(10,007,978)	(96,089)	3,408,296
Rail System Infrastructure	(46,769,178)	(14,710,748)	-	-
Buildings	(26,435,665)	(804,265)	857	103,962
Equipment and furniture	(23,878,879)	(1,740,077)	(106,072)	1,216,767
Library	(102,614)	-	-	-
Total Accumulated Depreciation	(9,090,753,273)	(611,472,407)	(201,304)	483,211,706
Net Total	\$ 7,008,104,408	\$ (189,049,731)	\$ 267,316	\$ (339,013)

There were no software costs to capitalize as of year-end. Depreciation and amortization was allocated to the following functions:

Depreciation:

Programs and infrastructure	\$ 584,209,340
Transportation and highway operations	14,710,748
Program support	12,552,319
	<u>611,472,407</u>

Amortization

Total depreciation and amortization	<u><u>\$ 615,560,581</u></u>
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10. CAPITAL ASSETS (continued)

CIP Reclassifications	Ending Balance June 30, 2012
\$ (355,281,234)	\$ 193,830,627
-	77,252,100
-	5,177,044
3,211,106	408,048,385
(352,070,128)	684,308,156
347,795,533	14,703,925,551
-	205,816,651
4,274,595	367,768,679
-	45,823,291
-	30,453,316
-	102,614
352,070,128	15,353,890,102
-	16,038,198,258
-	(8,954,955,656)
-	(151,033,710)
-	(61,479,926)
-	(27,135,111)
-	(24,508,261)
-	(102,614)
-	(9,219,215,278)
\$ -	\$ 6,818,982,980

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS

Transfers within the Agency:

	State Road Fund(s) (Multi)	General Fund Appropriations (SHARE 10070)	2010A Bond Project Fund (SHARE 10450)	2010A/LOC Bond Debt Service Fund (SHARE 11140)	HIF Bond Fund (SHARE 20200)	2004A GRIP Bond Project Fund (SHARE 20400)
(1)	\$ (61,424)	\$ -	\$ -	\$ -	\$ (296,180)	\$ -
(2)	-	-	-	-	-	-
(3)	-	-	-	-	-	-
(4)	-	-	-	-	-	-
(5)	-	-	-	-	-	-
(6)	-	-	-	(24)	-	-
(7)	-	-	-	-	-	(38)
	<u>\$ (61,424)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (24)</u>	<u>\$ (296,180)</u>	<u>\$ (38)</u>

- (1) Transfer from the State Road Fund to the Non-GRIP Debt Service Funds for debt repayments
- (2) Transfer from 2004B interest earnings to offset interest costs in 2008A and 2008C
- (3) Transfer to correct allocation of expenditures
- (4) Transfer of BNSF interest earnings to 2008D
- (5) Transfer of SHARED Tax exempt Acquisition Fund to 2006A and 2006B Debt Service Funds
- (6) Transfer of balance in Tax exempt LOC to SHARED trustee accounts
- (7) Transfer of 2004A Acquisition account interest earnings to 2004A Debt Service Fund

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

	2006A GRIP Bond Project Fund (SHARE 10210)	2006B GRIP Bond Project Fund (SHARE 10230)	2006C GRIP Bond Project Fund (SHARE 10250)	2006D GRIP Bond Project Fund (SHARE 10270)	GF Capital Outlay (SHARE 93100)	2002A CHAT Bond Debt Service Fund (SHARE 54700)
(1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2)	-	-	-	-	-	-
(3)	(1,527,001)	83,686	1,443,315	-	-	-
(4)	-	-	-	(19,661)	-	-
(5)	(68)	-	(68)	-	-	-
(6)	-	-	-	-	-	-
(7)	-	-	-	-	-	-
	<u>\$ (1,527,069)</u>	<u>\$ 83,686</u>	<u>\$ 1,443,247</u>	<u>\$ (19,661)</u>	<u>\$ -</u>	<u>\$ -</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

	2002C HIF Bond Debt Service Fund (SHARE 36300)	2002D CHAT Bond Debt Service Fund (SHARE 18700)	2004A GRIP Bond Debt Service Fund (SHARE 10080)	2004B GRIP Bond Debt Service Fund (SHARE 10090)	2006A GRIP Bond Debt Service Fund (SHARE 10220)	2006B GRIP Bond Debt Service Fund (SHARE 10240)
(1)	\$ 296,180	\$ 61,425	\$ -	\$ -	\$ -	\$ -
(2)	-	-	-	(2,228,766)	-	-
(3)	-	-	-	-	-	-
(4)	-	-	-	-	-	-
(5)	-	-	-	-	68	68
(6)	-	-	-	-	-	-
(7)	-	-	38	-	-	-
	<u>\$ 296,180</u>	<u>\$ 61,425</u>	<u>\$ 38</u>	<u>\$ (2,228,766)</u>	<u>\$ 68</u>	<u>\$ 68</u>

- (1) Transfer from the State Road Fund to the Non-GRIP Debt Service Funds for debt repayments
- (2) Transfer from 2004B interest earnings to offset interest costs in 2008A and 2008C
- (3) Transfer to correct allocation of expenditures
- (4) Transfer of BNSF interest earnings to 2008D
- (5) Transfer of SHARED Tax exempt Acquisition Fund to 2006A and 2006B Debt Service Funds
- (6) Transfer of balance in Tax exempt LOC to SHARED trustee accounts
- (7) Transfer of 2004A Acquisition account interest earnings to 2004A Debt Service Fund

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

	2008A GRIP Bond Debt Service Fund (SHARE 10410)	2008B GRIP Bond Debt Service Fund (SHARE 10420)	2008C GRIP Bond Debt Service Fund (SHARE 10430)	2008D GRIP Bond Debt Service Fund (SHARE 10440)	2010B Bond Debt Service (SHARE 20450)	Total All Pages Netting Funds Only
(1)	\$ -	\$ -	\$ (1)	\$ -	\$ -	\$ -
(2)	1,283,769	-	944,997	-	-	-
(3)	-	-	-	-	-	-
(4)	-	-	-	19,661	-	-
(5)	-	-	-	-	-	-
(6)	4	17	3	-	-	-
(7)	-	-	-	-	-	-
	<u>\$ 1,283,773</u>	<u>\$ 17</u>	<u>\$ 944,999</u>	<u>\$ 19,661</u>	<u>\$ -</u>	<u>\$ -</u>

11. OPERATING TRANSFERS - continued

Transfers outside of Agency:

	State	General Fund	STB			Total all
	Road Fund(s)	Appropriations	Appropriations	Ignition		Inter-agency
	(Multi)	(SHARE 10070)	Fund	Interlock		Transfers
			(SHARE 10060)	(SHARE 82600)		
(8)	\$ (6,846,000)	\$ -	\$ -	\$ -	\$	(6,846,000)
(9)	50,000	-	-	-		50,000
(10)	-	-	-	300,000		300,000
(11)	-	(28,109)	-	-		(28,109)
(12)	-	-	(1,050,854)	-		(1,050,854)
	<u>\$ (6,796,000)</u>	<u>\$ (28,109)</u>	<u>\$ (1,050,854)</u>	<u>\$ 300,000</u>	<u>\$</u>	<u>(7,574,963)</u>

- (8) Transfers made to Department of Public Safety (less reversions)
- (9) Receipt of proceeds from Department of Public Safety reverted for FY 11
- (10) Annual Transfer in from Department of Finance
- (11) Transfer(s) in (out) from other agencies due to appropriations reauthorized
- (12) Reversion that have been sent to DFA or a schedule to be Reverted in FY 13

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

12. DUE TO OTHER AGENCIES

Fund Description	Fund Number	Due To	Total
Federal Planning and Development	10030	Due to State Treasurer's Office	\$ 1,973,178
STB Appropriations Fund	10060	Due to State Treasurer's Office	4,377,630
STB Appropriations Fund	10060	Board of Finance	1,052,854
State Road Fund(s)	10040, 10140, 20100, 82000	Due to State Treasurer's Office	10,830,639
ARRA Project Fund	89000	Due to State Treasurer's Office	2,421,186
STB Capital Outlay Fund	89200	Due to State Treasurer's Office	29,316
Total due to other agencies			<u><u>\$ 20,684,803</u></u>
		Due to State Treasurer's Office	\$ 19,631,949
		Board of Finance	1,052,854
			<u><u>\$ 20,684,803</u></u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

13. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2012:

Governmental Activities	Balance at June 30, 2011	Increase	Decrease	Ending Balance June 30, 2012	Amounts due within one year
2002C HIF Bonds	\$ 5,930,000	-	-	\$ 5,930,000	\$ 5,040,000
2002D CHAT Bonds	1,575,000	-	-	1,575,000	1,575,000
2004A GRIP Bonds	248,310,000	-	-	248,310,000	-
2004B GRIP Bonds	92,920,000	-	(29,060,000)	63,860,000	34,120,000
2006A GRIP Bonds	150,000,000	-	(240,000)	149,760,000	195,000
2006B GRIP Bonds	27,900,000	-	(1,225,000)	26,675,000	1,270,000
2008A GRIP Bonds	115,200,000	-	-	115,200,000	-
2008B GRIP Bonds	220,000,000	-	-	220,000,000	-
2008C GRIP Bonds	84,800,000	-	-	84,800,000	-
2008D GRIP Bonds	50,400,000	-	-	50,400,000	-
2009A Refunding Bonds	71,715,000	-	(22,370,000)	49,345,000	23,190,000
2010A Debt Service	174,625,000	-	(6,045,000)	168,580,000	23,120,000
2010B GRIP Bonds	461,075,000	-	(9,640,000)	451,435,000	-
Gross Debentures	1,704,450,000	-	(68,580,000)	1,635,870,000	88,510,000
Deferred amount on refunding	(82,704,893)	-	6,197,531	(76,507,362)	(6,197,531)
Net Debentures	1,621,745,107	-	(62,382,469)	1,559,362,638	82,312,469
Compensated absences payable	5,651,259	5,049,978	(4,739,242)	5,961,995	5,961,995
Total obligations	1,627,396,366	\$ 5,049,978	\$ (67,121,711)	1,565,324,633	\$ 88,274,464
Less current portion	(68,033,728)			(88,274,464)	
Net long-term obligations	<u>\$ 1,559,362,638</u>			<u>\$ 1,477,050,169</u>	

The State Road Fund (#20100) is used to liquidate other long-term liabilities, such as compensated absences and capital leases. The Department is authorized to issue bonds from time to time, payable from the proceeds of the collection of gasoline excise taxes, motor vehicle registration fees, and other fees that are required by law to be paid into the State Road Fund and not otherwise pledged solely to the payment of outstanding bonds and debentures. The total aggregate outstanding bonds issued are in accordance with the authorizing legislation for the bonds and other debt with the approval of the State Board of Finance, which includes Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA) (1978), as amended; and the Supplemental Public Securities Act constituting Sections 6-15-8 through 6-14-11 of the NMSA (1978), as amended.

13. LONG-TERM OBLIGATIONS - continued

Series 2002C HIF

The Department issued \$67,750,000 of the New Mexico State Highway Infrastructure Fund Revenue Highway Bonds (additionally secured by a Senior Subordinate Lien on Certain State Road Fund Revenues), Series 2002C, in May 2002. The gross proceeds including accrued interest to the Department were \$69,809,036 including \$2,499,411 of an original issue premium. The cost of issuance including underwriter fees was \$440,375. The bonds are special limited obligations of the State Highway Commission, payable from and secured by a senior pledge of proceeds of the collection of leased vehicle gross receipts tax revenues and tire recycling fees, in each case that are required by law to be paid into the Highway Infrastructure Fund and interest on such amounts in the Highway Infrastructure Fund. The Bonds are additionally payable from and secured by a senior subordinate pledge of proceeds of the collection of gasoline excise taxes, special fuel excise taxes, vehicle transaction taxes or fees, drivers license fees, oversize/overweight permit fees, certain Public Regulation Commission fees, trip taxes, weight distance taxes, motor vehicle registration fees, and to the extent authorized to be paid into the State Road Fund in the future, motor vehicle excise taxes, in each case that are required by law to be paid into the State Road Fund and interest on such amounts in the State Road Fund. The Series 2002C Bonds (HIF Bonds) were issued to fund projects identified by the Department and the Legislature.

In October 2010, \$7,270,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

Principal of the Bonds is payable on June 15. Interest, with rates ranging from 4.35% to 5.250% per annum, is payable semi-annually on June 15 and December 15 through the year 2015.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$378,060, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2002C HIF:			
2013	\$ 5,040,000	\$ 296,180	\$ 5,336,180
2014	-	40,940	40,940
2015	890,000	40,940	930,940
Total	<u>\$ 5,930,000</u>	<u>\$ 378,060</u>	<u>\$ 6,308,060</u>

13. LONG-TERM OBLIGATIONS - continued

Series 2002D CHAT

The Department issued \$16,000,000 of the New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Highway Bonds, Series 2002D, in December 2002. The gross proceeds to the Department were \$16,572,740 including \$699,498 of an original issue premium. The cost of issuance including underwriter fees was \$126,758. The Bonds are special limited obligations of the State Highway Commission, payable solely from and secured by a senior subordinate pledge of proceeds of the collection of gasoline excise taxes, special fuel excise taxes, vehicle transaction taxes or fees, drivers license fees, oversize/overweight permit fees, certain Public Regulation Commission fees, trip taxes, weight distance taxes, motor vehicle registration fees, and to the extent authorized to be paid into the State Road Fund in the future, motor vehicle excise taxes, in each case that are required by law to be paid into the State Road Fund and interest on such amounts in the State Road Fund. The Series 2002D Bonds (CHAT Bonds) were issued to fund projects identified by the Department and the Legislature.

In October 2010, \$1,635,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

Principal of the bonds is payable as follows on June 15. Interest 3.9% per annum, is payable semi-annually on June 15 and December 15 through the year 2013. Principal and interest due in 2013 is \$1,575,000 and \$61,425.

13. LONG-TERM OBLIGATIONS - continued

Series 2004A GRIP

The Department issued \$700,000,000 through the New Mexico Finance Authority's (NMFA) State Transportation Revenue Bonds (Senior Lien), Series 2004A, in May 2004. The gross proceeds to the Department were \$738,787,815, including \$43,556,815 of an original issue premium. The cost of issuance including underwriter fees was \$6,368,367. The Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Series 2004A Bonds were issued to provide funds for certain transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable.

The Department is responsible for the NMFA issuance costs and must annually pay the NMFA 25 basis points on the outstanding principal balance. Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.8% to 5.25% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

In October 2010, \$451,690,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$76,105,880, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2004A GRIP:			
2013	\$ -	\$ 12,686,840	\$ 12,686,840
2014	19,360,000	12,686,840	32,046,840
2015	61,305,000	11,739,960	73,044,960
2016	65,045,000	8,522,073	73,567,073
2017	350,000	5,107,210	5,457,210
2018-2022	100,705,000	25,240,182	125,945,182
2023-2027	1,545,000	122,775	1,667,775
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 248,310,000</u>	<u>\$ 76,105,880</u>	<u>\$ 324,415,880</u>

13. LONG-TERM OBLIGATIONS - continued

Series 2004B GRIP

The Department issued \$237,950,000 of bonds through the New Mexico Finance Authority's (NMFA) State Transportation Refunding Revenue Bonds (Subordinate Lien), Series 2004B, in May 2004. The gross proceeds to the Department were \$254,129,187, including \$16,347,187 of an original issue premium. The cost of issuance including underwriter fees was \$2,196,442.

The Series 2004B Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund and restructure certain outstanding bonds of the NMFA and the Commission.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 2.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2014.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$4,670,200, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2004B GRIP:			
2013	\$ 34,120,000	\$ 3,186,800	\$ 37,306,800
2014	29,740,000	1,483,400	31,223,400
Total	<u>\$ 63,860,000</u>	<u>\$ 4,670,200</u>	<u>\$ 68,530,200</u>

13. LONG-TERM OBLIGATIONS - continued

Refundings

NMFA, on behalf of the Department, has issued multiple series of refunding bonds in prior years to advance refund certain older debt issues of the Department. The net proceeds of those issuances less any new amounts borrowed plus, at times, additional funds provided by the Department, were used to purchase U. S. Governmental securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the older debt issues. As a result, the advance refundings of the older debt are considered to be defeased and the liability for those bonds has been removed from long-term obligations. The bonds outstanding of \$1,456,420,000 were considered defeased as of June 30, 2012.

The cumulative deferred amount on the refundings of \$76,507,362, recorded, as a reduction of the Department's long-term obligation, is the difference between the reacquisition price (funds required to refund the old debt including call provisions) and the net carrying amount of the old debt, including unamortized old bond issuance costs. The deferred amount on the refunding is recorded to the government-wide financial statements and is required to be amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Derivative Instruments

At the time of the 2004 GRIP bond issuance, NMFA, on behalf of the Department, entered into interest rate exchange agreements ("swaps") with respect both to the adjustable rate bonds then issued and the adjustable rate bonds anticipated to be issued in 2006. All of the 2004 adjustable rate bonds were hedged at issuance with immediately-starting swaps and approximately one-half of the anticipated total 2006 issuance was hedged with forward-starting swaps that became effective in 2006.

In all of the swaps, NMFA, on behalf of the Department, receives a variable-interest rate payment based on an index, and makes a fixed-rate interest payment. This arrangement has the effect of converting the variable rate bonds to "synthetic fixed-rate" issues.

As in the case of the GRIP bonds, NMFA has entered into the swaps as an agent for the Department. These swap agreements remained in effect following the 2008 refunding and reissuance of the 2004 and 2006 adjustable rate bonds as Variable Rate Demand Notes (the 2008A through D series).

Objectives of the Swaps

The objective in entering into the swap agreements was to obtain a lower interest cost for the 2004 bonds than could have been obtained at the time had they been issued as fixed-rate bonds. With respect to the planned 2006, issuance, NMFA believed in 2004 that it would be desirable to "lock in" a synthetic fixed rate of 5% or less for a portion of the bonds anticipated to be issued in 2006.

13. LONG-TERM OBLIGATIONS - continued

Significant Terms

2004 Swaps:

<u>Counterparty</u>	<u>Royal Bank of Canada</u>	<u>Goldman Sachs</u>	<u>Deutsche Bank</u>
Notional Amount	\$100,000,000	\$50,000,000	\$50,000,000
Receipt Rate	68 % of 1 month LIBOR	68 % of 1 month LIBOR	68 % of 1 month LIBOR
Payment Rate (Syn- thetic Fixed Rate)	3.934%	3.934%	3.934%
Embedded Option(s)	None	None	None
Effective Date	May 20, 2004	May 20, 2004	May 20, 2004
Termination Date:	June 15, 2024	June 15, 2024	June 15, 2024

2006 Forward Starting Swaps:

<u>Counterparty</u>	<u>JP Morgan Chase Bank</u>	<u>UBS AG</u>
Notional Amount	\$110,000,000	\$110,000,000
Receipt Rate	SIFMA Municipal Swap Index	SIFMA Municipal Swap Index
Payment Rate	5.072%	5.072%
Embedded Option(s)	“Knockout” option – Counterparty may cancel if the index remains above 7% for more than 180 days	“Knockout” option – Counterparty may cancel if the index remains above 7% for more than 180 days
Option premium to NMFA	0.34%	0.34%
Net payment rate ("Synthetic Fixed Rate"), equals the payment rate less option premium	4.732%	4.732%
Effective Date	December 15, 2006	December 15, 2006
Termination Date:	December 15, 2026	December 15, 2026

No cash was paid or received at the initiation of any of the above swaps.

13. LONG-TERM OBLIGATIONS - continued

Fair Value

The estimated fair value of the swaps at June 30, 2012 was as follows:

<u>Counterparty</u>	<u>Notional Value</u>	<u>Fair Value *</u>
Goldman Sachs	\$ 50,000,000	\$ (14,188,118)
Deutsche	50,000,000	(14,188,118)
Royal Bank of Canada	100,000,000	(28,376,237)
JPMorgan Chase Bank	110,000,000	(40,164,781)
UBS AG	110,000,000	(40,164,781)
	<u>\$ 420,000,000</u>	<u>\$ (137,082,035)</u>

* The Fair Value is the estimated amount that would have been received by or paid by the Department if the agreements had been terminated at June 30, 2012 under the terms of the agreement. This value is the net present value of the receipts and payments anticipated to be made pursuant to the agreements. The net present values are calculated based on discount rates indicated by actual swap transactions that occurred on or around June 30, 2012. Negative amounts indicate payments that would have been made by the Department to the counterparties.

These swaps have been deemed a hedge, and as such, the total amount entered as a liability for the year ended June 30, 2012 was \$137,082,035 with an offsetting entry classified as a deferred cash outflow.

Associated Debt

Variable Rate Debt*	Par Value	2012 Debt Service		Net Variable Made (Received)	Total Net Interest Paid	Effective Interest Rate
		Principal	Fixed Interest			
Series 2008A and C	\$ 200,000,000	\$ -	\$ 7,868,000	\$ 1,067,585	\$ 8,935,585	4.468%
Series 2008B	220,000,000	-	11,158,400	24,478	11,182,878	5.083%

* The interest and swap payments for these bonds include the payments for the 2004 and 2006 Series bonds that that the 2008 series bonds replaced during the prior fiscal year.

The interest includes amounts paid within the fiscal year without regard to the costs associated with the swap collateral (Taxable) Line of Credit.

13. LONG-TERM OBLIGATIONS - continued

Risks

Credit Risk. Credit risk is the possibility that a counterparty will not fulfill its obligations.

The credit ratings of the counterparties, at June 30, 2012, were:

	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
Royal Bank of Canada	Aa3	AA-	AA
Goldman Sachs	Aa2	AAA	N/A
Deutsche Bank	A2	A+	A+
JP Morgan Chase	Aa3	A+	A+
UBS AG	A2	A	A

Presently, the Department has no exposure to loss with respect to the counterparties, as the termination values of the swaps are negative. That is, no amounts would be owed to the Department if any swaps were terminated at present. Each swap agreement contains provisions requiring the posting of collateral in the event that termination values exceed certain amounts. Termination values currently exceeded these limits, and, accordingly, collateral was posted for \$15,720,000 at UBS on 6/4/2012, \$11,200,000 on 6/4/2012 at RBC and \$14,440,000 on 6/4/2012 at JP Morgan. The swap agreements permit the netting of amounts owed between the Department and a counterparty, mitigating, to some extent, the level of credit risk. The Department believes it has an adequate degree of diversification with regard to counterparties.

Swap Collateral Requirements – Taxable Line of Credit

Negative balances at the end of the fiscal year were such that collateral needed to be posted. For that purpose a short-term Taxable Line of Credit was established. There was \$35,000,000 outstanding on the line of credit at the end of the fiscal year, with \$45,000,000 borrowed and \$10,000,000 repaid during the year.

SHARE fund 10410 - 2008A GRIP Bond Debt Service Fund	\$ 5,459,187
SHARE fund 10420 - 2008B GRIP Bond Debt Service Fund	25,522,244
SHARE fund 10430 - 2008C GRIP Bond Debt Service Fund	4,018,569
Total Short-term Notes Payable (Taxable Line of Credit)	<u>\$ 35,000,000</u>

Interest Rate Risk.

The knock-out option in the 2006 swaps leaves the Department open to interest rate risk. If the SIFMA municipal swap index averages above 7% for 180 consecutive days, then, as provided by the terms of the knockout option, swap agreements could be cancelled by the counterparties and the Department would have outstanding unhedged variable rate debt in a 7% interest rate environment.

13. LONG-TERM OBLIGATIONS - continued

Basis Risk.

Basis risk is the possibility that the variable rate paid on the bonds may not be adequately offset by the variable index payment received under the swap agreement. The Department has little or no such risk with respect to the 2006 bonds as the 2006 swaps pay a variable rate equal to the SIFMA Municipal Swap index which has very closely approximated, historically, the rates paid on variable rate municipal debt. The Department has basis risk, however, with respect to the 2004 swaps. The variable rate the Department receives with respect to the 2004 swaps is 68% of one-month LIBOR. While this rate has closely tracked the SIFMA Municipal Swap Index for a long period of time, there has recently been some divergence between the two indices. There is no guarantee that the two indices will remain as closely correlated in the future as they were in the past. There is a possibility, therefore, of a mismatch between actual variable rate bond debt service payments and the variable rate receipts under the 2004 swap agreements, resulting in a failure to achieve the synthetic fixed rate expected when the swaps initiated.

One event that would cause a divergence between the indices would be a significant change in U.S. income tax rates. This might result in 68% of LIBOR no longer approximating the tax-exempt rate set by the market for the Department's variable rate debt.

Termination Risk

The unplanned termination of one or more of the swaps exposes the Department to the possibility that the synthetic fixed rate expected to be obtained on the variable rate debt will not, in fact, be achieved. The swap agreements contain the standard ISDA provisions for termination, including events such as bankruptcy, ratings downgrades, and failure to post collateral when required. In addition, the Department, but not the counterparties, can terminate the swaps at any time with 30-day notice.

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA

The following bonds were issued by the New Mexico Finance Authority (Authority) in an agency capacity on behalf of the Department of Transportation during the fiscal year:

Series 2006A GRIP

On September 19, 2006, the Authority issued \$150,000,000 of State Transportation, Series 2006A Revenue Bonds. The Series 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of GRIP transportation projects. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.6% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$91,242,104, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006A GRIP:			
2013	\$ 195,000	\$ 7,464,298	\$ 7,659,298
2014	255,000	7,454,412	7,709,412
2015	3,715,000	7,355,163	11,070,163
2016	3,535,000	7,173,912	10,708,912
2017	3,550,000	7,001,888	10,551,888
2018-2022	18,020,000	32,355,181	50,375,181
Total	<u>\$ 149,760,000</u>	<u>\$ 91,242,104</u>	<u>\$ 241,002,104</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2006B GRIP

On September 19, 2006, the Authority issued \$39,005,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The Series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 4.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$10,961,374, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006B GRIP:			
2013	\$ 1,270,000	\$ 1,237,288	\$ 2,507,288
2014	1,320,000	1,188,261	2,508,261
2015	1,375,000	1,135,287	2,510,287
2016	1,435,000	1,073,744	2,508,744
2017	1,500,000	1,010,044	2,510,044
2018-2022	8,670,000	3,875,500	12,545,500
2023-2027	<u>11,105,000</u>	<u>1,441,250</u>	<u>12,546,250</u>
Total	<u>\$ 26,675,000</u>	<u>\$ 10,961,374</u>	<u>\$ 37,636,374</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008A GRIP

The Department issued \$115,200,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008A April of 2008. There was no original issue premium. The cost of issuance was \$457,260.

The \$115,200,000 Series 2008A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$52,924,889, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008A GRIP:			
2013	\$ -	\$ 4,531,968	\$ 4,531,968
2014	-	4,531,968	4,531,968
2015	-	4,531,968	4,531,968
2016	-	4,531,968	4,531,968
2017	-	4,531,968	4,531,968
2018-2022	-	22,659,840	22,659,840
2023-2027	115,200,000	7,605,209	122,805,209
Total	<u>\$ 115,200,000</u>	<u>\$ 52,924,889</u>	<u>\$ 168,124,889</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008B GRIP

The Department issued \$220,000,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008B in the amount of \$220,000,000 in April of 2008. There was no original issue premium. The cost of issuance was \$873,240.

The \$220,000,000 Series 2008B Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$139,920,508, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008B GRIP:			
2013	\$ -	\$ 10,410,400	\$ 10,410,400
2014	-	10,410,400	10,410,400
2015	-	10,410,400	10,410,400
2016	-	10,410,400	10,410,400
2017	-	10,410,400	10,410,400
2018-2022	-	52,052,000	52,052,000
2023-2027	220,000,000	35,816,508	255,816,508
Total	<u>\$ 220,000,000</u>	<u>\$ 139,920,508</u>	<u>\$ 359,920,508</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008C GRIP

The Department issued \$84,800,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008C in May of 2008. There was no original issue premium. The cost of issuance was \$448,194.

The \$84,800,000 Series 2008C Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$38,958,599, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008C GRIP:			
2013	\$ -	\$ 3,336,032	\$ 3,336,032
2014	-	3,336,032	3,336,032
2015	-	3,336,032	3,336,032
2016	-	3,336,032	3,336,032
2017	-	3,336,032	3,336,032
2018-2022	-	16,680,160	16,680,160
2023-2027	84,800,000	5,598,279	90,398,279
Total	<u>\$ 84,800,000</u>	<u>\$ 38,958,599</u>	<u>\$ 123,758,599</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008D GRIP

The Department issued \$50,400,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008D in May of 2008. There was no original issue premium. The cost of issuance was \$264,930.

The \$50,400,000 Series 2008D Bonds, are payable wholly and solely from moneys derived from sources other than general taxation revenues. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for an escrow as required by BNSF Railway Company in the Joint Use Agreement with the New Mexico Department of Transportation to cover costs of additional uninsured liabilities on the part of BNSF which would not exist but for the commuter rail service and related activities.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$14,616,000, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008D GRIP:			
2013	\$ -	\$ 1,008,000	\$ 1,008,000
2014	-	1,008,000	1,008,000
2015	-	1,008,000	1,008,000
2016	-	1,008,000	1,008,000
2017	-	1,008,000	1,008,000
2018-2022	-	5,040,000	5,040,000
2023-2027	50,400,000	4,536,000	54,936,000
	<u>50,400,000</u>	<u>4,536,000</u>	<u>54,936,000</u>
Total	\$ 50,400,000	\$ 14,616,000	\$ 65,016,000

13. LONG-TERM OBLIGATIONS - continued

Series 2009A Refunding

The Department issued \$112,345,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2009A in November 2009. The gross proceeds to the Department were \$120,756,035, including \$8,411,035 of an original issue premium. The cost of issuance, including the underwriter's discount, was \$899,329.

The Series 2009A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2017.

The Department's future estimated scheduled annual requirement to amortize the Bonds, including interest payments of \$4,612,700, based on interest rates from 2.0% to 5.0%, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2009A Refunding:			
2013	\$ 23,190,000	\$ 2,253,900	\$ 25,443,900
2014	11,075,000	1,094,400	12,169,400
2015	4,820,000	651,400	5,471,400
2016	5,195,000	410,400	5,605,400
2017	5,065,000	202,600	5,267,600
	<u> </u>	<u> </u>	<u> </u>
Total	\$ 49,345,000	\$ 4,612,700	\$ 53,957,700
	<u> </u>	<u> </u>	<u> </u>

13. LONG-TERM OBLIGATIONS - continued

2010A Revenue and Refundings

The Department issued \$174,625,000 NMFA State Transportation Revenue and Refunding Revenue Bonds (Subordinate and Senior Lien) Series 2010A in September 2010. The gross proceeds to the Department were \$200,494,152 including an original issuance premium of \$26,745,858. The cost of issuance, including the underwriters' discount, was \$1,320,666.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 1.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$38,310,700, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010A Refunding			
2013	\$ 23,120,000	\$ 7,382,700	\$ 30,502,700
2014	38,225,000	5,915,475	44,140,475
2015	12,015,000	4,764,650	16,779,650
2016	12,595,000	4,202,600	16,797,600
2017	13,265,000	3,585,375	16,850,375
2018-2022	46,185,000	11,224,025	57,409,025
2023-2027	23,175,000	1,235,875	24,410,875
Total	<u>\$ 168,580,000</u>	<u>\$ 38,310,700</u>	<u>\$ 206,890,700</u>

13. LONG-TERM OBLIGATIONS - continued

2010B Revenue and Refundings

The Department issued \$461,075,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2010B in October 2010. The gross proceeds to the Department were \$543,315,911 including an original issuance premium of \$84,632,805. The cost of issuance, including the underwriters' discount, was \$3,096,740.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$163,833,700, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010B Refunding			
2013	\$ -	\$ 22,067,500	\$ 22,067,500
2014	6,635,000	22,067,500	28,702,500
2015	-	21,832,100	21,832,100
2016	395,000	21,832,100	22,227,100
2017	69,180,000	21,820,250	91,000,250
2018-2022	338,245,000	51,818,250	390,063,250
2023-2027	36,980,000	2,396,000	39,376,000
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 451,435,000</u>	<u>\$ 163,833,700</u>	<u>\$ 615,268,700</u>

13. LONG-TERM OBLIGATIONS - continued

Total future principal and interest obligation repayments for all long-term payables are as follows:

<u>Year Ended June 30,</u>	<u>Total</u>
2013	\$ 164,433,331
2014	177,827,628
2015	150,925,900
2016	150,701,229
2017	150,923,767
2018-2022	732,770,138
2023-2027	744,884,146
Total	\$ 2,272,466,139

Long-Term Debt Interest Expense

The total amount of interest expense included in direct expenses in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds is \$81,480,615 for the year-ended June 30, 2012.

Capital Leases

There are no future minimum lease obligations to report as of June 30, 2012.

Compensated Absences

An obligation amounting to \$5,961,995 at June 30, 2012 has been recorded to the government-wide financial statements representing the Department's commitment for accrued vacation, sick leave and other compensated absences.

14. NEGATIVE FUND BALANCES

The Department had negative fund balances at the end of the fiscal year as follows:

Fund 89000: ARRA Project Fund \$1,448,210

This amount represents current year revenue deferred to the following fiscal year due to receipt greater than 60 days past the year end cutoff for recognizing earned revenue.

Fund 43100: WIPP Bond Project Fund \$2,683,403

This amount represents revenue deferred to the following fiscal year due to DOE grant monies received in advance and not recognized as revenue until actually expended.

Fund 10030: Federal Planning and Development Fund \$1,117,866

This amount represents unreimbursed expenditures awaiting administrative processing requirements.

Fund 10060: Severance Tax Bond Appropriations Fund \$4,713,771

This amount represents unreimbursed expenditures awaiting administrative processing requirements.

Fund 20400: 2004A GRIP Project Fund \$491,699

This amount represents pending adjustment of expenditures to other bond project funds.

15. REVERSIONS

Reversions are calculated based on an original appropriation amount less total expenditures until the appropriation is expired or closed by the capital projects division.

Current year reversions due to the State General Fund as of June 30, 2012 were as follows:

Fund 10070	\$	28,109
		28,109

Current year reversions due to the Road Fund (20100) as of June 30, 2012 were as follows:

Fund 10140	\$	11,066
Fund 82000		71
		11,137

Current year reversions due to the State Board of Finance of June 30, 2012 were as follows:

Fund 10060	\$	1,050,854
		1,050,854

Total of all reversions	\$	1,090,100
		1,090,100

16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy

Plan members are required to contribute 8.92% of their gross salary. The Department is required to contribute 15.09% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the years ending June 30, 2012, 2011 and 2010 were \$11,046,477, \$13,459,033, and \$14,156,554, respectively, equal to the amount of the required contribution for each year.

17. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Plan Description

The Department contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

17. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN - continued

Funding Policy

The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service-based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2012, statute required each participating employer to contribute 1.834% of each participating employee's annual salary; each participating employee is required to contribute .917% of their salary. In the fiscal year ending June 30, 2013 the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan the contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY12	1.834%	0.917%
FY13	2.000%	1.000%

Also, employers joining the program after January 1, 1998 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

The Department's contributions to the RHCA for the years ended June 30, 2012, 2011, 2010 were \$1,505,141, \$1,472,272, and \$1,197,245, respectively, which equal the required contributions for each year.

18. RISK MANAGEMENT

The Department, as a state agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the state of New Mexico. The Department pays annual premiums to the Risk Management Division for coverage provided in the following areas:

1. Liability and civil rights protection for claims made by others against the state of New Mexico.
2. Coverage to protect the state of New Mexico's property and assets.
3. Fringe benefit coverage's for state of New Mexico employees.

During the 2009-2010 fiscal year, the Department paid Risk Management \$4,318,445 in insurance premiums. During the 2010-2011 fiscal year, the Department paid Risk Management \$4,013,600 in insurance premiums. During the 2011-2012 fiscal year, the Department paid Risk Management \$4,283,653 in insurance premiums. The Department's exposure is limited to \$1,000 per any first-party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

After conferring with legal counsel concerning pending litigation and claims, the Department believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the Department. In addition, for the years ended June 30, 2010, 2011 and 2012, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department

19. LITIGATION

The Department is subject to various legal proceedings, claims and liabilities, including right-of-way condemnation proceedings, contractor claims and employee claims, which arise in the ordinary course of the Department's operations. There are various contractor lawsuits and claims against the Department for various reasons. The Department contests these claims and if a likelihood of a loss is probable and can be reasonably estimated, the Department accrues the loss in the accompanying financial statements. In the opinion of the Department's management and legal counsel, the ultimate resolution of the above matters will not have a material adverse impact on the financial position or results of operations of the Department.

20. OPERATING LEASE COMMITMENT

The Department leases certain equipment and premises under numerous operating leases. Leases are subject to future appropriations and as such are cancelable by the Department at the end of a fiscal year. Rental expense for the year ended June 30, 2012 was \$1,293,960.

The future minimum lease payments under operating leases as of June 30, 2012 are as follows:

Years ending June 30:	<u>Lease Amounts</u>
2012	\$ 148,195
2013	115,315
2014	115,315
2015	35,700
2017-2021	109,770
2022	<u>12,000</u>
	<u>\$ 536,295</u>

21. COMMITMENTS AND CONTINGENCIES

Grant Revenue

The Department participates in numerous federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Department has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2012 may be impaired. In the opinion of the Department, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

22. BUDGETED VS. ACTUAL EXPENDITURES

The Department had expenditures that exceeded the final budget expenditures as follows:

Program Support, Other, in the amount of	<u>\$ 1,405,592</u>
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Program Support, Other

The other costs in 2010A/LOC Bond Debt Service Fund (Fund #11140) which exceed the budgeted amounts are the payoff of the principal due on the Line of Credit which was funded by the refunding bond (the NMFA State Transportation Revenue and Refunding Bond Series 2010A) as well as the issuance costs on the new debt. The proceeds of the bond, as well as the premium, are shown in Budget and Actual Schedule on the line "Bond Proceeds".

22. BUDGETED VS. ACTUAL EXPENDITURES - continued

Transfers, which are shown in the expenditure portion of the Budget and Actual presentation, are the intra-agency transfers only and these net to zero across the entire agency. Any one fund presentation will show a variance over or under budget since in general transfers are not budgeted. See Note 11 for the Transfers Schedule Footnote.

Debt expenditures, which are reported in the Other category for budget purposes, and which include principal, interest and fees related to debt, were budgeted to be \$162,923,400 (not including the principal payments in the 2010A current refunding, the issuance costs of either refunding, or the Cash Transferred to Escrow in the 2010B Advance Refunding). The actual expenditures, measured in the same way, were \$153,442,577.

Expenditures related to debt which was incurred during or after 2004 are budgeted and expensed primarily in the fund which generates the revenue for the payments, specifically State Road Fund (#20100), HIF Bond Fund (#20200) and WIPP Bond Project Fund (#43100). This is for several reasons, not the least of which, it is needed in order to capture the costs for billing entities when the debt costs are reimbursable. If actual debt costs, paid out of the debt trustee accounts, exceed the cash transferred from the primary fund, the debt service fund which records the trustee cash that was used in addition to the cash transferred, then records the debt expenditures.

Expenditures related to debt which was incurred before 2004 are also budgeted in the fund which generates the revenue for payments, but presented as an expenditure for GAAP purposes in the debt service fund. The recording of the cash transferred to the debt service funds is a transfer out in the sending fund and as a transfer in for the debt service funds. These transfer amounts are not formally budgeted.

23. SUBSEQUENT EVENTS

Updated Fair Value of Swaps

The estimated fair value of the swaps at November 27, 2012 was as follows:

<u>Counterparty</u>	<u>Notional Value</u>	<u>Fair Value</u>	<u>Collateral Posted</u>
Goldman Sachs	\$ 50,000,000	\$ (15,034,263)	\$ -
Deutsche	50,000,000	(15,034,263)	-
Royal Bank of Canada	100,000,000	(30,068,525)	11,200,000
JPMorgan Chase Bank	110,000,000	(42,940,456)	14,440,000
UBS AG	110,000,000	(42,940,456)	15,720,000
Total	<u>\$ 420,000,000</u>	<u>\$ (146,017,963)</u>	<u>\$ 41,360,000</u>

The date of the Collateral Posting Report is November 23, 2012.

23. SUBSEQUENT EVENTS - continued

Taxable Line of Credit

In November of 2012, the Department increased its taxable line of credit from \$40 million to \$50 million to finance a portion of the collateral posted against the negative fair value of the swaps. This LOC is considered short term and matures on February 15, 2015.

Bond Refunding

As a result of the current market environment providing historically low interest rates and currently favorable conditions in the municipal market, the Department has realized an opportunity for an economic refunding of approximately \$241,240,000 of closed lien and senior lien bonds. The refunding will provide a net present value savings and will improve debt service coverage ratios as well as provide cash flow savings. As a result, The State Transportation Commission adopted a resolution on November 15, 2012 authorizing and approving the issuance by the New Mexico Finance Authority of the Series 2012 State Transportation Fixed Rate Revenue Refunding Bonds to effectuate the current or advance refunding of all or a portion of the following bonds, which bonds were issued to provide funds for highway project previously undertaken the by the Commission: (1) all of the 2002C Highway Infrastructure Fund Revenue Bonds in the current outstanding amount of \$5,930,000; (2) all of the 2002D Senior Subordinate Lien Tax Revenue Highway Bonds in the current outstanding amount of \$1,575,000; (3) a portion of the 2004A Revenue Bonds totaling \$167,695,000 currently outstanding in the aggregate amount of \$248,310,000; and (4) a portion of the 2006A Revenue Bonds totaling \$66,040,000 currently outstanding in the aggregate amount of \$149,760,000. The pricing of the bonds occurred on December 5, 2012 and resulted in a net present value savings of \$32.9 million. The borrowing with a final maturity of 2026 priced at an all in cost of borrowing of 1.83%. Annual savings to the Department is \$2 to \$3 million in 2013 through 2015 and \$22 million in 2016. In addition, maximum annual debt service in 2024 has been reduced by \$2.8 million with the refunding. Strong results were supported by an upgrade to AAA from S&P. The series, maturities and amounts of the Refunding Bonds will be identified at a later date and were issued as Senior Lien Obligations.

24. INSURANCE COVERAGE

The Department obtains coverage through Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of the Department are covered by blanket fidelity bond up to \$5,000,000 with a \$1,000 deductible per occurrence by the State of New Mexico for the period July 1, 2011, through June 30, 2012.

SUPPLEMENTARY INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

DEPARTMENT OF TRANSPORTATION				
agency wide including enterprise fund excluding multi-year funds				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 403,549,000	\$ 523,250,024	\$ 479,562,632	\$ (43,687,392)
Other state funds	414,573,400	422,955,258	418,443,425	(4,511,833)
Transfers outside the agency	-	-	(5,119,424)	(5,119,424)
Interest revenue	-	-	3,964,199	3,964,199
Total Revenues:	818,122,400	946,205,282	896,850,832	\$ (49,354,450)
Prior Year Funds Rebudgeted	289,319,395	298,325,185		
	<u>\$ 1,107,441,795</u>	<u>\$ 1,244,530,467</u>		
Reconciliations to GAAP Revenues:				
Tranfers outside the Agency			6,496,000	
Total GAAP Revenues			<u>\$ 903,346,832</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure:				
Personal services/employee benefits	\$ 26,380,600	\$ 26,380,600	\$ 22,471,836	\$ 3,908,764
Contractual services	552,441,504	678,260,381	16,666,843	661,593,538
Other	228,076,939	234,846,934	105,576,193	129,270,741
Intra-agency transfers (in) out	-	-	377,372	(377,372)
Reversions	-	-	11,137	(11,137)
	806,899,043	939,487,915	145,103,381	794,384,534
Transportation and Highway Ops:				
Personal services/employee benefits	94,282,600	94,282,600	83,250,645	11,031,955
Contractual services	43,847,329	48,410,329	42,528,558	5,881,771
Other	111,789,323	111,789,323	533,371,157	(421,581,834)
	249,919,252	254,482,252	659,150,360	(404,668,108)
Program Support:				
Personal services/employee benefits	24,696,600	24,696,600	22,095,873	2,600,727
Contractual services	4,628,100	4,628,100	3,101,887	1,526,213
Other	14,389,600	14,389,600	15,795,192	(1,405,592)
Intra-agency transfers (in) out	6,909,200	6,846,000	(377,372)	7,223,372
	50,623,500	50,560,300	40,615,580	9,944,720
Total Annual Budgeted Expenditures	<u>\$ 1,107,441,795</u>	<u>\$ 1,244,530,467</u>	<u>844,869,321</u>	<u>\$ 399,661,146</u>
Reconciliation to GAAP expenditures:				
Accruals			9,282,863	
Transfers in (out)			23	
Amortization and reversions			(11,161)	
Total GAAP Expenditures			<u>\$ 854,141,046</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

		STATE ROAD FUND(S) (SHARE 10040, 10140, 20100, 82000)			
		Budgeted Amounts		Actual	Variance
		Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:					
Federal funds	\$	370,231,700	\$ 463,031,700	\$ 405,584,655	\$ (57,447,045)
Other state funds		374,965,800	378,347,658	380,089,333	1,741,675
Transfers outside the agency		-	-	(6,796,000)	(6,796,000)
Interest revenue		-	-	108,827	108,827
Total Revenues:		<u>745,197,500</u>	<u>841,379,358</u>	<u>778,986,815</u>	<u>\$ (62,392,543)</u>
Prior Year Funds Rebudgeted		<u>247,839,878</u>	<u>262,845,668</u>		
	\$	<u>993,037,378</u>	<u>\$ 1,104,225,026</u>		
Reconciliations to GAAP Revenues:					
Tranfers outside the Agency				6,796,000	
Total GAAP Revenues				<u>\$ 785,782,815</u>	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$	24,606,700	\$ 24,606,700	\$ 21,108,065	\$ 3,498,635
Contractual services		544,860,031	648,547,879	15,178,120	633,369,759
Other		160,827,913	163,827,913	633,494	163,194,419
Intra-agency transfers (in) out		-	-	61,425	(61,425)
Reversions		-	-	11,137	(11,137)
		<u>730,294,644</u>	<u>836,982,492</u>	<u>36,992,241</u>	<u>799,990,251</u>
Transportation and Highway Ops:					
Personal services/employee benefits		94,282,600	94,282,600	83,250,645	11,031,955
Contractual services		43,847,329	48,410,329	42,528,558	5,881,771
Other		74,065,305	74,065,305	513,605,191	(439,539,886)
		<u>212,195,234</u>	<u>216,758,234</u>	<u>639,384,394</u>	<u>(422,626,160)</u>
Program Support					
Personal services/employee benefits		24,620,600	24,620,600	22,095,873	2,524,727
Contractual services		4,628,100	4,628,100	3,101,887	1,526,213
Other		14,389,600	14,389,600	9,775,984	4,613,616
Intra-agency transfers (in) out		6,909,200	6,846,000	-	6,846,000
		<u>50,547,500</u>	<u>50,484,300</u>	<u>34,973,744</u>	<u>15,510,556</u>
Total Annual Budgeted Expenditures	\$	<u>993,037,378</u>	<u>\$ 1,104,225,026</u>	<u>711,350,379</u>	<u>\$ 392,874,647</u>
Reconciliation to GAAP expenditures:					
Accruals				8,231,398	
Transfers in (out)				(61,425)	
Amortization and reversions				(11,137)	
Total GAAP Expenditures				<u>\$ 719,509,215</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

DEPARTMENTAL SERVICES-INVENTORIES FUND (SHARE 10040)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	19	19
Interest revenue	-	-	-	-
Total Revenues:	-	-	19	\$ 19
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 19	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	450,893	(450,893)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	450,893	(450,893)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	450,893	\$ (450,893)
Reconciliation to GAAP expenditures:				
Accruals			42,061	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 492,954	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

1998A BOND FUND US 70 FUND (SHARE 10140)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ -	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	11,066	(11,066)
	-	-	11,066	(11,066)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	11,066	\$ (11,066)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			(11,066)	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	STATE ROAD FUND (SHARE 20100)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 370,231,700	\$ 463,031,700	\$ 405,584,655	\$ (57,447,045)
Other state funds	374,965,800	378,347,658	380,089,314	1,741,656
Transfers outside the agency	-	-	(6,796,000)	(6,796,000)
Interest revenue	-	-	108,827	108,827
Total Revenues:	<u>745,197,500</u>	<u>841,379,358</u>	<u>778,986,796</u>	<u>\$ (62,392,562)</u>
Prior Year Funds Rebudgeted	<u>247,839,878</u>	<u>262,845,668</u>		
	<u>\$ 993,037,378</u>	<u>\$ 1,104,225,026</u>		
Reconciliations to GAAP Revenues:				
Tranfers outside the Agency			6,796,000	
Total GAAP Revenues			<u>\$ 785,782,796</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 24,606,700	\$ 24,606,700	\$ 21,108,065	\$ 3,498,635
Contractual services	544,860,031	648,547,879	15,178,120	633,369,759
Other	160,827,913	163,827,913	182,601	163,645,312
Intra-agency transfers (in) out	-	-	61,425	(61,425)
	<u>730,294,644</u>	<u>836,982,492</u>	<u>36,530,211</u>	<u>800,452,281</u>
Transportation and Highway Ops:				
Personal services/employee benefits	94,282,600	94,282,600	83,250,645	11,031,955
Contractual services	43,847,329	48,410,329	42,528,558	5,881,771
Other	74,065,305	74,065,305	513,605,191	(439,539,886)
	<u>212,195,234</u>	<u>216,758,234</u>	<u>639,384,394</u>	<u>(422,626,160)</u>
Program Support				
Personal services/employee benefits	24,620,600	24,620,600	22,095,873	2,524,727
Contractual services	4,628,100	4,628,100	3,101,887	1,526,213
Other	14,389,600	14,389,600	9,775,984	4,613,616
Intra-agency transfers (in) out	6,909,200	6,846,000	-	6,846,000
	<u>50,547,500</u>	<u>50,484,300</u>	<u>34,973,744</u>	<u>15,510,556</u>
Total Annual Budgeted Expenditures	<u>\$ 993,037,378</u>	<u>\$ 1,104,225,026</u>	<u>710,888,349</u>	<u>\$ 393,336,677</u>
Reconciliation to GAAP expenditures:				
Accruals			8,189,337	
Transfers in (out)			(61,425)	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 719,016,261</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

RUBBERIZED ASPHALT FUND (SHARE 82000)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ -	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	71	(71)
	-	-	71	(71)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	71	\$ (71)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			(71)	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	NON MAJOR GOVERNMENTAL FUNDS			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 33,317,300	\$ 60,218,324	\$ 73,977,977	\$ 13,759,653
Other state funds	39,607,600	44,607,600	38,351,436	(6,256,164)
Transfers outside the agency	-	-	1,676,576	1,676,576
Interest revenue	-	-	3,849,125	3,849,125
Total Revenues:	<u>72,924,900</u>	<u>104,825,924</u>	<u>117,855,114</u>	<u>\$ 13,029,190</u>
Prior Year Funds Rebudgeted	<u>41,479,517</u>	<u>35,479,517</u>		
	<u>\$ 114,404,417</u>	<u>\$ 140,305,441</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			(300,000)	
Total GAAP Revenues			<u>\$ 117,555,114</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 1,773,900	\$ 1,773,900	\$ 1,363,772	\$ 410,128
Contractual services	7,581,473	29,712,502	1,261,382	28,451,120
Other	67,249,026	71,019,021	109,167,725	(38,148,704)
Intra-agency transfers (in) out	-	-	315,947	(315,947)
Reversions	-	-	-	-
	<u>76,604,399</u>	<u>102,505,423</u>	<u>112,108,826</u>	<u>(9,603,403)</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	37,724,018	37,724,018	19,765,965	17,958,053
Reversions	-	-	-	-
	<u>37,724,018</u>	<u>37,724,018</u>	<u>19,765,965</u>	<u>17,958,053</u>
Program Support				
Personal services/employee benefits	76,000	76,000	-	76,000
Contractual services	-	-	-	-
Other	-	-	6,019,208	(6,019,208)
Intra-agency transfers (in) out	-	-	(377,372)	377,372
	<u>76,000</u>	<u>76,000</u>	<u>5,641,836</u>	<u>(5,565,836)</u>
Total Annual Budgeted Expenditures	<u>\$ 114,404,417</u>	<u>\$ 140,305,441</u>	<u>137,516,627</u>	<u>\$ 2,788,814</u>
Reconciliation to GAAP expenditures:				
Accruals			339,769	
Transfers in (out)			61,448	
Amortization and reversions			(24)	
Total GAAP Expenditures			<u>\$ 137,917,820</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

For the Year Ended June 30, 2012	TRAFFIC SAFETY FUND(S) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 15,742,400	\$ 15,873,429	\$ 12,031,664	\$ (3,841,765)
Other state funds	4,210,000	4,210,000	2,466,198	(1,743,802)
Transfers outside the agency	-	-	1,676,576	1,676,576
Interest revenue	-	-	2,495	2,495
Total Revenues:	19,952,400	20,083,429	16,176,933	(3,906,496)
Prior Year Funds Rebudgeted	8,978,685	8,978,685		
	\$ 28,931,085	\$ 29,062,114		
Reconciliations to GAAP Revenues:				
Tranfers outside the Agency			(300,000)	
Total GAAP Revenues			\$ 15,876,933	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 924,000	\$ 924,000	\$ 651,733	\$ 272,267
Contractual services	-	131,029	84,428	46,601
Other	27,931,085	27,931,085	13,442,992	14,488,093
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	28,855,085	28,986,114	14,179,153	14,806,961
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	76,000	76,000	-	76,000
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	76,000	76,000	-	76,000
Total Annual Budgeted Expenditures	\$ 28,931,085	\$ 29,062,114	14,179,153	\$ 14,882,961
Reconciliation to GAAP expenditures:				
Accruals			(864,335)	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 13,314,818	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

FEDERAL TRAFFIC SAFETY FUND (SHARE 10010)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 15,742,400	\$ 15,873,429	\$ 12,031,664	\$ (3,841,765)
Other state funds	-	-	43,565	43,565
Interest revenue	-	-	-	-
Total Revenues:	15,742,400	15,873,429	12,075,229	\$ (3,798,200)
Prior Year Funds Rebudgeted	5,845,590	5,845,590		
	<u>\$ 21,587,990</u>	<u>\$ 21,719,019</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 12,075,229</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 785,100	\$ 785,100	\$ 554,386	\$ 230,714
Contractual services	-	131,029	98,479	32,550
Other	20,726,890	20,726,890	10,949,357	9,777,533
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>21,511,990</u>	<u>21,643,019</u>	<u>11,602,222</u>	<u>10,040,797</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	76,000	76,000	-	76,000
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>76,000</u>	<u>76,000</u>	<u>-</u>	<u>76,000</u>
Total Annual Budgeted Expenditures	<u>\$ 21,587,990</u>	<u>\$ 21,719,019</u>	<u>11,602,222</u>	<u>\$ 10,116,797</u>
Reconciliation to GAAP expenditures:				
Accruals			(1,293,519)	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 10,308,703</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

DRIVER IMPROVEMENT FUND (SHARE 10020)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	315,000	315,000	342,952	27,952
Interest revenue	-	-	-	-
Total Revenues:	315,000	315,000	342,952	\$ 27,952
Prior Year Funds Rebudgeted	58,174	58,174		
	<u>\$ 373,174</u>	<u>\$ 373,174</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 342,952</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	373,174	373,174	228,636	144,538
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>373,174</u>	<u>373,174</u>	<u>228,636</u>	<u>144,538</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 373,174</u>	<u>\$ 373,174</u>	<u>228,636</u>	<u>\$ 144,538</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 228,636</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

MOTORCYCLE TRAINING FUND (SHARE 20600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	139,000	139,000	138,068	(932)
Interest revenue	-	-	179	179
Total Revenues:	139,000	139,000	138,247	\$ (753)
Prior Year Funds Rebudgeted	118,189	118,189		
	<u>\$ 257,189</u>	<u>\$ 257,189</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 138,247</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	257,189	257,189	183,683	73,506
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>257,189</u>	<u>257,189</u>	<u>183,683</u>	<u>73,506</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 257,189</u>	<u>\$ 257,189</u>	<u>183,683</u>	<u>\$ 73,506</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 183,683</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

DWI PREVENTION AND EDUCATION FUND (SHARE 20700)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	740,000	740,000	532,307	(207,693)
Interest revenue	-	-	-	-
Total Revenues:	740,000	740,000	532,307	\$ (207,693)
Prior Year Funds Rebudgeted	1,553,528	1,553,528		
	<u>\$ 2,293,528</u>	<u>\$ 2,293,528</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 532,307</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 80,900	\$ 80,900	\$ 43,311	\$ 37,589
Contractual services	-	-	-	-
Other	2,212,628	2,212,628	548,037	1,664,591
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>2,293,528</u>	<u>2,293,528</u>	<u>591,348</u>	<u>1,702,180</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 2,293,528</u>	<u>\$ 2,293,528</u>	<u>591,348</u>	<u>\$ 1,702,180</u>
Reconciliation to GAAP expenditures:				
Accruals			81,410	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 672,758</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

TRAFFIC SAFETY FUND (SHARE 20800)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,766,000	1,766,000	1,400,808	(365,192)
Interest revenue	-	-	2,316	2,316
Total Revenues:	1,766,000	1,766,000	1,403,124	\$ (362,876)
Prior Year Funds Rebudgeted	1,403,204	1,403,204		
	<u>\$ 3,169,204</u>	<u>\$ 3,169,204</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 1,403,124</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	3,169,204	3,169,204	1,292,333	1,876,871
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>3,169,204</u>	<u>3,169,204</u>	<u>1,292,333</u>	<u>1,876,871</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 3,169,204</u>	<u>\$ 3,169,204</u>	<u>1,292,333</u>	<u>\$ 1,876,871</u>
Reconciliation to GAAP expenditures:				
Accruals			357,650	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 1,649,983</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	IGNITION INTERLOCK FUND (SHARE 82600)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,250,000	1,250,000	1,385,074	135,074
Transfers outside the agency	-	-	300,000	300,000
Total Revenues:	1,250,000	1,250,000	1,685,074	\$ 435,074
Prior Year Funds Rebudgeted	-	-		
	\$ 1,250,000	\$ 1,250,000		
Reconciliations to GAAP Revenues:				
Tranfers outside the Agency			(300,000)	
Total GAAP Revenues			\$ 1,385,074	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 58,000	\$ 58,000	\$ 54,037	\$ 3,963
Contractual services	-	-	(14,051)	14,051
Other	1,192,000	1,192,000	240,945	951,055
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	1,250,000	1,250,000	280,931	969,069
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ 1,250,000	\$ 1,250,000	280,931	\$ 969,069
Reconciliation to GAAP expenditures:				
Accruals			(9,876)	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 271,055	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

FEDERAL PLANNING AND DEVELOPMENT FUND (SHARE 10030)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 17,574,900	\$ 21,274,197	\$ 18,660,602	\$ (2,613,595)
Other state funds	-	-	54,744	54,744
Interest revenue	-	-	-	-
Total Revenues:	17,574,900	21,274,197	18,715,346	\$ (2,558,851)
Prior Year Funds Rebudgeted	8,494,936	8,494,936		
	<u>\$ 26,069,836</u>	<u>\$ 29,769,133</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 18,715,346</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 456,500	\$ 456,500	\$ 417,101	\$ 39,399
Contractual services	-	-	-	-
Other	25,613,336	29,312,633	18,183,048	11,129,585
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>26,069,836</u>	<u>29,769,133</u>	<u>18,600,149</u>	<u>11,168,984</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 26,069,836</u>	<u>\$ 29,769,133</u>	<u>18,600,149</u>	<u>\$ 11,168,984</u>
Reconciliation to GAAP expenditures:				
Accruals			240,262	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 18,840,411</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	HIF BOND FUND (SHARE 20200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	5,691,600	5,691,600	7,562,267	1,870,667
Interest revenue	-	-	16,300	16,300
Total Revenues:	5,691,600	5,691,600	7,578,567	\$ 1,886,967
Prior Year Funds Rebudgeted	-	-		
	\$ 5,691,600	\$ 5,691,600		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 7,578,567	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	1,000,000	1,000,000	-	1,000,000
Other	4,691,600	4,691,600	4,403,946	287,654
Intra-agency transfers (in) out	-	-	296,180	(296,180)
Reversions	-	-	-	-
	5,691,600	5,691,600	4,700,126	991,474
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ 5,691,600	\$ 5,691,600	4,700,126	\$ 991,474
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			(296,180)	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 4,403,946	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

LOCAL GOVERNMENT ROAD FUND (SHARE 20300)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	22,105,000	22,105,000	21,269,876	(835,124)
Interest revenue	-	-	29,944	29,944
Total Revenues:	22,105,000	22,105,000	21,299,820	\$ (805,180)
Prior Year Funds Rebudgeted	15,619,018	15,619,018		
	<u>\$ 37,724,018</u>	<u>\$ 37,724,018</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 21,299,820</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	37,724,018	37,724,018	19,049,560	18,674,458
	<u>37,724,018</u>	<u>37,724,018</u>	<u>19,049,560</u>	<u>18,674,458</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 37,724,018</u>	<u>\$ 37,724,018</u>	<u>19,049,560</u>	<u>\$ 18,674,458</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 19,049,560</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	STATE AVIATION FUND (SHARE 20500)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ 138,581	\$ 138,581
Other state funds	6,130,000	11,130,000	6,998,352	(4,131,648)
Interest revenue	-	-	20,259	20,259
Total Revenues:	6,130,000	11,130,000	7,157,192	\$ (3,972,808)
Prior Year Funds Rebudgeted	4,661,326	(338,674)		
	<u>\$ 10,791,326</u>	<u>\$ 10,791,326</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 7,157,192</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 393,400	\$ 393,400	\$ 294,937	\$ 98,463
Contractual services	1,384,921	1,384,921	331,800	1,053,121
Other	9,013,005	9,013,005	2,370,775	6,642,230
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>10,791,326</u>	<u>10,791,326</u>	<u>2,997,512</u>	<u>7,793,814</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	716,406	(716,406)
	<u>-</u>	<u>-</u>	<u>716,406</u>	<u>(716,406)</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 10,791,326</u>	<u>\$ 10,791,326</u>	<u>3,713,918</u>	<u>\$ 7,077,408</u>
Reconciliation to GAAP expenditures:				
Accruals			118,688	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 3,832,606</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	1993 BOND PROJECT FUND (SHARE 39400)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	2,380	2,380
Total Revenues:	-	-	2,380	\$ 2,380
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 2,380	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

1999A CHAT BOND PROJECT FUND (SHARE 43000)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	3,161	3,161
Total Revenues:	-	-	3,161	\$ 3,161
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 3,161	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

WIPP BOND PROJECT FUND (SHARE 43100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ 23,000,000	\$ 11,545,850	\$ (11,454,150)
Other state funds	-	-	-	-
Interest revenue	-	-	27,564	27,564
Total Revenues:	-	23,000,000	11,573,414	\$ (11,426,586)
Prior Year Funds Rebudgeted	2,536,552	1,536,552		
	<u>\$ 2,536,552</u>	<u>\$ 24,536,552</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 11,573,414</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	2,536,552	24,536,552	-	24,536,552
Other	-	-	11,545,850	(11,545,850)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>2,536,552</u>	<u>24,536,552</u>	<u>11,545,850</u>	<u>12,990,702</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 2,536,552</u>	<u>\$ 24,536,552</u>	<u>11,545,850</u>	<u>\$ 12,990,702</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 11,545,850</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2001A CHAT BOND PROJECT FUND (SHARE 00600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	7,042	7,042
Total Revenues:	-	-	7,042	\$ 7,042
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 7,042	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2002C HIF BOND PROJECT FUND (SHARE 36100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,946	1,946
Total Revenues:	-	-	1,946	\$ 1,946
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 1,946	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2002D CHAT BOND PROJECT FUND (SHARE 11500)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	951	951
Total Revenues:	-	-	951	\$ 951
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 951	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2004A GRIP BOND PROJECT FUND (SHARE 20400)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	445		445
Total Revenues:	-	-	445	\$	445
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 445		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	6,684,035		(6,684,035)
Intra-agency transfers (in) out	-	-	38		(38)
Reversions	-	-	-		-
	-	-	6,684,073		(6,684,073)
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	6,684,073	\$	(6,684,073)
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			(38)		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 6,684,035		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2006A GRIP BOND PROJECT FUND (SHARE 10210)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	(64)	(64)
Total Revenues:	-	-	(64)	\$ (64)
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ (64)	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	11,909,548	(11,909,548)
Intra-agency transfers (in) out	-	-	1,527,069	(1,527,069)
Reversions	-	-	-	-
	-	-	13,436,617	(13,436,617)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	13,436,617	\$ (13,436,617)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			(1,527,069)	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 11,909,548	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2006B GRIP BOND PROJECT FUND (SHARE 10230)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	9	9
Total Revenues:	-	-	9	\$ 9
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 9	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	73,303	(73,303)
Intra-agency transfers (in) out	-	-	(83,686)	83,686
Reversions	-	-	-	-
	-	-	(10,383)	10,383
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	(10,383)	\$ 10,383
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			83,686	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 73,303	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2006C GRIP BOND PROJECT FUND (SHARE 10250)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,790	1,790
Total Revenues:	-	-	1,790	\$ 1,790
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 1,790	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	12,550,528	(12,550,528)
Intra-agency transfers (in) out	-	-	(1,443,315)	1,443,315
Reversions	-	-	-	-
	-	-	11,107,213	(11,107,213)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	68	(68)
	-	-	68	(68)
Total Annual Budgeted Expenditures	\$ -	\$ -	11,107,281	\$ (11,107,281)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			1,443,247	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 12,550,528	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2006D GRIP BOND PROJECT FUND (SHARE 10270)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	22,523	22,523
Total Revenues:	-	-	22,523	\$ 22,523
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 22,523	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	1,284	(1,284)
Intra-agency transfers (in) out	-	-	19,661	(19,661)
Reversions	-	-	-	-
	-	-	20,945	(20,945)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	20,945	\$ (20,945)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			(19,661)	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 1,284	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	ARRA PROJECT FUND (SHARE 89000)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ 70,698	\$ 31,601,280	\$ 31,530,582
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues:	-	70,698	31,601,280	\$ 31,530,582
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ 70,698		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 31,601,280	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	845,154	(845,154)
Other	-	70,698	28,002,416	(27,931,718)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	70,698	28,847,570	(28,776,872)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ 70,698	28,847,570	\$ (28,776,872)
Reconciliation to GAAP expenditures:				
Accruals			845,154	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 29,692,724	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

1998A WIPP BOND DEBT SERVICE (SHARE 97200)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	30	30
Total Revenues:	-	-	30	\$ 30
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 30	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

1998A CHAT BOND DEBT SERVICE (SHARE 54800)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	215		215
Total Revenues:	-	-	215	\$	215
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 215		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

1999 CHAT BOND DEBT SERVICE (SHARE 43400)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	428		428
Total Revenues:	-	-	428	\$	428
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 428		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2000 CHAT BOND DEBT SERVICE (SHARE 43200)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	354		354
Total Revenues:	-	-	354	\$	354
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 354		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2001A CHAT BOND DEBT SERVICE (SHARE 00700)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	417		417
Total Revenues:	-	-	417	\$	417
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 417		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2002A CHAT BOND DEBT SERVICE (SHARE 54700)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	153	153
Total Revenues:	-	-	153	\$ 153
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 153	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2002B WIPP BOND DEBT SERVICE (SHARE 75000)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	195	195
Total Revenues:	-	-	195	\$ 195
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 195	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2002C HIF BOND DEBT SERVICE (SHARE 36300)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	117	117
Total Revenues:	-	-	117	\$ 117
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 117	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	296,180	(296,180)
Intra-agency transfers (in) out	-	-	(296,180)	296,180
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			296,180	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 296,180	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2002D CHAT BOND DEBT SERVICE (SHARE 18700)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	27	27
Total Revenues:	-	-	27	\$ 27
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 27	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	61,425	(61,425)
Intra-agency transfers (in) out	-	-	(61,425)	61,425
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			61,425	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 61,425	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2004A GRIP BOND DEBT SERVICE (SHARE 10080)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	399	399
Total Revenues:	-	-	399	\$ 399
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 399	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	(38)	38
	-	-	(38)	38
Total Annual Budgeted Expenditures	\$ -	\$ -	(38)	\$ 38
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			38	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2004B GRIP BOND DEBT SERVICE (SHARE 10090)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	2,230,715	2,230,715
Total Revenues:	-	-	2,230,715	\$ 2,230,715
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 2,230,715	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	2,198,371	(2,198,371)
Intra-agency transfers (in) out	-	-	2,228,766	(2,228,766)
	-	-	4,427,137	(4,427,137)
Total Annual Budgeted Expenditures	\$ -	\$ -	4,427,137	\$ (4,427,137)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			(2,228,766)	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 2,198,371	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2006A GRIP BOND DEBT SERVICE (SHARE 10220)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	213	213
Total Revenues:	-	-	213	\$ 213
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 213	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	(68)	68
	-	-	(68)	68
Total Annual Budgeted Expenditures	\$ -	\$ -	(68)	\$ 68
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			68	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2006B GRIP BOND DEBT SERVICE (SHARE 10240)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	76	76
Total Revenues:	-	-	76	\$ 76
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 76	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	(68)	68
	-	-	(68)	68
Total Annual Budgeted Expenditures	\$ -	\$ -	(68)	\$ 68
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			68	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2008A GRIP BOND DEBT SERVICE (SHARE 10410)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	189,956	189,956
Total Revenues:	-	-	189,956	\$ 189,956
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 189,956	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	388,453	(388,453)
Intra-agency transfers (in) out	-	-	(1,283,773)	1,283,773
	-	-	(895,320)	895,320
Total Annual Budgeted Expenditures	\$ -	\$ -	(895,320)	\$ 895,320
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			1,283,773	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 388,453	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2008B GRIP BOND DEBT SERVICE (SHARE 10420)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,077,659	1,077,659
Total Revenues:	-	-	1,077,659	\$ 1,077,659
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 1,077,659	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	2,048,675	(2,048,675)
Intra-agency transfers (in) out	-	-	(17)	17
	-	-	2,048,658	(2,048,658)
Total Annual Budgeted Expenditures	\$ -	\$ -	2,048,658	\$ (2,048,658)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			17	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 2,048,675	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2008C GRIP BOND DEBT SERVICE (SHARE 10430)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	139,661	139,661
Total Revenues:	-	-	139,661	\$ 139,661
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 139,661	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	1,024,594	(1,024,594)
Intra-agency transfers (in) out	-	-	(944,999)	944,999
	-	-	79,595	(79,595)
Total Annual Budgeted Expenditures	\$ -	\$ -	79,595	\$ (79,595)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			944,999	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 1,024,594	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2008D GRIP BOND DEBT SERVICE (SHARE 10440)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	301		301
Total Revenues:	-	-	301	\$	301
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 301		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	(19,661)		19,661
	-	-	(19,661)		19,661
Total Annual Budgeted Expenditures	\$ -	\$ -	(19,661)	\$	19,661
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			19,661		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	2009A BOND DEBT SERVICE (SHARE 11130)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,342	1,342
Total Revenues:	-	-	1,342	\$ 1,342
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 1,342	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	2010A BOND DEBT SERVICE (SHARE 11140)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	360	360
Total Revenues:	-	-	360	\$ 360
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 360	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	24	(24)
	-	-	24	(24)
Total Annual Budgeted Expenditures	\$ -	\$ -	24	\$ (24)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			(24)	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

2010B GRIP BOND DEBT SERVICE FUND (SHARE 20450)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,122	1,122
Total Revenues:	-	-	1,122	\$ 1,122
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 1,122	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	1,511	(1,511)
Intra-agency transfers (in) out	-	-	-	-
	-	-	1,511	(1,511)
Total Annual Budgeted Expenditures	\$ -	\$ -	1,511	\$ (1,511)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 1,511	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

STATE INFRASTRUCTURE BANK (SHARE 89300)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,471,000	1,471,000	-	(1,471,000)
Interest revenue	-	-	68,642	68,642
Total Revenues:	1,471,000	1,471,000	68,642	\$ (1,402,358)
Prior Year Funds Rebudgeted	1,189,000	1,189,000		
	<u>\$ 2,660,000</u>	<u>\$ 2,660,000</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 68,642</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	2,660,000	2,660,000	-	2,660,000
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>2,660,000</u>	<u>2,660,000</u>	<u>-</u>	<u>2,660,000</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 2,660,000</u>	<u>\$ 2,660,000</u>	<u>-</u>	<u>\$ 2,660,000</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ -</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

CAPITAL PROJECTS FUND (SHARE 10050)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ -	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	665,587	(665,587)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	665,587	(665,587)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	665,587	\$ (665,587)
Reconciliation to GAAP expenditures:				
Accruals			103,699	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 769,286	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	STB APPROPRIATIONS FUND (SHARE 10060)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	276,747	276,747
Transfers outside the agency	-	-	40,445,766	40,445,766
Total Revenues:	-	-	40,722,513	\$ 40,722,513
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			(40,445,766)	
Total GAAP Revenues			\$ 276,747	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	575,092	(575,092)
Other	-	-	40,900,011	(40,900,011)
Reversions	-	-	1,050,854	(1,050,854)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	42,525,957	\$ (42,525,957)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			(1,050,854)	
Total GAAP Expenditures			\$ 41,475,103	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

	GENERAL FUND APPROPRIATIONS FUND (SHARE 10070)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	180,242	180,242
Interest revenue	-	-	-	-
Total Revenues:	-	-	180,242	\$ 180,242
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 180,242	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	448,930	(448,930)
Reversions	-	-	28,109	(28,109)
	-	-	477,039	(477,039)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	477,039	\$ (477,039)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			(28,109)	
Total GAAP Expenditures			\$ 448,930	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

STB CAPITAL OUTLAY FUND (SHARE 89200)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Transfers outside the agency	-	-	5,376,965	5,376,965
Total Revenues:	-	-	5,376,965	\$ 5,376,965
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			(5,376,965)	
Total GAAP Revenues			\$ -	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	7,421,791	(7,421,791)
Reversions	-	-	-	-
	-	-	7,421,791	(7,421,791)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	7,421,791	\$ (7,421,791)
Reconciliation to GAAP expenditures:				
Accruals			(2,044,826)	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 5,376,965	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2012

GF CAPITAL OUTLAY FUND (SHARE 93100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Transfers outside the agency	-	-	-	-
Total Revenues:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ -	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-State Road Fund(s)

As of June 30, 2012

	Departmental Services- Inventories (SHARE 10040)	1998A Bond Fund US 70 Fund (SHARE 10140)	State Road Fund (SHARE 20100)	Rubberized Asphalt Fund (SHARE 82000)	State Road Fund(s) (SHARE 10040, 10140, 20100, 82000)
Assets:					
Cash:					
Unrestricted	\$ -	\$ -	\$ 2,600	\$ -	\$ 2,600
Restricted	-	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)					
Unrestricted	-	-	-	-	-
Restricted	-	-	155,182,493	71	155,182,564
Managed by NMFA	-	11,066	65,032	-	76,098
Receivables:					
Taxes receivable, net	-	-	57,115,473	-	57,115,473
Accounts receivable, net	-	-	3,058,519	-	3,058,519
Interest receivable	-	-	195,582	-	195,582
Notes and loans receivable	-	-	6,397	-	6,397
Other receivables	-	-	99,731	-	99,731
Due from:					
U.S. Department of Transportation	-	-	42,576,769	-	42,576,769
Other funds	656,942	-	7,174,604	-	7,831,546
Other state agencies	-	-	21,443	-	21,443
Inventories	13,260,425	-	-	-	13,260,425
Prepaid expenses - other	-	-	3,387	-	3,387
Prepaid expenses - risk management	-	-	-	-	-
Prepaid expense - NM44 warranty	-	-	26,504,186	-	26,504,186
Property held for resale	-	-	9,029,214	-	9,029,214
Total Assets	<u>\$ 13,917,367</u>	<u>\$ 11,066</u>	<u>\$ 301,035,430</u>	<u>\$ 71</u>	<u>\$ 314,963,934</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 316,430	\$ -	\$ 65,267,828	\$ -	\$ 65,584,258
Due to other funds	169,364	11,066	1,143,418	71	1,323,919
Due to other agencies	10,830,639	-	-	-	10,830,639
Due to state general fund	-	-	16,456	-	16,456
Deferred revenue	-	-	3,708,135	-	3,708,135
Other accrued expenses	-	-	3,962,872	-	3,962,872
Other liabilities	587,222	-	(85,212)	-	502,010
Short-term notes payable (taxable line of credit)	-	-	-	-	-
Total Liabilities	<u>11,903,655</u>	<u>11,066</u>	<u>74,013,497</u>	<u>71</u>	<u>85,928,289</u>
Non-spendable	2,013,712	-	35,536,787	-	37,550,499
Restricted	-	-	-	-	-
Committed	-	-	191,485,146	-	191,485,146
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>2,013,712</u>	<u>-</u>	<u>227,021,933</u>	<u>-</u>	<u>229,035,645</u>
Total Liabilities and Fund Balances	<u>\$ 13,917,367</u>	<u>\$ 11,066</u>	<u>\$ 301,035,430</u>	<u>\$ 71</u>	<u>\$ 314,963,934</u>

See Report of Independent Auditors

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-State Road Fund(s)

For the Year Ended June 30, 2012

	Departmental Services- Inventories (SHARE 10040)	1998A Bond Fund US 70 Fund (SHARE 10140)	State Road Fund (SHARE 20100)	Rubberized Asphalt Fund (SHARE 82000)	State Road Fund(s) (SHARE 10040, 10140, 20100, 82000)
Revenues:					
User and fuel taxes	\$ -	\$ -	\$ 360,092,177	\$ -	\$ 360,092,177
U.S. Department of Transportation	-	-	405,584,655	-	405,584,655
U.S. Department of Energy	-	-	-	-	-
Fees and fines	-	-	-	-	-
Licenses and permits	-	-	5,667,260	-	5,667,260
Charges for services	-	-	2,374,255	-	2,374,255
DWI interlock device	-	-	-	-	-
Other revenue	19	-	11,955,622	-	11,955,641
Interest earnings	-	-	108,827	-	108,827
Total Revenues	19	-	785,782,796	-	785,782,815
Expenditures:					
Current:					
Operating costs	-	-	11,299,066	-	11,299,066
Personal services	-	-	86,308,690	-	86,308,690
Out-of-state travel	-	-	27,695	-	27,695
Grants and services	-	-	2,637,304	-	2,637,304
Travel	-	-	18,630,369	-	18,630,369
Maintenance and repairs	-	-	8,079,247	-	8,079,247
Supplies	-	-	34,298,708	-	34,298,708
Contractual services	-	-	60,808,565	-	60,808,565
Other costs	492,954	-	5,214,502	-	5,707,456
Employee benefits	-	-	40,145,892	-	40,145,892
Capital outlay	-	-	310,104,658	-	310,104,658
Debt service:					
Principal	-	-	64,265,035	-	64,265,035
Interest	-	-	77,196,530	-	77,196,530
Trustee and broker fees	-	-	-	-	-
Debt issuance costs	-	-	-	-	-
Total Expenditures	492,954	-	719,016,261	-	719,509,215
Excess (Deficiency) of Revenues Over (Under) Expenditures	(492,935)	-	66,766,535	-	66,273,600
Other Financing Sources (Uses):					
Appropriations, net of reversions	-	(11,066)	-	(71)	(11,137)
Transfers: severance	-	-	-	-	-
tax bond appropriation	-	-	-	-	-
Transfers from (to) other agencies	-	-	(6,796,000)	-	(6,796,000)
Transfers from (to) escrow agent	-	-	-	-	-
Transfers: intra-agency	-	-	(61,424)	-	(61,424)
Proceeds from LT notes payable	-	-	-	-	-
Face value of debentures payable	-	-	-	-	-
Premiums of debentures payable	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(11,066)	(6,857,424)	(71)	(6,868,561)
Net Changes in Fund Balances	(492,935)	(11,066)	59,909,111	(71)	59,405,039
Fund Balance, June 30, 2011	2,506,647	11,066	167,112,822	71	169,630,606
Fund Balance, June 30, 2012	\$ 2,013,712	\$ -	\$ 227,021,933	\$ -	\$ 229,035,645

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-Traffic Safety Fund(s)

As of June 30, 2012

	Federal Traffic Safety Fund (SHARE 10010)	Driver Improvement Fund (SHARE 10020)	Motorcycle Training Fund (SHARE 20600)	DWI Prevention and Education Fund (SHARE 20700)	Traffic Safety Fund (SHARE 20800)	Ignition Interlock Fund (SHARE 82600)
Assets:						
Cash:						
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)						
Unrestricted	-	-	-	-	-	-
Restricted	2,809,094	574,967	109,877	1,820,271	1,525,328	2,733,099
Managed by NMFA	-	-	-	-	-	-
Receivables:						
Taxes receivable, net	-	-	15,777	41,145	117,380	85,698
Accounts receivable, net	-	700	-	-	-	-
Interest receivable	-	-	-	-	-	-
Notes and loans receivable	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from:						
U.S. Department of Transportation	4,963,858	-	-	-	-	-
Other funds	7,548	300	-	-	-	-
Other state agencies	-	-	31	-	320	-
Inventories	-	-	-	-	-	-
Prepaid expenses - other	-	-	-	-	-	-
Prepaid expenses - risk management	-	-	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-
Total Assets	\$ 7,780,500	\$ 575,967	\$ 125,685	\$ 1,861,416	\$ 1,643,028	\$ 2,818,797
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ 2,137,808	\$ 37,291	\$ 52,463	\$ 114,340	\$ 649,668	\$ 28,265
Due to other funds	1,683	700	-	-	-	-
Due to other agencies	-	-	-	-	-	-
Due to state general fund	-	-	-	-	-	-
Deferred revenue	2,121,126	-	-	-	-	-
Other accrued expenses	17,761	-	-	-	-	2,193
Other liabilities	-	-	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-	-	-
Total Liabilities	4,278,378	37,991	52,463	114,340	649,668	30,458
Fund Balances:						
Non-spendable	-	-	-	-	-	-
Restricted	3,502,122	-	73,222	1,747,076	993,360	2,788,339
Committed	-	537,976	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total Fund Balances	3,502,122	537,976	73,222	1,747,076	993,360	2,788,339
Total Liabilities and Fund Balances	\$ 7,780,500	\$ 575,967	\$ 125,685	\$ 1,861,416	\$ 1,643,028	\$ 2,818,797

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-Traffic Safety Fund(s)

**Traffic Safety
Fund(s)
(SHARE 10010,
10020, 20600, 20700,
20800, 82600)**

\$	-
	-
	-
	9,572,636
	-
	260,000
	700
	-
	-
	-
	4,963,858
	7,848
	351
	-
	-
	-
	-
	-
\$	14,805,393

\$	3,019,835
	2,383
	-
	-
	2,121,126
	19,954
	-
	-
	-
	5,163,298

	-
	9,104,119
	537,976
	-
	-
	9,642,095

\$	14,805,393
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Traffic Safety Fund(s)

For the Year Ended June 30, 2012

	Federal Traffic Safety Fund (SHARE 10010)	Driver Improvement Fund (SHARE 10020)	Motorcycle Training Fund (SHARE 20600)	DWI Prevention and Education Fund (SHARE 20700)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	12,031,664	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	342,952	138,068	529,791
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	43,565	-	-	2,516
Interest earnings	-	-	179	-
Total Revenues	12,075,229	342,952	138,247	532,307
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	415,022	-	-	32,135
Out-of-state travel	2,856	-	-	-
Grants and services	9,652,929	228,636	183,683	629,447
Travel	53	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	98,479	-	-	-
Other costs	-	-	-	-
Employee benefits	139,364	-	-	11,176
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	10,308,703	228,636	183,683	672,758
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,766,526	114,316	(45,436)	(140,451)
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance				
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	-	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Changes in Fund Balances	1,766,526	114,316	(45,436)	(140,451)
Fund Balance, June 30, 2011	1,735,596	423,660	118,658	1,887,527
Fund Balance, June 30, 2012	\$ 3,502,122	\$ 537,976	\$ 73,222	\$ 1,747,076

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Traffic Safety Fund(s)

Traffic Safety Fund (SHARE 20800)	Ignition Interlock (SHARE 82600)	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
\$ -	\$ -	\$ -
-	-	12,031,664
-	-	-
-	-	-
1,400,808	-	2,411,619
-	-	-
-	1,376,576	1,376,576
-	8,498	54,579
2,316	-	2,495
<u>1,403,124</u>	<u>1,385,074</u>	<u>15,876,933</u>
-	-	-
-	33,473	480,630
-	-	2,856
1,649,983	231,069	12,575,747
-	-	53
-	-	-
-	-	-
-	(14,051)	84,428
-	-	-
-	20,564	171,104
-	-	-
-	-	-
-	-	-
-	-	-
<u>1,649,983</u>	<u>271,055</u>	<u>13,314,818</u>
<u>(246,859)</u>	<u>1,114,019</u>	<u>2,562,115</u>
-	-	-
-	-	-
-	300,000	300,000
-	-	-
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>300,000</u>	<u>300,000</u>
<u>(246,859)</u>	<u>1,414,019</u>	<u>2,862,115</u>
<u>1,240,219</u>	<u>1,374,320</u>	<u>6,779,980</u>
<u>\$ 993,360</u>	<u>\$ 2,788,339</u>	<u>\$ 9,642,095</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2012

	Traffic Safety Fund(s) (SHARE 10010, 10020,20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Bond Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	9,572,636	-	11,929,462	20,926,848
Managed by NMFA	-	-	-	-
Receivables:				
Taxes receivable, net	260,000	-	1,216,162	3,378,478
Accounts receivable, net	700	-	-	-
Interest receivable	-	-	-	-
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	4,963,858	2,343,001	-	-
Other funds	7,848	6,211	-	-
Other state agencies	351	-	2,572	4,237
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 14,805,393	\$ 2,349,212	\$ 13,148,196	\$ 24,309,563
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 3,019,835	\$ 1,112,849	\$ -	\$ 2,128,435
Due to other funds	2,383	114,353	34,586	-
Due to other agencies	-	1,973,178	-	-
Due to state general fund	-	-	-	-
Deferred revenue	2,121,126	248,377	-	-
Other accrued expenses	19,954	18,321	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	5,163,298	3,467,078	34,586	2,128,435
Non-spendable	-	-	-	-
Restricted	9,104,119	-	13,113,610	-
Committed	537,976	-	-	22,181,128
Assigned	-	-	-	-
Unassigned (deficit)	-	(1,117,866)	-	-
Total Fund Balances (deficit)	9,642,095	(1,117,866)	13,113,610	22,181,128
Total Liabilities and Fund Balances	\$ 14,805,393	\$ 2,349,212	\$ 13,148,196	\$ 24,309,563

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

State Aviation Fund (SHARE 20500)	1993 Bond Project Fund (SHARE 39400)	1999A CHAT Bond Project Fund (SHARE 43000)	WIPP Bond Project Fund (SHARE 43100)	2001A CHAT Bond Project Fund (SHARE 00600)	2002C HIF Bond Project Fund (SHARE 36100)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
14,939,709	1,596,353	2,120,048	14,815,874	4,723,273	1,305,441
-	-	-	-	-	-
524,091	-	-	-	-	-
300	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,047	328	435	3,234	970	268
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 15,467,147</u>	<u>\$ 1,596,681</u>	<u>\$ 2,120,483</u>	<u>\$ 14,819,108</u>	<u>\$ 4,724,243</u>	<u>\$ 1,305,709</u>
\$ 183,804	\$ -	\$ -	\$ 1,749,440	\$ -	\$ -
16,368	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	15,753,071	-	-
14,420	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
214,592	-	-	17,502,511	-	-
-	-	-	-	-	-
-	1,596,681	2,120,483	-	4,724,243	1,305,709
15,252,555	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(2,683,403)	-	-
<u>15,252,555</u>	<u>1,596,681</u>	<u>2,120,483</u>	<u>(2,683,403)</u>	<u>4,724,243</u>	<u>1,305,709</u>
<u>\$ 15,467,147</u>	<u>\$ 1,596,681</u>	<u>\$ 2,120,483</u>	<u>\$ 14,819,108</u>	<u>\$ 4,724,243</u>	<u>\$ 1,305,709</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2012

	2002D CHAT Bond Project Fund (SHARE 11500)	2004A GRIP Bond Project Fund (SHARE 20400)	2006A GRIP Bond Project Fund (SHARE 10210)	2006B GRIP Bond Project Fund SHARE (10230)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	637,756	647,758	362,806	49,671
Managed by NMFA	-	108,988	162,234	10,382
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	-
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	434,454	-
Other state agencies	131	-	-	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 637,887	\$ 756,746	\$ 959,494	\$ 60,053
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 1,248,445	\$ 572,285	\$ -
Due to other funds	-	-	-	-
Due to other agencies	-	-	-	-
Due to state general fund	-	-	-	-
Deferred revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	-	1,248,445	572,285	-
Non-spendable	-	-	-	-
Restricted	637,887	-	387,209	60,053
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	(491,699)	-	-
Total Fund Balances (deficit)	637,887	(491,699)	387,209	60,053
Total Liabilities and Fund Balances	\$ 637,887	\$ 756,746	\$ 959,494	\$ 60,053

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2006C GRIP Bond Project Fund (SHARE 10250)	2006D GRIP Bond Project Fund (SHARE 10270)	ARRA Project Fund (SHARE 89000)	Total Special Revenue Funds	General Fund Appropriations (SHARE 10070)	Capital Projects Fund (SHARE 10050)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
179,095	50,004,491	-	83,627,635 50,465,190	851,475	8,935,291
-	-	-	5,378,731	-	-
-	-	-	1,000	-	-
-	2,500	-	2,500	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,798,319	11,105,178	-	-
-	-	-	448,513	37,963	-
-	-	-	15,573	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 179,095	\$ 50,006,991	\$ 3,798,319	\$ 151,044,320	\$ 889,438	\$ 8,935,291
\$ -	\$ -	\$ 2,357,317	\$ 12,372,410	\$ 401,649	\$ 128,563
-	-	276,212	443,902	70,403	-
-	-	2,421,186	4,394,364	-	-
-	-	-	-	28,109	-
-	-	191,814	18,314,388	-	-
-	-	-	52,695	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	5,246,529	35,577,759	500,161	128,563
-	-	-	-	-	-
179,095	50,006,991	-	83,236,080	-	-
-	-	-	37,971,659	389,277	8,806,728
-	-	-	-	-	-
-	-	(1,448,210)	(5,741,178)	-	-
179,095	50,006,991	(1,448,210)	115,466,561	389,277	8,806,728
\$ 179,095	\$ 50,006,991	\$ 3,798,319	\$ 151,044,320	\$ 889,438	\$ 8,935,291

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2012

	STB Appropriations Fund (SHARE 10060)	STB Capital Outlay Fund (SHARE 89200)	GF Capital Outlay Fund (SHARE 93100)	Total Capital Projects Funds
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	-	-	424,259	10,211,025
Managed by NMFA	-	-	-	-
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	-
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	37,963
Other state agencies	4,535,276	29,316	-	4,564,592
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 4,535,276	\$ 29,316	\$ 424,259	\$ 14,813,580
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 3,818,563	\$ -	\$ -	\$ 4,348,775
Due to other funds	-	-	-	70,403
Due to other agencies	5,430,484	29,316	-	5,459,800
Due to state general fund	-	-	-	28,109
Deferred revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	9,249,047	29,316	-	9,907,087
Non-spendable	-	-	-	-
Restricted	-	-	424,259	424,259
Committed	-	-	-	9,196,005
Assigned	-	-	-	-
Unassigned (deficit)	(4,713,771)	-	-	(4,713,771)
Total Fund Balances (deficit)	(4,713,771)	-	424,259	4,906,493
Total Liabilities and Fund Balances	\$ 4,535,276	\$ 29,316	\$ 424,259	\$ 14,813,580

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

1998A WIPP Bond Debt Service Fund (SHARE 97200)	1998A CHAT Bond Debt Service Fund (SHARE 54800)	1999 CHAT Bond Debt Service Fund (SHARE 43400)	2000 CHAT Bond Debt Service Fund (SHARE 43200)	2001A CHAT Bond Debt Service Fund (SHARE 00700)	2002A CHAT Bond Debt Service Fund (SHARE 54700)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
14,525	141,739	266,496	204,303	234,030	83,662
5	2	18	29	40	17
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
199,253	86,180	750,144	1,184,452	1,651,520	690,434
2	30	55	41	49	16
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 213,785</u>	<u>\$ 227,951</u>	<u>\$ 1,016,713</u>	<u>\$ 1,388,825</u>	<u>\$ 1,885,639</u>	<u>\$ 774,129</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
213,785	227,951	1,016,713	1,388,825	1,885,639	774,129
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>213,785</u>	<u>227,951</u>	<u>1,016,713</u>	<u>1,388,825</u>	<u>1,885,639</u>	<u>774,129</u>
<u>\$ 213,785</u>	<u>\$ 227,951</u>	<u>\$ 1,016,713</u>	<u>\$ 1,388,825</u>	<u>\$ 1,885,639</u>	<u>\$ 774,129</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2012

	2002B WIPP Bond Debt Service Fund (SHARE 75000)	2002C HIF Bond Debt Service Fund (SHARE 36300)	2002D CHAT Bond Debt Service Fund (SHARE 18700)	2004A GRIP Bond Debt Service Fund (SHARE 10080)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	111,037	62,296	12,823	-
Managed by NMFA	17	50	19,867	509,821
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	33
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	702,644	-	-	-
Other state agencies	23	23	3	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 813,721	\$ 62,369	\$ 32,693	\$ 509,854
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other agencies	-	-	-	-
Due to state general fund	-	-	-	-
Deferred revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	-	-	-	-
Non-spendable	-	-	-	-
Restricted	813,721	62,369	32,693	509,854
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total Fund Balances (deficit)	813,721	62,369	32,693	509,854
Total Liabilities and Fund Balances	\$ 813,721	\$ 62,369	\$ 32,693	\$ 509,854

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2004B GRIP Bond Debt Service Fund (SHARE 10090)	2006A GRIP Bond Debt Service Fund (SHARE 10220)	2006B GRIP Bond Debt Service Fund (SHARE 10240)	2008A GRIP Bond Debt Service Fund (SHARE 10410)	2008C GRIP Bond Debt Service Fund (SHARE 10430)	2008D GRIP Bond Debt Service Fund (SHARE 10440)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
43,925,329	33,844	639,761	9,800,912	5,289,361	3,189,044
-	-	-	-	-	-
144	18	10	40	8	34
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 43,925,473</u>	<u>\$ 33,862</u>	<u>\$ 639,771</u>	<u>\$ 9,800,952</u>	<u>\$ 5,289,369</u>	<u>\$ 3,189,078</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	635,093	1,370,943	1,009,166	2,319,928
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,459,187	4,018,569	-
-	-	635,093	6,830,130	5,027,735	2,319,928
-	-	-	-	-	-
43,925,473	33,862	4,678	2,970,822	261,634	869,150
-	-	-	-	-	-
-	-	-	-	-	-
<u>43,925,473</u>	<u>33,862</u>	<u>4,678</u>	<u>2,970,822</u>	<u>261,634</u>	<u>869,150</u>
<u>\$ 43,925,473</u>	<u>\$ 33,862</u>	<u>\$ 639,771</u>	<u>\$ 9,800,952</u>	<u>\$ 5,289,369</u>	<u>\$ 3,189,078</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2012

	2009A Bond Debt Service Fund (SHARE 11130)	2010A Bond Debt Service Fund (SHARE 11140)	2010B Bond Debt Service Fund (SHARE 20450)	Total Debt Service Funds
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	-	-	-	1,130,911
Managed by NMFA	47,582	44,238	203,934	63,703,871
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	98	17	90	492
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	5,264,627
Other state agencies	-	-	-	242
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 47,680	\$ 44,255	\$ 204,024	\$ 70,100,143
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	5,335,130
Due to other agencies	-	-	-	-
Due to state general fund	-	-	-	-
Deferred revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	9,477,756
Total Liabilities	-	-	-	14,812,886
Non-spendable	-	-	-	-
Restricted	47,680	44,255	204,024	55,287,257
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total Fund Balances (deficit)	47,680	44,255	204,024	55,287,257
Total Liabilities and Fund Balances	\$ 47,680	\$ 44,255	\$ 204,024	\$ 70,100,143

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2012

	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ 5,731,450	\$ 13,686,979
U.S. Department of Transportation	12,031,664	18,660,602	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	2,411,619	-	1,830,817	7,582,897
Charges for services	-	-	-	-
DWI interlock device	1,376,576	-	-	-
Other revenue	54,579	54,744	-	-
Interest earnings	2,495	-	16,300	29,944
Total Revenues	15,876,933	18,715,346	7,578,567	21,299,820
Expenditures:				
Current:				
Operating costs	-	4	-	-
Personal services	480,630	321,192	-	-
Out-of-state travel	2,856	1,835	-	-
Grants and services	12,575,747	18,421,096	-	19,049,560
Travel	53	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	84,428	-	-	-
Other costs	-	374	-	-
Employee benefits	171,104	95,910	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	2,383,211	-
Interest	-	-	2,020,735	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	13,314,818	18,840,411	4,403,946	19,049,560
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,562,115	(125,065)	3,174,621	2,250,260
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	300,000	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	(296,180)	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	300,000	-	(296,180)	-
Net Changes in Fund Balances	2,862,115	(125,065)	2,878,441	2,250,260
Fund Balance (deficit), June 30, 2011	6,779,980	(992,801)	10,235,169	19,930,868
Fund Balance (deficit), June 30, 2012	\$ 9,642,095	\$ (1,117,866)	\$ 13,113,610	\$ 22,181,128

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

State Aviation Fund (SHARE 20500)	1993 Bond Project Fund (SHARE 39400)	1999A CHAT Project Fund (SHARE 43000)	WIPP Bond Project Fund (SHARE 43100)	2001A CHAT Project Fund (SHARE 00600)	2002C HIF Project Fund (SHARE 36100)
\$ 6,927,811	\$ -	\$ -	\$ -	\$ -	\$ -
138,581	-	-	-	-	-
-	-	-	11,545,850	-	-
67,160	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,381	-	-	-	-	-
20,259	2,380	3,161	27,564	7,042	1,946
7,157,192	2,380	3,161	11,573,414	7,042	1,946
38,216	-	-	-	-	-
214,637	-	-	-	-	-
1,463	-	-	-	-	-
3,132,157	-	-	-	-	-
4,396	-	-	-	-	-
21,409	-	-	-	-	-
5,822	-	-	-	-	-
331,800	-	-	-	-	-
2,406	-	-	-	-	-
80,300	-	-	-	-	-
-	-	-	11,545,850	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,832,606	-	-	11,545,850	-	-
3,324,586	2,380	3,161	27,564	7,042	1,946
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,324,586	2,380	3,161	27,564	7,042	1,946
11,927,969	1,594,301	2,117,322	(2,710,967)	4,717,201	1,303,763
\$ 15,252,555	\$ 1,596,681	\$ 2,120,483	\$ (2,683,403)	\$ 4,724,243	\$ 1,305,709

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2012

	2002D CHAT Project Fund (SHARE 11500)	2004A GRIP Project Fund (SHARE 20400)	2006A GRIP Project Fund (SHARE 10210)	2006B GRIP Project Fund SHARE (10230)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	951	445	(64)	9
Total Revenues	<u>951</u>	<u>445</u>	<u>(64)</u>	<u>9</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	710,753	73,303
Employee benefits	-	-	-	-
Capital outlay	-	6,684,035	11,198,795	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>6,684,035</u>	<u>11,909,548</u>	<u>73,303</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>951</u>	<u>(6,683,590)</u>	<u>(11,909,612)</u>	<u>(73,294)</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance				
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	(38)	(1,527,069)	83,686
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(38)</u>	<u>(1,527,069)</u>	<u>83,686</u>
Net Changes in Fund Balances	<u>951</u>	<u>(6,683,628)</u>	<u>(13,436,681)</u>	<u>10,392</u>
Fund Balance (deficit), June 30, 2011	<u>636,936</u>	<u>6,191,929</u>	<u>13,823,890</u>	<u>49,661</u>
Fund Balance (deficit), June 30, 2012	<u>\$ 637,887</u>	<u>\$ (491,699)</u>	<u>\$ 387,209</u>	<u>\$ 60,053</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

2006C GRIP Project Fund (SHARE 10250)	2006D GRIP Project Fund (SHARE 10270)	ARRA Project Fund (SHARE 89000)	Total Special Revenue Funds	General Fund Appropriations (SHARE 10070)	Capital Projects Fund (SHARE 10050)
\$ -	\$ -	\$ -	\$ 26,346,240	\$ -	\$ -
-	-	31,601,280	62,432,127	-	-
-	-	-	11,545,850	-	-
-	-	-	67,160	-	-
-	-	-	11,825,333	-	-
-	-	-	-	-	-
-	-	-	1,376,576	-	-
-	-	-	112,704	180,242	-
1,790	22,523	-	136,745	-	-
1,790	22,523	31,601,280	113,842,735	180,242	-
-	-	-	38,220	-	-
-	-	-	1,016,459	-	-
-	-	-	6,154	-	-
-	-	1,226,400	54,404,960	-	-
-	-	-	4,449	-	-
-	-	-	21,409	-	-
-	-	-	5,822	-	-
-	-	845,154	1,261,382	-	-
1,264,223	1,284	-	2,052,343	-	-
-	-	-	347,314	-	-
11,286,305	-	27,621,170	68,336,155	448,930	769,286
-	-	-	2,383,211	-	-
-	-	-	2,020,735	-	-
-	-	-	-	-	-
-	-	-	-	-	-
12,550,528	1,284	29,692,724	131,898,613	448,930	769,286
(12,548,738)	21,239	1,908,556	(18,055,878)	(268,688)	(769,286)
-	-	-	-	(28,109)	-
-	-	-	-	-	-
-	-	-	300,000	-	-
-	-	-	-	-	-
1,443,247	(19,661)	-	(316,015)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,443,247	(19,661)	-	(16,015)	(28,109)	-
(11,105,491)	1,578	1,908,556	(18,071,893)	(296,797)	(769,286)
11,284,586	50,005,413	(3,356,766)	133,538,454	686,074	9,576,014
\$ 179,095	\$ 50,006,991	\$ (1,448,210)	\$ 115,466,561	\$ 389,277	\$ 8,806,728

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2012

	STB Capital Improvements Projects (SHARE 10060)	STB Capital Outlay (SHARE 89200)	GF Capital Outlay (SHARE 93100)	Total Capital Projects Funds
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	276,747	-	-	456,989
Interest earnings	-	-	-	-
Total Revenues	276,747	-	-	456,989
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	575,092	-	-	575,092
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	40,900,011	5,376,965	-	47,495,192
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	41,475,103	5,376,965	-	48,070,284
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,198,356)	(5,376,965)	-	(47,613,295)
Other Financing Sources (Uses):				
Appropriations, net of reversions	(1,050,854)	-	-	(1,078,963)
Transfers: severance				
tax bond appropriation	40,445,766	5,376,965	-	45,822,731
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	-	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	39,394,912	5,376,965	-	44,743,768
Net Changes in Fund Balances	(1,803,444)	-	-	(2,869,527)
Fund Balance (deficit), June 30, 2011	(2,910,327)	-	424,259	7,776,020
Fund Balance (deficit), June 30, 2012	\$ (4,713,771)	\$ -	\$ 424,259	\$ 4,906,493

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

1998A WIPP Debt Service (SHARE 97200)	1998A CHAT Debt Service (SHARE 54800)	1999 CHAT Debt Service (SHARE 43400)	2000 CHAT Debt Service (SHARE 43200)	2001A CHAT Debt Service (SHARE 00700)	2002A CHAT Debt Service (SHARE 54700)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
30	215	428	354	417	153
30	215	428	354	417	153
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
30	215	428	354	417	153
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
30	215	428	354	417	153
213,755	227,736	1,016,285	1,388,471	1,885,222	773,976
\$ 213,785	\$ 227,951	\$ 1,016,713	\$ 1,388,825	\$ 1,885,639	\$ 774,129

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2012

	2002B WIPP Debt Service (SHARE 75000)	2002C HIF Debt Service (SHARE 36300)	2002D CHAT Debt Service (SHARE 18700)	2004A GRIP Debt Service (SHARE 10080)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	195	117	27	399
Total Revenues	<u>195</u>	<u>117</u>	<u>27</u>	<u>399</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	296,180	61,425	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>296,180</u>	<u>61,425</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>195</u>	<u>(296,063)</u>	<u>(61,398)</u>	<u>399</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance				
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	296,180	61,425	38
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>296,180</u>	<u>61,425</u>	<u>38</u>
Net Changes in Fund Balances	<u>195</u>	<u>117</u>	<u>27</u>	<u>437</u>
Fund Balance (deficit), June 30, 2011	<u>813,526</u>	<u>62,252</u>	<u>32,666</u>	<u>509,417</u>
Fund Balance (deficit), June 30, 2012	<u>\$ 813,721</u>	<u>\$ 62,369</u>	<u>\$ 32,693</u>	<u>\$ 509,854</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

2004B GRIP Debt Service (SHARE 10090)	2006A GRIP Debt Service (SHARE 10220)	2006B GRIP Debt Service (SHARE 10240)	2008A GRIP Debt Service (SHARE 10410)	2008C GRIP Debt Service (SHARE 10430)	2008D GRIP Debt Service (SHARE 10440)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,230,715	213	76	189,956	139,661	301
2,230,715	213	76	189,956	139,661	301
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	291,626	182,937	-
-	-	-	-	-	-
-	-	-	-	-	-
1,931,754	-	-	-	-	-
266,617	-	-	96,827	841,657	-
-	-	-	-	-	-
-	-	-	-	-	-
2,198,371	-	-	388,453	1,024,594	-
32,344	213	76	(198,497)	(884,933)	301
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(2,228,766)	68	68	1,283,773	944,999	19,661
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(2,228,766)	68	68	1,283,773	944,999	19,661
(2,196,422)	281	144	1,085,276	60,066	19,962
46,121,895	33,581	4,534	1,885,546	201,568	849,188
\$ 43,925,473	\$ 33,862	\$ 4,678	\$ 2,970,822	\$ 261,634	\$ 869,150

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2012

	2009A Bond Debt Service Fund (SHARE 11130)	2010A Bond Debt Service (SHARE 11140)	2010B Bond Debt Service Fund (SHARE 20450)	Total Debt Service Funds
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	1,342	360	1,122	2,566,081
Total Revenues	1,342	360	1,122	2,566,081
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	1,511	476,074
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	1,931,754
Interest	-	-	-	1,562,706
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	-	-	1,511	3,970,534
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,342	360	(389)	(1,404,453)
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	(24)	-	377,422
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	-	(24)	-	377,422
Net Changes in Fund Balances	1,342	336	(389)	(1,027,031)
Fund Balance (deficit), June 30, 2011	46,338	43,919	204,413	56,314,288
Fund Balance (deficit), June 30, 2012	\$ 47,680	\$ 44,255	\$ 204,024	\$ 55,287,257

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NEW MEXICO DEPARTMENT OF TRANSPORTATION

Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -

Non Major Funds

Total Government Funds	
	<hr/>
\$	26,346,240
	62,432,127
	11,545,850
	67,160
	11,825,333
	-
	1,376,576
	569,693
	2,702,826
	<hr/>
	116,865,805
	<hr/>
	38,220
	1,016,459
	6,154
	54,404,960
	4,449
	21,409
	5,822
	1,836,474
	2,528,417
	347,314
	115,831,347
	4,314,965
	3,583,441
	-
	-
	<hr/>
	183,939,431
	<hr/>
	(67,073,626)
	<hr/>
	(1,078,963)
	45,822,731
	300,000
	-
	61,407
	-
	-
	-
	<hr/>
	45,105,175
	<hr/>
	(21,968,451)
	<hr/>
	197,628,762
	<hr/>
\$	175,660,311
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

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OTHER SUPPLEMENTAL INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

As of June 30, 2012

	Budgeted Amounts		Current Year Expenditures
	Original	Final	
Expenditures for 2007 multi-year projects			
Capital outlay	\$ 2,750,000	\$ 2,750,000	\$ -
Expenditures for 2008 multi-year projects			
Capital outlay	6,017,426	6,017,426	-
Expenditures for 2009 multi-year projects			
Capital outlay	1,450,000	1,450,000	769,286
Expenditures for 2010 multi-year projects			
Capital outlay	350,000	350,000	-
Expenditures for 2011 multi-year projects			
Capital outlay	350,000	350,000	-
Expenditures for 2012 multi-year projects			
Capital outlay	350,000	350,000	-
Total Expenditures	\$ 11,267,426	\$ 11,267,426	\$ 769,286

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

Life-to-Date Outstanding Encumbrances			Total Actual	Prior Year Actual	Total Expenditures	Variance From Final Budget (Over) Under		
\$	92,730	\$	92,730	\$	2,657,270	\$	2,750,000	\$ -
	-		-		6,017,426		600,000	5,417,426
	368,896		1,138,182		1,081,104		769,286	680,714
	-		-		350,000		-	350,000
	266,059		266,059		83,941		-	350,000
	-		-		350,000		-	350,000
\$	727,685	\$	1,496,971	\$	10,539,741	\$	4,119,286	\$ 7,148,140

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

As of June 30, 2012

Chapter	Laws	Bonds Appropriated	Bonds Sold	Amounts AIPP	Funds Reauthorized
3	2007	\$ 53,110,992	\$ 53,110,992	\$ -	\$ -
42	2007	26,345,000	26,345,000	-	-
111	2007	-	-	-	35,000
341	2007	-	-	-	175,000
9	2008	150,000,000	150,000,000	-	-
83	2008	-	-	-	50,000
92	2008	19,778,000	19,778,000	(9,600)	(1,732,771)
111	2008	-	-	-	265,000
5	2009	1,500,000	1,500,000	-	-
7	2009	6,032,628	6,032,628	-	-
9	2009	-	-	-	-
128	2009	-	-	-	1,029,418
105	2010	-	-	-	8,635,000
183	2011	-	-	-	490,000
63	2012	-	-	-	188,941
		<u>\$ 256,766,620</u>	<u>\$ 256,766,620</u>	<u>\$ (9,600)</u>	<u>\$ 9,135,588</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

Funds Reverted	Bond Balance After Reauthorization	Funds Received	Expended To Date	Balance Available	Due from Board of Finance
\$ -	\$ 53,110,992	\$ 50,163,455	\$ 50,269,902	\$ 2,007,513	\$ 940,024
(3,670,193)	22,674,807	22,674,807	22,674,807	-	-
-	35,000	35,000	35,000	-	-
-	175,000	175,000	175,000	-	-
-	150,000,000	134,927,560	136,066,122	12,280,372	2,792,068
-	50,000	50,000	50,000	-	-
(978,319)	17,057,311	16,341,150	17,026,607	40,202	675,959
(169,780)	95,220	95,220	95,220	-	-
-	1,500,000	-	-	1,500,000	-
(588,696)	5,443,932	4,238,120	4,238,121	1,078,587	127,225
-	-	-	-	-	-
(679,918)	349,500	349,500	349,500	-	-
-	8,635,000	8,495,247	8,495,247	110,438	29,316
-	490,000	-	-	490,000	-
-	188,941	-	-	188,941	-
\$ (6,086,906)	\$ 259,805,703	\$ 237,545,059	\$ 239,475,526	\$ 17,696,053	\$ 4,564,592

Balance Available	\$ 17,696,053
Due from Board of Finance	4,564,592
Total (Note 4)	\$ 22,260,645

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

As of June 30, 2012

	Appropriation Amount	Expenditures Inception to June 30, 2012
Special Revenue Funds		
Laws of 2008, Chapter 92	\$ 8,051,673	\$ 7,324,413
Laws of 2011, Chapter 183	-	78,681
Laws of 2012, Chapter 63	-	-
	<u>8,051,673</u>	<u>7,403,094</u>
Capital Projects Funds		
Laws of 2007, Chapter 42	2,750,000	2,657,270
Laws of 2008, Chapter 92	6,017,426	600,000
Laws of 2009, Chapter 125	1,450,000	769,286
Laws of 2010 Special Session, Chapter 4	350,000	-
Laws of 2011, Chapter 5	350,000	-
Laws of 2012	350,000	-
	<u>11,267,426</u>	<u>4,026,556</u>
Total all Fund Types	<u><u>\$ 19,319,099</u></u>	<u><u>\$ 11,429,650</u></u>

* Note: State House and Senate Memorials are directions on how appropriated monies should be spent. They are not laws.

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Special Revenue Funds

Under the Laws of Special Session 2007, Chapter 3, the Department was appropriated \$35,000,000 for GRIP 1 and New Mexico Spaceport projects. Any unexpended or unencumbered balance remaining at the end of the 2011 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2008, Chapters 2 and 92, the Department was appropriated \$42,577,900 and \$8,051,673, respectively, for highway maintenance and certain infrastructure projects and improvements, respectively. Any unexpended or unencumbered balance remaining at the end of the 2012 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2011, Chapters 183 the Department was appropriated \$502,940.04 respectively, for highway maintenance and certain infrastructure projects and improvements, respectively. Any unexpended or unencumbered balance remaining at the end of the 2012 fiscal year will revert to the State General Fund. The appropriation period is for 2 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, Chapters 64 the Department was appropriated \$131,886.63 respectively, for highway maintenance and certain infrastructure projects and improvements, respectively. Any unexpended or unencumbered balance remaining at the end of the 2012 fiscal year will revert to the State General Fund. The appropriation period is for 2 years unless re-authorized or extended by enabling legislation.

Capital Projects Funds

Under the Laws of 2007, Chapter 42, the Department was appropriated \$2,750,000 from the State Road Fund for various capital projects. Any unexpended or unencumbered balance remaining at the end of the 2011 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2008, Chapter 92, the Department was appropriated \$6,017,426 from the State Road Fund for construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2012 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2009, Chapter 125, the Department was appropriated \$1,450,000 from the State Road Fund for D3 hilltop building roof replacement. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2010 Special Session, Chapter 4, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2011 Special Session, Chapter 5, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, Chapter 64, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

As of June 30, 2012

	Fund Number	Bank Balance	Book Balance	Book Total
Cash				
State Road Fund	Petty Cash 20100	\$ 2,600	\$ 2,600	
Total Cash				<u>\$ 2,600</u>
(Restricted)				
2001A CHAT Bond Project Fund	00600	4,723,273	\$ 4,723,273	
2001A CHAT Bond Debt Service Fund	00700	234,030	234,030	
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	9,572,636	9,572,636	
State Road Fund(s)	10040, 10140, 20100, 82000	155,182,564	155,182,564	
Capital Projects Fund	10050	8,935,291	8,935,291	
General Fund Appropriations	10070	851,475	851,475	
2006A GRIP Bond Project Fund	10210	362,806	362,806	
2006B GRIP Bond Project Fund	10230	49,671	49,671	
2010A Bond Project Fund	10450	14,945,051	14,945,051	
2002D CHAT Bond Project Fund	11500	637,756	637,756	
2002D CHAT Bond Debt Service Fund	18700	12,823	12,823	
HIF Bond Fund	20200	11,929,462	11,929,462	
Local Government Road Fund	20300	20,926,848	20,926,848	
2004A GRIP Bond Project Fund	20400	647,758	647,758	
State Aviation Fund	20500	14,939,709	14,939,709	
2002C HIF Bond Project Fund	36100	1,305,442	1,305,442	
2002C HIF Bond Debt Service Fund	36300	62,296	62,296	
1993 Bond Project Fund	39400	1,596,354	1,596,354	
1999A CHAT Bond Project Fund	43000	2,120,048	2,120,048	
WIPP Bond Project Fund	43100	14,815,874	14,815,874	
2000 CHAT Bond Debt Service Fund	43200	204,303	204,303	
1999 CHAT Bond Debt Service Fund	43400	266,496	266,496	
2002A CHAT Bond Debt Service Fund	54700	83,662	83,662	
1998A CHAT Bond Debt Service Fund	54800	141,739	141,739	
2002B WIPP Bond Debt Service Fund	75000	111,037	111,037	
State Infrastructure Bank	89300	20,199,312	20,199,312	
GF Capital Outlay	93100	424,259	424,259	
1998A WIPP Bond Debt Service Fund	97200	14,525	14,525	
Total Restricted				<u>\$ 285,296,500</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

	SHARE Account Number	Bank Balance	Book Balance	Book Total
Managed by NMFA:				
Wells Fargo, trustee account				
1998A Bond Fund US 70	10140	\$ 11,066	\$ 11,066	
State Road Fund	20100	65,032	<u>65,032</u>	76,098
Bank of Albuquerque, trustee account				
2006D GRIP Bond Project Fund	10270	50,004,491	<u>50,004,491</u>	50,004,491
Bank of New York, trustee account				
2004A GRIP Bond Debt Service Fund	10080	509,821	509,821	
2004B GRIP Bond Debt Service Fund	10090	43,925,329	43,925,329	
2006A GRIP Bond Project Fund	10210	162,234	162,234	
2006A GRIP Bond Debt Service Fund	10220	33,844	33,844	
2006B GRIP Bond Project Fund	10230	10,382	10,382	
2006B GRIP Bond Debt Service Fund	10240	639,761	639,761	
2006C GRIP Bond Project Fund	10250	179,095	179,095	
2008A GRIP Bond Debt Service Fund	10410	9,800,912	9,800,912	
2008B GRIP Bond Debt Service Fund	10420	32,335,088	32,335,088	
2008C GRIP Bond Debt Service Fund	10430	5,289,361	5,289,361	
2008D GRIP Bond Debt Service Fund	10440	3,189,044	3,189,044	
2010A Bond Project Fund	10450	55,087,524	55,087,524	
2009A Bond Debt Service Fund	11130	47,582	47,582	
2010A/LOC Bond Debt Service Fund	11140	44,238	44,238	
2004A GRIP Bond Project Fund	20400	108,988	108,988	
2010B GRIP Bond Debt Service Fund	20450	203,934	<u>203,934</u>	151,567,137
NMFA				
2001A CHAT Bond Debt Service Fund	700	40	40	
2002D CHAT Bond Debt Service Fund	18700	19,867	19,867	
2002C HIF Bond Debt Service Fund	36300	50	50	
2000 CHAT Bond Debt Service Fund	43200	29	29	
1999 CHAT Bond Debt Service Fund	43400	18	18	
2002A CHAT Bond Debt Service Fund	54700	17	17	
1998A CHAT Bond Debt Service Fund	54800	2	2	
2002B WIPP Bond Debt Service Fund	75000	17	17	
1998A WIPP Bond Debt Service Fund	97200	5	<u>5</u>	20,045
Total Managed by NMFA				<u><u>\$ 201,667,771</u></u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Pledged State Revenues

As of June 30, 2012

Pledged State Revenues

Pledged User & Fuel Taxes

Gasoline Excise	\$ 104,984,457
Motor Vehicle Registrations	75,626,299
Special Fuel	92,413,998
Vehicle Transaction	4,786,391
Drivers License	3,768,476
Trip (Mileage) Tax	5,689,392
Tire recycling fees	1,830,817
Weight/Distance Tax	77,606,555
Total pledged user & fuel taxes	<u>366,706,385</u>

Other Pledged Revenue

Road fund interest income	108,827
HIF interest income	16,300
Leased Vehicles gross receipts tax	5,731,450
PRC fees	880,869
Total other pledged revenue	<u>6,737,446</u>

Total Pledged State Revenues	<u><u>\$ 373,443,831</u></u>
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2012

	2002C-HIF	2002D-CHAT	2004A-GRIP	2004B-GRIP
	(SHARE 36300)	(SHARE 18700)	(SHARE 10080)	(SHARE 10090)
Gasoline Excise Taxes	\$ 8,075,958	\$ 8,075,958	\$ 8,075,958	\$ 8,075,958
Motor Vehicle Registration Fees	5,817,408	5,817,408	5,817,408	5,817,408
Special Fuel Excise Taxes	7,108,769	7,108,769	7,108,769	7,108,769
Vehicle Transaction Fees	368,184	368,184	368,184	368,184
Driver's License Fees	289,883	289,883	289,883	289,883
Oversize/Oversight Permit Fees	370,800	370,800	370,800	370,800
Public Regulation Commission Fees	67,759	67,759	67,759	67,759
Trip (Mileage) Tax	437,646	437,646	437,646	437,646
Weight/Distance Taxes	5,598,935	5,598,935	5,598,935	5,598,935
Leased Vehicle Gross Receipts Taxes	477,621	-	477,621	477,622
Tire Recycling Fees	152,568	-	152,569	152,569
FHWA Revenues	-	-	36,862,738	36,862,738
	28,765,531	28,135,342	65,628,270	65,628,271
Interest on Cash Balances*	16,522	8,372	16,522	8,372
Total Pledged Revenues				
Received	\$ 28,782,053	\$ 28,143,714	\$ 65,644,792	\$ 65,636,643

	2002C-HIF	2002D-CHAT	2004A-GRIP	2004B-GRIP
Debt Service Principal Expenditures	\$ -	\$ -	\$ -	\$ 29,060,000
Debt Service Interest Expenditures	296,180	61,425	12,686,840	4,639,050
Total Debt Service	\$ 296,180	\$ 61,425	\$ 12,686,840	\$ 33,699,050
Debt Service Coverage	97.18%	458.18%	5.17%	1.95%

*NOTE: In addition to state road fund revenues, pledged revenues on the 2002C HIF and 2004A GRIP include interest earned in the HIF fund.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

2006A-GRIP (SHARE 10220)		2006B-GRIP (SHARE 10240)		2008A-GRIP (SHARE 10410)		2008B-GRIP (SHARE 10420)		2008C-GRIP (SHARE 10430)		2008D-GRIP (SHARE 10440)	
\$	8,075,958	\$	8,075,959	\$	8,075,958	\$	8,075,959	\$	8,075,958	\$	8,075,959
	5,817,408		5,817,407		5,817,407		5,817,407		5,817,407		5,817,407
	7,108,769		7,108,769		7,108,769		7,108,769		7,108,769		7,108,770
	368,184		368,184		368,184		368,184		368,184		368,183
	289,883		289,883		289,882		289,882		289,882		289,883
	370,800		370,800		370,799		370,799		370,800		370,800
	67,759		67,759		67,760		67,760		67,759		67,759
	437,645		437,645		437,645		437,645		437,645		437,645
	5,598,935		5,598,936		5,598,936		5,598,935		5,598,935		5,598,935
	477,622		477,622		477,622		477,620		477,620		477,620
	152,569		152,569		152,569		152,568		152,568		152,567
	36,862,737		36,862,737		36,862,737		36,862,737		36,862,737		36,862,737
	65,628,269		65,628,270		65,628,268		65,628,265		65,628,264		65,628,265
	8,372		8,371		8,371		8,371		8,371		8,371
\$	65,636,641	\$	65,636,641	\$	65,636,639	\$	65,636,636	\$	65,636,635	\$	65,636,636

2006A-GRIP		2006B-GRIP		2008A-GRIP		2008B-GRIP		2008C-GRIP		2008D-GRIP	
\$	240,000	\$	1,225,000	\$	-	\$	-	\$	-	\$	-
	7,472,608		1,283,585		5,228,249		12,253,019		4,033,864		91,672
\$	7,712,608	\$	2,508,585	\$	5,228,249	\$	12,253,019	\$	4,033,864	\$	91,672
	8.51%		26.16%		12.55%		5.36%		16.27%		715.99%

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2012

	2009A Refunding	2010A-GRIP	2010B-GRIP	TOTAL
	(SHARE 11130)	(SHARE 11140)	(SHARE 20450)	
Gasoline Excise Taxes	\$ 8,075,958	\$ 8,075,958	\$ 8,075,958	\$ 104,987,457
Motor Vehicle Registration Fees	5,817,408	5,817,408	5,817,408	75,626,299
Special Fuel Excise Taxes	7,108,769	7,108,769	7,108,769	92,413,998
Vehicle Transaction Fees	368,184	368,184	368,184	4,786,391
Driver's License Fees	289,883	289,883	289,883	3,768,476
Oversize/Oversight Permit Fees	370,800	370,800	370,800	4,820,398
Public Regulation Commission Fees	67,759	67,759	67,759	880,869
Trip (Mileage) Tax	437,646	437,646	437,646	5,689,392
Weight/Distance Taxes	5,598,935	5,598,935	5,598,935	72,786,157
Leased Vehicle Gross Receipts Taxes	477,620	477,620	477,620	5,731,450
Tire Recycling Fees	152,567	152,567	152,567	1,830,817
FHWA Revenues	36,862,737	36,862,737	36,862,737	405,490,109
Subtotal	65,628,266	65,628,266	65,628,266	778,811,813
Interest on Cash Balances*	8,371	8,371	8,371	125,128
Total Pledged Revenues				
Received	\$ 65,636,637	\$ 65,636,637	\$ 65,636,637	778,936,941

	2009A Refunding	2010A-GRIP	2010B-GRIP	
Debt Service Principal Expenditures	\$ 22,370,000	\$ 6,045,000	\$ 9,640,000	\$ 68,580,000
Debt Service Interest Expenditures	3,072,400	8,005,038	22,356,700	81,480,630
Total Debt Service	\$ 25,442,400	\$ 14,050,038	\$ 31,996,700	\$ 150,060,630
Debt Service Coverage	2.58%	4.67%	2.05%	5.19%

*NOTE: In addition to state road fund revenues, pledged revenues on the 2002C HIF and 2004A GRIP include interest earned in the HIF fund.

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**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements**

The State Legislature and the State Highway Commission have approved certain agreements between the Department and various counties, municipalities and other agencies to construct or improve public highways, school grounds, parking areas, and for the purpose of litter control. The Department's funding responsibility varies from zero to 100%. When related to Public Transportation Services, the Department's funding responsibility is 50% operating and 80% capital. None of these cooperative and joint powers agreements have created legally separate organizations that need to be included as component units or joint ventures in the Department's financial statements.

Contract Number	Contractor	Description	Expended in 2012
J00131	City of Albuquerque	Provide for a bicycle/pedestrian safety program and ensure elements of the program are in compliance with State and Federal Regulations.	\$ 34,438
J00671	City of Albuquerque	Bicycle Travel Demand Management Program	68,454
J00730-2	Corrections Department	Utilize supervised inmates to perform minor highway maintenance and beautification.	82,197
J00767	Laguna Pueblo	Plan, design, construct and improve roadway infrastructure improvements at the Pueblo of Laguna in Cibola County	298,187
J00778	Office of Cultural Affairs	The Department and HPD-ARMS will develop and maintain a comprehensive inventory of cultural properties within the State of New Mexico.	25,000
J00781	Acoma Pueblo	Provide Acoma Road SP 22 2" Mill and Fill initial corridor study, detailed alternative evaluation and environmental documentation (ARRA)	33,629
J00793	Corrections Department	Optical Image Scanning	110,000
J00799-1	Corrections Department	Litter Control Program	283,282

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Date of Agreement		Total Estimated Amt of Project	Portion Applicable	Party Responsible for Operations	Audit Responsibility	Fiscal Agent (if applicable)	Agency Where Revenues/Expenditures are Reported
Beginning	Ending		To Agency				
5/4/1995	9/30/2014	\$ 466,666	75%	Contractor	Department		Department
8/6/2001	9/30/2014	2,723,469	85%	Contractor	Department		Department
6/25/2007	6/30/2011	347,155	100%	Contractor	Department		Department
3/16/2009	6/30/2013	500,000	100%	Contractor	Department		Department
11/19/2009	6/30/2013	75,000	75%	Contractor	Department		Department
1/5/2010	9/30/2012	1,200,000	100%	Contractor	Department		Department
2/2/2011	6/15/2012	137,500	100%	Contractor	Department		Department
7/18/2011	6/30/2014	616,582	100%	Contractor	Department		Department

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Contract Number	Contractor	Description	Expended in 2012
M00009	Highway & Transportation Dept	Equipment Waiver Program	\$ 254,487
M00369	Mid-Region Council Of Governments	1(41) CN7692	42,381
M00468A	Mid-Region Council Of Governments	Facility & Maintenance Of Tmc-	59,900
M00532	Las Cruces, City Of	125, CNLC115, MP115	49,955
M00616	Mid-Region Council Of Governments	Commuter Rail-Abq/Sf Corridor	2,165,094
M00716	Department Of Cultural Affairs	Van Of Enchantment	109,039
M00734	New Mexico Institute Of Mining & Tech	Flh-Hpp-7553(7) CN L1017	210,270
M00751	Albuquerque Metropolitan Arroyo Flood	Embudo Arroyo Maintenance	150,000
M00775	Las Cruces Public Schools	Safe Routes To School	3,618
M00837	North Central Regional Transit District	Funding For Transit Facility	16,276
M00841	Cimarron, Village Of	Srsf-7700(152) CN W400010	155
M00854	Rio Rancho Public Schools	Srsf-7700(163) CN A300092	2,119
M00857	Albuquerque Public Schools	Srsf-7700(162) CN A300091	5,820
M00869	Clovis, City Of	Public Transportation Svcs	144,609
M00881	Zuni Entrepreneurial Ent Inc	Public Transportation Svcs	16,932
M00885	Riometro Regional Transit District	Public Transportation Svcs	129,005
M00887	Laguna, Pueblo Of	Public Transportation Svcs	31,824
M00895	Taos, Town Of	Public Transportation Svcs	53,681
M00899	Ruidoso Downs, City Of	Public Transportation Svcs	16,650
M00900	Albuquerque, City Of	Construction Management	200,000
M00901	North Central Regional Transit District	Public Transportation Svcs	20,569
M00940	Riometro Regional Transit District	Commuter Rail Service	4,336,091
M00948	Museum Of Indian Arts/Culture	Tpe-7649(5) CN 7834	4,681
M00956	Tw Telecom	Rail Runner Network Maintenanc	22,604
M00958	Good Shepherd Lutheran Church	Use Of Parking Lot	500
M00960	New Mexico Passenger Transportation Assc	Statewide Transit Conference	21,257
M00961	Zia Therapy Ctr Inc	Public Transportation Svcs	6,833
M00966	South Central Council Of Governments	Public Transportation Svcs	1,479
M00967	North Central Regional Transit District	Public Transportation Svc	50,061
M00968	Ben Archer Health Center	Public Transportation Svc	42,412
M00969	Carlsbad, City Of	Public Transportation Svc	8,975
M00970	Riometro Regional Transit District	Public Transportation Svc	67,414
M00971	Milan, Village Of	Public Transportation Svc	9,365
M00972	Nm Municipal League	Nm State Aviation Conference	1,231
M00974	Los Alamos, County Of	Public Transportation Svc	48,214
M00975	Us Geological Survey	Investigation /Analysis Floods	69,456

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Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
5/15/1998	9/30/2015	\$ 3,255,430	100%	Contractor	Department		Department
7/21/2004	12/31/2010	8,973,166	80%	Contractor	Department		Department
7/17/2008	12/31/2015	1,062,760	100%	Contractor	Department		Department
1/11/2006	12/31/2010	1,267,323	85%	Contractor	Department		Department
8/31/2006	12/31/2012	128,457,158	100%	Contractor	Department		Department
8/24/2007	9/30/2011	885,240	100%	Contractor	Department		Department
11/28/2007	12/31/2013	2,969,741	80%	Contractor	Department		Department
5/21/2008	11/30/2013	720,000	75%	Contractor	Department		Department
7/16/2008	12/30/2010	15,000	100%	Contractor	Department		Department
4/20/2009	9/30/2011	74,800	80%	Contractor	Department		Department
7/1/2009	6/30/2012	15,000	100%	Contractor	Department		Department
7/2/2009	6/30/2011	15,000	100%	Contractor	Department		Department
7/3/2009	6/30/2011	15,000	100%	Contractor	Department		Department
7/17/2009	6/30/2011	399,848	80%/50%	Contractor	Department		Department
7/17/2009	12/31/2010	160,044	80%/50%	Contractor	Department		Department
7/17/2009	8/31/2011	623,081	80%/50%	Contractor	Department		Department
7/17/2009	6/30/2011	116,250	80%/50%	Contractor	Department		Department
7/29/2009	3/31/2011	507,500	80%/50%	Contractor	Department		Department
7/29/2009	3/31/2011	148,923	80%/50%	Contractor	Department		Department
10/1/2009	9/30/2010	200,000	100%	Contractor	Department		Department
8/15/2009	8/31/2011	2,000,000	80%/50%	Contractor	Department		Department
10/20/2009	10/20/2019	16,440,000	100%	Contractor	Department		Department
12/23/2009	9/30/2013	323,000	67%	Contractor	Department		Department
1/13/2010	1/13/2014	71,300	100%	Contractor	Department		Department
7/1/2010	6/30/2011	9,000	100%	Contractor	Department		Department
6/25/2010	6/30/2011	108,000	100%	Contractor	Department		Department
6/25/2010	9/30/2011	24,750	80%/50%	Contractor	Department		Department
7/22/2010	6/30/2011	62,500	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	175,744	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	133,318	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	39,610	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	189,831	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	43,750	80%/50%	Contractor	Department		Department
6/16/2010	6/30/2013	1,231	100%	Contractor	Department		Department
8/9/2010	9/30/2011	185,969	80%/50%	Contractor	Department		Department
10/1/2010	9/30/2011	138,912	50%	Contractor	Department		Department

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Contract Number	Contractor	Description	Expended in 2012
M00978	National Atomic Museum Foundation	CN A300490 Multi-Use Path	\$ 99,891
M00979	Albuquerque, City Of	Ridesharing/Transportation	790,700
M00980	Las Cruces, City Of	Ridesharing/Transportation	138
M00981	North Central Regional Transit District	Public Transportation Svcs	509,152
M00982	Zia Therapy Ctr Inc	Public Transportation Svcs	135,943
M00983	Golden Spread Rural Frontier	Public Transportation Svcs	30,819
M00984	Roswell, City Of	Public Transportation Svcs	217,501
M00985	Las Vegas, City Of	Public Transportation Svcs	52,790
M00987	Southwest Regional Transit District	Public Transportation Svcs	167,594
M00988	Portales, City Of	Public Transportation Svcs	53,549
M00989	Red River, Town Of	Public Transportation Svcs	31,405
M00992	Milan, Village Of	Public Transportation Svcs	48,182
M00996	Adelante Development Center	Public Transportation Svcs	12,187
M00997	Riometro Regional Transit District	Public Transportation Svcs	334,448
M00998	Zia Therapy Ctr Inc	Public Transportation Svcs	27,375
M01000	Clovis, City Of	Public Transportation Svcs	208,177
M01001	Laguna, Pueblo Of	Public Transportation Svcs	21,665
M01008	Pay N Save Inc	Parking Lot Agreement	3,000
M01009	Carlsbad, City Of	Public Transportation Svcs	5,598
M01010	Carlsbad, City Of	Public Transportation Svcs	145,062
M01011	Ruidoso Downs, City Of	Public Transportation Svcs	72,427
M01012	Hobbs, City Of	Public Transportation Svcs	123,458
M01013	Socorro, City Of	Public Transportation Svcs	52,203
M01014	Nanizhoozhi Center Inc	Public Transportation Svcs	57,610
M01015	Taos, Town Of	Public Transportation Svcs	93,880
M01018	Zuni Entrepreneurial Ent Inc	Public Transportation Svcs	34,355
M01021	Los Alamos, County Of	Public Transportation Svcs	582,855
M01022	Los Alamos, County Of	Public Transportation Svcs	203,200
M01023	Los Alamos, County Of	Public Transportation Svcs	123,686
M01024	Navajo Nation	Public Transportation Svcs	151,681
M01027	The University Of New Mexico	Forecasting Services	2,468
M01028	Mid-Region Council Of Governments	Transportation Plans/Programs	1,353,829
M01029	Northwest New Mexico Council	Transportation Plans/Programs	65,160
M01030	Southwest Nm Cog	Transportation Plans/Programs	69,127
M01031	Southeastern Nm Economic Development Dis	Transportation Plans/Programs	64,183
M01032	El Paso, City Of	Transportation Plans/Programs	36,781

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Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
8/27/2010	9/30/2014	\$ 100,000	75%	Contractor	Department		Department
9/2/2010	6/30/2011	805,000	80%	Contractor	Department		Department
9/2/2010	6/30/2011	31,000	80%	Contractor	Department		Department
9/13/2010	9/30/2011	1,182,640	80%/50%	Contractor	Department		Department
9/13/2010	9/30/2011	498,432	80%/50%	Contractor	Department		Department
9/13/2010	9/30/2011	173,284	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	687,025	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	145,838	80%/50%	Contractor	Department		Department
9/16/2010	9/30/2011	630,823	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	149,504	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	93,922	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	136,853	80%/50%	Contractor	Department		Department
9/16/2010	9/30/2011	33,043	80%/50%	Contractor	Department		Department
9/15/2010	12/31/2011	1,403,655	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	40,492	80%/50%	Contractor	Department		Department
9/20/2010	9/30/2011	539,845	80%/50%	Contractor	Department		Department
9/23/2010	9/30/2011	96,516	80%/50%	Contractor	Department		Department
9/20/2010	8/31/2013	9,000	100%	Contractor	Department		Department
9/24/2010	9/30/2011	16,750	80%/50%	Contractor	Department		Department
9/25/2010	9/30/2011	388,296	80%/50%	Contractor	Department		Department
9/27/2010	9/30/2011	207,845	80%/50%	Contractor	Department		Department
9/27/2010	9/30/2011	318,647	80%/50%	Contractor	Department		Department
9/27/2010	9/30/2011	134,667	80%/50%	Contractor	Department		Department
9/27/2010	9/30/2011	266,891	80%/50%	Contractor	Department		Department
9/28/2010	9/30/2011	302,237	80%/50%	Contractor	Department		Department
9/30/2010	9/30/2011	181,378	80%/50%	Contractor	Department		Department
10/4/2010	9/30/2011	1,011,284	80%/50%	Contractor	Department		Department
10/5/2010	11/30/2011	203,200	80%/50%	Contractor	Department		Department
10/6/2010	11/30/2011	317,632	80%/50%	Contractor	Department		Department
10/12/2010	9/30/2011	641,969	80%/50%	Contractor	Department		Department
7/10/2010	6/30/2011	12,792	13%	Contractor	Department		Department
12/23/2010	6/30/2015	3,626,864	80%	Contractor	Department		Department
12/20/2010	6/30/2015	174,004	80%	Contractor	Department		Department
12/20/2010	6/30/2015	176,121	80%	Contractor	Department		Department
12/20/2010	6/30/2015	189,253	80%	Contractor	Department		Department
12/23/2010	6/30/2015	217,359	80%	Contractor	Department		Department

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Contract Number	Contractor	Description	Expended in 2012
M01033	Eastern Plains Council Of Governments	Transportation Plans/Programs	\$ 59,780
M01034	Farmington, City Of	Transportation Plans/Programs	194,891
M01035	North Central New Mexico Economic	Transportation Plans/Programs	81,515
M01036	North Central New Mexico Economic	Transportation Plans/Programs	81,042
M01037	Mid-Region Council Of Governments	Transportation Plans/Programs	62,182
M01038	Santa Fe, City Of	Transportation Plans/Program	240,050
M01039	Las Cruces, City Of	Transportation Plans/Programs	267,281
M01040	South Central Council Of Governments	Transportation Plans/Programs	67,962
M01043	Navajo Nation	Public Transportation Svcs	751,334
M01045	Corrales, Village Of	Safe Routes To School Phase Ii	16,189
M01046	Carlsbad, City Of	Safe Routes To Schools Phase 2	10,181
M01047	Santa Fe, City Of	Ridesharing Program	24,979
M01052	North Central Regional Transit District	Public Transportation Services	616,856
M01054	Portales, City Of	Public Transportation Services	40,800
M01057	Milan, Village Of	Public Transportation Services	63,783
M01060	Las Cruces Public Schools	Safe Routes To School	7,088
M01064	Los Alamos, County Of	Public Transportation Services	149,389
M01065	Alamogordo, City Of	Safe Routes To School Phase 2	1,786
M01066	Silver City Consolidated Schools	Safe Routes To Schools Phase 2	8,220
M01068	Regents Of New Mexico State University	5373 Cn 10450 Bins/Bgis Update	11,857
M01071	Good Shepherd Lutheran Church	Use Of Parking Lot Agreement	5,575
M01072	Carlsbad, City Of	Public Transportation Services	27,205
M01074	Socorro, City Of	Public Transportation Services	42,672
M01075	New Mexico Passenger Transportation Assc	Annual Transit Conference	56,031
M01077	Santa Fe, City Of	Promoting Ridesharing	43,121
M01080	Deming Public Schools	Safe Routes To School W100070	2,303
M01082	Farmington, City Of	Safe Routes To School W500011	9,067
M01085	Us Geological Survey	Investigation/Analysis Floods	64,468
M01090	Arca	Public Transportation Services	81,848
M01091	Las Cumbres Community Services Inc	Public Transportation Services	53,718
M01092	North Central Regional Transit District	Public Transportation Services	706,832
M01093	North Central Regional Transit District	Public Transportation Services	105,408
M01096	Golden Spread Rural Frontier	Public Transportation Services	79,343
M01097	Zia Therapy Ctr Inc	Public Transportation Services	9,610
M01098	Zia Therapy Ctr Inc	Public Transportation Services	305,876
M01100	Laguna, Pueblo Of	Public Transportation Services	30,842

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Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
12/23/2010	6/30/2015	\$ 174,004	80%	Contractor	Department		Department
12/23/2010	6/30/2015	759,709	80%	Contractor	Department		Department
12/21/2010	6/30/2015	174,331	80%	Contractor	Department		Department
12/20/2010	6/30/2015	188,805	80%	Contractor	Department		Department
1/20/2010	6/30/2015	750,471	80%	Contractor	Department		Department
12/20/2010	6/30/2015	1,370,441	80%	Contractor	Department		Department
1/20/2010	6/30/2015	1,346,233	80%	Contractor	Department		Department
12/23/2010	6/30/2015	174,004	80%	Contractor	Department		Department
2/14/2011	8/31/2011	767,500	80%/50%	Contractor	Department		Department
3/15/2011	6/30/2013	25,000	100%	Contractor	Department		Department
3/25/2011	6/30/2013	38,277	100%	Contractor	Department		Department
3/25/2011	6/30/2011	67,653	80%	Contractor	Department		Department
4/20/2011	9/30/2012	632,000	80%/50%	Contractor	Department		Department
4/19/2011	9/30/2012	41,884	80%/50%	Contractor	Department		Department
4/19/2011	9/30/2012	64,000	80%/50%	Contractor	Department		Department
5/2/2011	6/30/2013	25,000	100%	Contractor	Department		Department
5/2/2011	12/31/2012	1,191,884	80%/50%	Contractor	Department		Department
5/3/2011	6/30/2013	25,000	100%	Contractor	Department		Department
5/20/2011	6/30/2013	25,000	100%	Contractor	Department		Department
5/27/2011	12/31/2012	23,446	100%	Contractor	Department		Department
7/1/2011	6/30/2012	9,000	100%	Contractor	Department		Department
6/15/2011	9/30/2012	28,800	80%/50%	Contractor	Department		Department
7/19/2011	8/31/2011	194,269	80%/50%	Contractor	Department		Department
7/27/2011	6/30/2012	96,050	100%	Contractor	Department		Department
8/2/2011	6/30/2012	71,773	80%	Contractor	Department		Department
8/26/2011	6/30/2013	25,000	100%	Contractor	Department		Department
8/26/2011	6/30/2013	25,000	100%	Contractor	Department		Department
10/1/2011	9/30/2012	128,935	50%	Contractor	Department		Department
9/20/2011	9/30/2012	106,520	80%/50%	Contractor	Department		Department
9/20/2011	9/30/2012	53,718	80%/50%	Contractor	Department		Department
9/28/2011	9/30/2012	1,151,040	80%/50%	Contractor	Department		Department
9/29/2011	9/30/2012	151,955	80%/50%	Contractor	Department		Department
9/29/2011	9/30/2012	102,482	80%/50%	Contractor	Department		Department
10/3/2011	9/30/2012	19,800	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	504,108	80%/50%	Contractor	Department		Department
9/30/2011	9/30/2012	92,116	80%/50%	Contractor	Department		Department

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Contract Number	Contractor	Description	Expended in 2012
M01104	Ruidoso Downs, City Of	Public Transportation Services	\$ 80,526
M01105	Las Vegas, City Of	Public Transportation Services	56,008
M01106	Milan, Village Of	Public Transportation Services	90,888
M01107	Adelante Development Center	Public Transportation Services	15,621
M01108	Milan, Village Of	Public Transportation Services	16,742
M01109	Zuni Entrepreneurial Ent Inc	Public Transportation Services	90,109
M01110	Los Alamos, County Of	Public Transportation Services	35,844
M01113	Socorro, City Of	Public Transportation Services	68,371
M01114	Ben Archer Health Center	Public Transportation Services	67,850
M01115	Portales, City Of	Public Transportation Services	57,768
M01116	Roswell, City Of	Public Transportation Services	489,199
M01117	Red River, Town Of	Public Transportation Services	55,973
M01118	Clovis, City Of	Public Transportation Services	345,000
M01119	Southwest Regional Transit District	Public Transportation Services	344,430
M01120	Southwest Regional Transit District	Public Transportation Services	24,809
M01122	Nanizhoozhi Center Inc	Public Transportation Services	92,684
M01124	Riometro Regional Transit District	Public Transportation Services	776,562
M01125	Riometro Regional Transit District	Public Transportation Services	118,453
M01126	Carlsbad, City Of	Public Transportation Services	195,651
M01127	Carlsbad, City Of	Public Transportation Services	28,099
M01128	Carlsbad, City Of	Public Transportation Services	11,121
M01129	Los Alamos, County Of	Public Transportation Services	178,270
M01130	Los Alamos, County Of	Public Transportation Services	668,741
M01131	Los Alamos, County Of	Public Transportation Services	178,099
M01133	Hobbs, City Of	Public Transportation Services	202,014
M01134	Taos, Town Of	Public Transportation Services	190,417
M01136	The University Of New Mexico	State & Regional Forecasting	12,525
M01138	Navajo Nation	Public Transportation Services	219,954
M01139	Albuquerque, City Of	Rideshare / Tdmp	695,075

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10/4/2011	9/30/2012	\$ 179,785	80%/50%	Contractor	Department		Department
10/3/2011	9/30/2012	143,038	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	140,853	80%/50%	Contractor	Department		Department
10/3/2011	9/30/2012	35,132	80%/50%	Contractor	Department		Department
10/5/2011	9/30/2012	25,000	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	178,679	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	35,844	80%/50%	Contractor	Department		Department
10/5/2011	9/30/2012	104,967	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	110,878	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	85,486	80%/50%	Contractor	Department		Department
10/3/2011	9/30/2012	808,785	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	93,083	80%/50%	Contractor	Department		Department
10/7/2011	12/31/2012	559,845	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	572,718	80%/50%	Contractor	Department		Department
10/5/2011	9/30/2012	51,000	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	198,811	80%/50%	Contractor	Department		Department
10/6/2011	9/30/2012	1,257,848	80%/50%	Contractor	Department		Department
10/7/2011	9/30/2012	188,305	80%/50%	Contractor	Department		Department
10/13/2011	9/30/2012	328,608	80%/50%	Contractor	Department		Department
10/14/2011	9/30/2012	35,679	80%/50%	Contractor	Department		Department
10/15/2011	9/30/2012	16,750	80%/50%	Contractor	Department		Department
10/14/2011	9/30/2012	192,856	80%/50%	Contractor	Department		Department
10/15/2011	9/30/2012	987,684	80%/50%	Contractor	Department		Department
10/16/2011	9/30/2012	291,288	80%/50%	Contractor	Department		Department
10/17/2011	9/30/2012	263,927	80%/50%	Contractor	Department		Department
10/31/2011	9/30/2012	333,987	80%/50%	Contractor	Department		Department
7/7/2011	7/9/2012	17,007	13%	Contractor	Department		Department
11/8/2011	9/30/2012	457,769	80%/50%	Contractor	Department		Department
2/21/2012	6/30/2012	1,008,022	80%	Contractor	Department		Department

See Report of Independent Auditors

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SINGLE AUDIT

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2012

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
Direct Assistance Programs:		
U.S. Department of Energy:		
Waste Isolation Pilot Plant 2004	81.106	11,545,850
Total U.S. Department of Energy		11,545,850
Environmental Protection Agency:		
State Clean Diesel Grant Program - ARRA	66.040	70,698
Total Environmental Protection Agency		70,698
U.S. Department of Transportation:		
Federal Highway Administration		
Highway Planning and Construction:		
Highway Planning and Construction	20.205	402,239,408
Highway Planning and Construction - ARRA	20.205	28,087,226
Total Federal Highway Administration		430,326,634
National Highway Traffic Safety Administration (NHTSA):		
Highway Safety Cluster:		
State and Community Highway Safety	20.600	1,480,858
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	876,036
Occupant Protection Incentive Grants	20.602	97,669
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	6,783,103
State Traffic Safety Information System Improvement Grants	20.610	420,272
Incentive Grant Program to Increase Motorcyclist Safety	20.612	361,176
NHTSA Discretionary Safety Grants	20.614	285,453
		10,304,567
Federal Aviation Division:		
Airport Improvement Program	20.106	138,581
Federal Transit Administration (FTA):		
Federal Transit Capital Investment Grants	20.500	1,715,557
Federal Transit Metropolitan Planning Grants	20.505	473,795
Formula Grants for Other Than Urbanized Areas - ARRA	20.509	1,226,400
Formula Grants for Other Than Urbanized Areas	20.509	14,699,911

See Report of Independent Auditors and Notes to Schedule of Expenditures of Federal Awards

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2012

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
U.S. Department of Transportation (continued):		
Federal Transit Administration (FTA) (continued):		
Transit Services Programs Cluster		
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	841,430
Job Access Reverse Commute Job Access	20.516	641,956
New Freedom Program	20.521	406,933
Total Transit Services Programs Cluster		1,890,319
Total Federal Transit Administration		20,005,982
Total U.S. Department of Transportation		460,775,764
Total Federal Financial Assistance	\$	472,392,312

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the New Mexico Department of Transportation (Department) under programs of the federal government for the year ended June 30, 2012. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Department, it is not intended to and does not present the financial position or changes in net assets of the Department.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant revenues collected in advance of the period they are intended to finance expenditures are recorded as deferred revenues, except for the amounts for the State Infrastructure Bank, which are recorded as contributions when they are received. The Department did not receive non-cash assistance from federal sources during the current year.

Note 3 - Reconciliation of Federal Awards

Statement of Revenues, Expenditures and

Changes in Fund Balances:

U.S. Department of Transportation	\$ 458,126,724
U.S. Department of Energy	11,545,850
Transfer in of ARRA from Other Agency	70,698
Deferred U.S. Department of Transportation (2012)	14,739,651
Deferred U.S. Department of Transportation (2011)	<u>(12,090,612)</u>

Supplemental Schedule of Expenditures,
of Federal Awards

\$ 472,392,311

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards

National Highway Traffic Safety Administration (NHTSA):

CFDA	Program Name	Sub Recipient Name	Amount	
20.600	State and Community Highway Safety			
		Bayard, City Of	\$ 416	
		Bernalillo, County Of	4,670	
		Bernalillo, Town Of	560	
		Capitan, Village Of	939	
		Eddy County	862	
		Farmington, City Of	2,470	
		Gallup, City Of	2,099	
		Hidalgo County	44	
		Luna County (Sheriffs Dept)	7,937	
		Rio Rancho Dept Of Public	22,727	
		Rio Rancho, City Of	67,500	
		Roosevelt, County Of	768	
		Total CFDA 20.600		110,992
20.601	Alcohol Impaired Driving Countermeasures Incentive Grants I			
		Albuquerque, City Of	145,069	
		Eddy County	42,581	
		Farmington, City Of	46,669	
		Mckinley, County Of	24,173	
		Total CFDA 20.601		258,492
20.602	Environmental Protection Agency:			
		Clovis, City Of	2,518	
		Eddy County	6,916	
		Mckinley, County Of	1,504	
		Santa Clara Pueblo	1,338	
		Total CFDA 20.602		12,276

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		
		Alamogordo, City Of	34,286
		Albuquerque, City Of	485,440
		Angel Fire, Village Of	699
		Artesia, City Of	5,926
		Aztec, City Of	4,318
		Bayard, City Of	9,572
		Belen, City Of	6,863
		Bernalillo, County Of	174,423
		Bernalillo, Town Of	10,072
		Bloomfield, City Of	30,728
		Bosque Farms, Village Of	18,752
		Capitan, Village Of	21,965
		Carlsbad, City Of	11,102
		Carrizozo, Town Of	5,211
		Chaves County	8,806
		Cibola County, Treasurer Of	907
		Cimarron, Village Of	2,118
		Clayton, Town Of	3,875
		Cloudcroft, Village Of	251
		Clovis, City Of	33,160
		Colfax County	3,100
		Corrales, Village Of	4,214
		Cuba, Village Of	4,928
		Dona Ana County Of	42,995
		Eddy County	17,969
		Espanola, City Of	8,323
		Estancia, Town Of	2,771
		Farmington, City Of	127,896
		Gallup, City Of	59,260

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Grant County Clerk	21,498
		Grants, City Of	3,928
		Guadalupe County	3,864
		Hidalgo County	17,170
		Hobbs, City Of	8,768
		Hope, Village Of	3,800
		Hurley, Town Of	5,318
		Jemez Springs, Village Of	6,324
		Jemez, Pueblo Of	4,536
		Las Cruces, City Of	117,290
		Las Vegas, City Of	10,217
		Lordsburg, City Of	5,718
		Los Alamos, County Of	14,044
		Los Lunas, Village Of	9,575
		Lovington, City Of	7,884
		Luna County (Sheriffs Dept)	6,679
		Mckinley, County Of	536,362
		Mesilla, Town Of	192
		Mora, County Of	2,760
		Moriarty, City Of	9,874
		Otero County	4,019
		Picuris, Pueblo Of	6,440
		Portales, City Of	10,755
		Pueblo Of Isleta	22,597
		Pueblo Of Nambe	6,765
		Raton, City Of	13,523
		Red River, Town Of	19,160
		Rio Arriba, County Of	112,976
		Rio Rancho Dept Of Public	92,500
		Rio Rancho, City Of	298,803
		Roosevelt, County Of	12,710
		Ruidoso, Village Of	3,833
		San Ildefonso, Pueblo De	7,923
		San Juan, County Of	23,170
		San Miguel County	1,507

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Sandoval, County Of	22,042
		Santa Ana Pueblo	3,608
		Santa Clara Pueblo	2,448
		Santa Clara, Village Of	3,763
		Santa Fe, City Of	134,275
		Santa Fe, County Of	63,007
		Santa Rosa, City Of	9,182
		Sierra County, Treasurer Of	318
		Silver City/Grant County	10,102
		Socorro County	9,103
		Socorro, City Of	11,960
		Sunland Park, Treasurer Of	26,379
		Taos, County Of	17,932
		Taos, Town Of	6,468
		Texico, City Of	4,585
		Torrance County	7,254
		Treasurer Of Loving	7,393
		Truth Or Consequences, City Of	4,912
		Tucumcari, City Of	2,824
		Tularosa Police Department	450
		Valencia, County Of	22,679
		Village Of Hatch	3,058
		Zuni, Pueblo Of	4,551
		Albuquerque, City Of	2,004
		Total CFDA 20.608	2,952,709
20.614	NHTSA Discretionary Safety Grants		
		Farmington, City Of	1,941
		Las Cruces, City Of	3,595
		Santa Fe, City Of	4,335
		Total CFDA 20.610	9,871
Total Sub-Recipient Funds passed through NHTSA			\$ 3,344,340

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA):

CFDA	Program Name	Sub Recipient Name	Amount
20.500	Federal Transit Capital Investment Grants		
		Ben Archer Health Center	\$ 10,200
		Carlsbad, City Of	85,741
		Clovis, City Of	59,862
		Golden Spread Rural Frontier	1,338
		Hobbs, City Of	51,574
		Los Alamos, County Of	423,105
		Milan, Village Of	67,817
		North Central Regional Transit District	682,624
		Portales, City Of	40,800
		Red River, Town Of	839
		Riometro Regional Transit District	181,427
		Roswell, City Of	75,934
		Socorro, City Of	11,725
		Southwest Regional Transit District	4,831
		Zia Therapy Ctr Inc	48,941
		Total CFDA 20.500	1,746,758
20.505	Federal Transit Metropolitan Planning Grants		
		Las Cruces, City Of	84,256
		Mid-Region Council Of Governments	334,782
		Santa Fe, City Of	10,435
		Socorro, City Of	14,283
		Total CFDA 20.505	443,756
20.509	Formula Grants for Other Than Urbanized Areas		
		Adelante Development Center	25,738
		Carlsbad, City Of	266,511
		Clovis, City Of	508,376
		Golden Spread Rural Frontier	112,927
		Hobbs, City Of	270,448
		Laguna, Pueblo Of	57,181
		Las Cruces, City Of	17,022
		Las Vegas, City Of	128,832
		Los Alamos, County Of	921,428
		Milan, Village Of	130,535
		Navajo Nation	560,332

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.509	Formula Grants for Other Than Urbanized Areas (continued)		
		North Central Regional Transit District	1,108,455
		Portales, City Of	102,786
		Red River, Town Of	94,261
		Riometro Regional Transit District	5,262,638
		Roswell, City Of	583,519
		Ruidoso Downs, City Of	139,701
		Socorro, City Of	87,357
		Southwest Regional Transit District	465,947
		Taos, Town Of	291,575
		Zia Therapy Ctr Inc	387,958
		Zuni Entrepreneurial Ent Inc	141,588
		Total CFDA 20.509	11,665,115
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities		
		Adelante Development Center	91,043
		Arca	55,728
		Los Alamos, County Of	203,200
		Riometro Regional Transit District	115,190
		Total CFDA 20.513	465,161
20.516	Job Access Reverse Commute Job Access		
		Ben Archer Health Center	95,458
		Carlsbad, City Of	31,501
		Los Alamos, County Of	153,461
		Milan, Village Of	21,962
		North Central Regional Transit District	139,389
		Riometro Regional Transit District	164,685
		Southwest Regional Transit District	19,979
		Zia Therapy Ctr Inc	15,521
		Total CFDA 20.516	641,956
20.521	New Freedom Program		
		Carlsbad, City Of	17,316
		Los Alamos, County Of	373,341
		North Central Regional Transit District	16,276
		Total CFDA 20.521	406,933
Total Sub-Recipient Funds passed through FTA			\$ 15,369,679

**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue fund, and the combining and individual funds and related budgetary comparisons presented as supplemental information of the State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 14, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Department is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Department's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control,

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting as item 07-7. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We also noted certain other matters that are required to be reported pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as items 07-14, 12-01, and 12-02.

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Department's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the Department, the State of New Mexico Office of the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
December 14, 2012

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

Compliance

We have audited the State of New Mexico Department of Transportation's (Department) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2012. The Department's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Department's management. Our responsibility is to express an opinion on Department's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Department's compliance with those requirements.

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

In our opinion, the Department complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 11-2.

Internal Control Over Compliance

Management of the Department is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Department's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 11-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The Department's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Department's response and, accordingly, we express no opinion on the response.

The purpose of this report is solely to 1) describe the scope of our testing of internal control over compliance and the results of that testing; and 2) express an opinion on compliance based on our audit. This report is an integral part of an audit performed in accordance with OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Mess Adams LLP

Albuquerque, New Mexico
December 14, 2012

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Summary of Auditors' Results

For the Year Ended June 30, 2012

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

Unqualified

Internal Control over financial reporting:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☒ Yes ☐ None Reported

Non-compliance material to financials statements noted?

☐ Yes ☒ No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☒ Yes ☐ None Reported

Type of auditors' report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133

☒ Yes ☐ None Reported

Identification of Major Programs:

Name of Federal Program or Cluster

CFDA Number

Highway Planning and Construction

20.205

Highway Planning and Construction - ARRA

20.205

Dollar threshold used to distinguish between Types A and B programs

\$3,000,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

B. FINDINGS – FINANCIAL STATEMENT AUDIT

07-7 ACCOUNTS PAYABLE – (Significant Deficiency) – Repeated and Modified

CONDITION

As a result of performing a search to determine whether the Department had unrecorded liabilities, we provided the department two adjustments to two funds for goods or services received prior to June 30, 2012 and paid after June 30, 2012 that were not accrued at June 30, 2012. Fund 10450 required an adjustment of \$227,338 and Fund 20800 required an adjustment of \$157,927.

CRITERIA

In accordance with the matching principle, expenditures should be recorded in the same period as the receipt and consumption of the goods or services. Governmental Accounting Standards Board (GASB) Codification Section 1600.102 states that: "Under the *cash* basis of accounting, revenues and transfers in are not recognized until cash is received, and expenditures or expenses (as appropriate) and transfers out are recognized only when cash is disbursed. Under the *accrual* basis of accounting, most transactions are recognized when they occur, regardless of when cash is received or disbursed. Items not practicably measurable until cash is received or disbursed are accounted for at that time using either basis of accounting as may be items whose measurement would be approximately the same under either basis or that are immaterial."

EFFECT

Certain accounts payable liabilities were understated which resulted in inaccurate reporting at the end of the fiscal year that could potentially impact decision making.

CAUSE

The Department did not extend the timeframe for its search for potential unrecorded liabilities to ensure all material accounts payable liabilities in each fund were recorded.

RECOMMENDATION

The Department should enhance its current processes to ensure that unrecorded liabilities at year-end are recorded in the financial statements. This could include additional processes to ensure vendors submit invoices for services performed or goods delivered on a more timely basis.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

07-7 ACCOUNTS PAYABLE – (Significant Deficiency) – Repeated and Modified (continued)

MANAGEMENT RESPONSE

The Department has made significant improvements over the last few years in obtaining greater control in managing the accrual process and observing the year-end cutoff. Throughout several months prior to the end of the fiscal year, the Financial Control Bureau provides and communicates detailed year-end cutoff instructions in order to give specific guidance for accruals in typical situations. Additionally, the Financial Control Bureau inspects all payment vouchers after the year-end until the audit cutoff date of September 30th to capture and report any accrued payments.

The FY12 refined processes have proven to hold integrity in capturing vouchers needing to be accrued. The same practice will continue, however, the cutoff date of September 30th will be extended through the end of audit fieldwork, thus capturing all vouchers to be accrued and eliminating the amount of errors. Additionally, as of July 1, 2012, a new pre-audit process for payment vouchers has been implemented, versus the old post-audit process done in previous years. This will be a significant internal control and improvement for capturing vouchers requiring accruals in future fiscal years.

Management will continue to counsel and train staff in the year-end cutoff procedures and remind all financial operators of the procedures as part of the year-end planning and routine communications. The primary focus, of training and communicating, will be to the areas that may have not followed the year-end procedures.

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Findings and Questioned Costs - Major Federal Award Programs Audit**

C. FINDINGS – FEDERAL AWARDS

11-2 UNTIMELY REPORTING (Significant Deficiency & Non-Compliance)

U.S. Department of Transportation

Federal Highway Administration (FHWA)

Program Years: 2011 and 2012

CFDA #20.205, Highway Planning and Construction (Federal-Aid Highway Program)

QUESTIONED COSTS: None

CONDITION

During our testing of reporting for the FHWA program, we noted that 8 out of 25 reports selected were submitted over 90 days after the expiration of the grant support through the Federal Management Information System (FMIS).

CRITERIA

FHWA requires that a Federal Project Closeout Form be submitted through the FMIS at the close of each project. According to the Code of Federal Regulations (CFR), 49 CFR 18.41(b)(4), when reports are required on a quarterly basis or semi-annual basis, they will be due 30 days after the reporting period. When required on an annual basis, they will be due 90 days after the grant year. Final reports will be due 90 days after the expiration or termination of grant support.

EFFECT

Late reports could result in a reduced ability to appropriately track the performance of projects funded with federal funds.

CAUSE

Management did not monitor this requirement sufficiently due to re-organizations and system conversion challenges.

RECOMMENDATION

We recommend the Department staff continue its efforts to close-out projects and report timely to the FHWA.

C. FINDINGS – FEDERAL AWARDS (CONTINUED)

11-2 UNTIMELY REPORTING (Significant Deficiency & Non-Compliance) (continued)

MANAGEMENT RESPONSE

The Department recognized that there were projects that had not been closed timely. This was due to three issues that impacted the program during prior fiscal years. The implementation of the new financial system, the consolidation of two bureaus to one bureau as recommended by FHWA during the project closure review, and the providing of project managers with clear direction on the project closure process. Therefore, in November of 2010 the Department implemented closure procedures and commenced a review of all FHWA construction projects. As a result of these efforts, over 270 projects were closed. The process has now been modified to include all other FHWA funded projects and the Department will continue to review all projects continuously. Since the new established processes were not fully implemented until July of 2011, the Department expected the finding to repeat in FY12. At the recommendation of FHWA, we will be requiring monthly status reports on all FHWA funded projects effective in January of 2013.

D. FINDINGS – OTHER MATTERS

07-14 OVER-EXPENDED APPROPRIATION UNITS – (Other Matter) Repeated and Modified

CONDITION

The Department exceeded budgeted expenditures for the following funds/categories as of June 30, 2012:

P564: Business Program Support; category 400—other costs over-expended by \$ 1,405,592.

CRITERIA

Per statute 5.3.4.10 NMAC, total expenditures may not exceed amounts shown in the approved budgets. Adequate internal controls to minimize budget overspending should ensure that budgets are not exceeded by any amount. The point in the disbursement cycle in which the transaction should be cancelled if budget is not available is at the beginning with the purchase request.

CAUSE

Expenditures were approved for payment when budgeted funds were not available. Budget adjustment requests were not completed to cover the increase in expenditures.

EFFECT

The Department is not in compliance with statutory requirements to obtain approval prior to making expenditures.

RECOMMENDATION

We recommend the Department track legally adopted budgets and applicable adjustments to budgets and expenditures properly to comply with all legal requirements.

D. FINDINGS – OTHER MATTERS (Continued)

07-14 OVER-EXPENDED APPROPRIATION UNITS (Other Matter) - (Continued) – Repeated and Modified

MANAGEMENT RESPONSE

Through the general state designated process of the payment of expenditures, expenditures without sufficient budget authority do not normally occur as payments cannot be generated through the State Financial System (SHARE) without sufficient budget. Overages occur if the payment is paid through a 3rd party and is not generated through the State Financial System. The primary cause of expenditures that occur outside of the State Financial System are when payments are made directly with Department funds held through a trustee account. The primary cause of over-expenditures has resulted from unbudgeted debt transactions. There are two main types of transactions that are unbudgeted.

The first type of situation involves the treatment of the CHAT and HIF bonds debt service. The frequency and amount of these scenarios are decreasing since these bonds are gradually being paid off. Given the language in the bond documents which required a separate set of self-balancing accounts (i.e. a debt service fund, rather than funds tracked separately), the Department of Finance and Administration determined that all debt service paid on behalf of those bonds needed to be recorded as having been expensed out of those debt service funds. Our normal budgeting process involves budgeting and paying for debt service in the operating funds where the revenue is generated such as the State Road Fund. This process also allows the Department to recognize and bill FHWA for those debt service amounts which qualify for federal reimbursement since the FHWA billing process is set up only in the State Road Fund. In order to avoid a duplication of debt service expenditures in the operating fund and the respective debt service funds, a journal entry is made to reverse the debt service expenditures out of the operating fund and record them as operating transfers of revenue out to the specific debt service funds. A simultaneous entry is then made in the respective debt service funds to recognize the operating transfers in and to record the debt service expenditures and comply with the bond covenants. Since debt service expenditures have not been budgeted for in the debt service funds, this accounting treatment results in over-expended appropriation. **The Department expects to fully refund the remaining outstanding CHAT and HIF bonds during FY13 due to favorable interest rate savings. As a result, corresponding accounting treatment will no longer be necessary and this finding should go away.**

The second type of situation involves expenditures that were not adequately anticipated and may involve the use of debt service fund cash balances that have not been budgeted. This scenario generally involves interest and fees associated with the variable debt. The budget is normally prepared a year in advance based on projected debt service schedules. During the current period, shortages from budgeted debt service set asides are incurred and some debt costs are directly paid by the trustee from excess debt service fund cash balances. **The Department understands the budget impact of these situations and will work with the Budget Office to take appropriate actions as necessary to include budget adjustments when possible to account for such shortages.**

D. FINDINGS – OTHER MATTERS (CONTINUED)

12-01 RETAINAGE PAYABLE RECONCILIATION (Other Matter)

CONDITION

As a result of audit testwork over Retainage Payable, we noted that the Department has not completed its reconciliation of the retainage payable liability account for Funds 10070, 10450, 20100, 43100, 89000, 10210, 10250, 20400, 10060, and 89200.

CRITERIA

The Manual of Model Accounting Practices requires that all state agencies “perform monthly reconciliations” and “Maintain accounts and information as necessary to show the sources of state revenues and the purpose for which expenditures are made and provide proper accounting control to protect state finances. Additionally, Section 6-5-2 NMSA 1978 states that “State agencies shall comply with the model accounting practices established by the Financial Control Division and the administrative head of each agency shall ensure that the model accounting practices are followed.”

EFFECT

There is an increased risk of error in the financial records.

CAUSE

The Department has not developed and communicated well-established policies and procedures over financial close and reporting for Retainage Payable.

RECOMMENDATION

We recommend the Department develop procedures to reconcile Retainage Payable accounts to the trial balance on a monthly basis.

MANAGEMENT RESPONSE

During FY12 the Department recognized that the retainage payable accounts needed to be reconciled and established processes and procedures to start reconciling each fund, however, the process was very time consuming. Retainage payable accounts needed to be reconciled to subsidiary federal project accounts and original payment transactions. The process required coordination between Accounting Services and Federal Funding Control staff to identify and correct all discrepancies. Many of the projects were closed in SHARE and reopening of the projects and posting correcting entries had to be coordinated with the Department of Finance during times that the financial system was not available to other users. We reconciled most of the funds but still had 10 funds remaining. We will continue with the process during FY13.

D. FINDINGS – OTHER MATTERS (Continued)

**12-02 NOTIFICATION TO THE OFFICE OF STATE AUDITOR OF VIOLATION OF CRIMINAL STATUTE
(Other Matter)**

CONDITION

We were informed by the Office of the State Auditor (State Auditor) that the Department did not notify the State Auditor in writing upon discovery of a violation of a criminal statute in connection with financial affairs.

CRITERIA

Per NMSA 1978 12-6-6 and NMAC 2.2.2.10.K2, the Department shall notify the State Auditor immediately, in writing, upon discovery of any violation of a criminal statute in connection with financial affairs. The notification shall include an estimate of dollar amount involved, and a complete description of the violation, including names of persons involved and any action taken or planned.

EFFECT

The Department is in violation of NMSA 1978 12-6-6 and NMAC 2.2.2.10.K2.

CAUSE

The Department did not inform the State Auditor as there was a pending federal case and believed that jurisdiction restraints on confidentiality prevented the Department from notifying the State Auditor.

RECOMMENDATION

The Department should implement procedures to ensure that any possible violations of criminal statute are reported to the State Auditor as required by statute.

MANAGEMENT RESPONSE

The Department is aware of the reporting requirements and has reported past violations, however, circumstances specific to this criminal case prevented notification in a timely manner. The Department's Office of Inspector General will work with the State Auditor's Office to establish appropriate reporting protocols for similar future situations.

B. Financial Statement Audit

- 07-7 Accounts Payable (Significant Deficiency) - Repeated and Modified
- 07-14 Over-Expended Appropriation Units (Significant Deficiency & Non-Compliance) - Repeated and Modified
- 08-8 Untimely Reversion to State General Fund (Non-Compliance) - Resolved
- 10-1 System Stability and Data Integrity (Significant Deficiency) - Resolved
- 11-1 Lack of Controls Over Inventory (Significant Deficiency) - Resolved

C. Federal Awards

- 11-2 Untimely Reporting (Significant Deficiency & Non-Compliance) - Repeated and Modified

D. Compliance and Other Matters

- 10-5 Untimely Billings & Reimbursements (Control Deficiency) - Resolved
- 10-12 Reconciliations - Financial Close and Reporting (Control Deficiency) - Resolved
- 10-13 SHARE and Network User Accounts (Control Deficiency) - Resolved
- 10-14 Security Access Control Testing and Review (Control Deficiency) - Resolved
- 11-3 Sub-recipient Monitoring - FTA (Non-Compliance) - Resolved
- 11-4 Disposal of Capital Assets (Non-Compliance) - Resolved

An exit conference was held with the Department on December 13, 2012. The conference was held at the Department's offices in Santa Fe, New Mexico. In attendance were:

STATE OF NEW MEXICO DEPARTMENT OF TRANSPORTATION

Tom J. Church, Deputy Secretary
Ronald L. Schmeits, Commissioner
Larry L. Viarreal, Accounting Services Director
Bridgette Long, Accounting Services Manager
Anthony Lujan, Inspector General

MOSS ADAMS LLP

Scott Eliason, Partner
Jason Galloway, Assurance Senior Manager
Sandy Schwank, Assurance Manager

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the Department with assistance from Moss Adams LLP and are the responsibility of management.

**NM DEPARTMENT OF TRANSPORTATION
Financial Statements
for the Year Ended
June 30, 2013
and Report of
Independent Auditors**

NEW MEXICO DEPARTMENT OF TRANSPORTATION
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Official Roster

Year Ended June 30, 2013

Commission

Pete Rahn	Chairman	District 3
Ronald Schmeits	Vice-Chair	District 4
Dr. Kenneth White	Secretary	District 1
Robert Wallach	Commissioner	District 2
Butch Mathews	Commissioner	District 5
Jackson Gibson	Commissioner	District 6

Administrative Officers

Tom J. Church	Cabinet Secretary, Designate
Anthony Lujan	Deputy Secretary
Kathy Bender	Deputy Secretary

REPORT OF INDEPENDENT AUDITORS

Mr. Tom Church, Cabinet Secretary, Designate
State of New Mexico Department of Transportation
and
Mr. Hector H. Balderas, New Mexico State Auditor
Santa Fe, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the major funds of the State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2013 and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Department's non-major governmental funds and the budgetary comparisons for the non-major funds presented as supplementary information as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Mr. Tom Church, Cabinet Secretary, Designate
State of New Mexico Department of Transportation
and
Mr. Hector H. Balderas, New Mexico State Auditor
Santa Fe, New Mexico

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Department as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the major funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of each non-major fund of the Department as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the non-major funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities, each major fund, the aggregate remaining fund information and all respective budgetary comparisons of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the entire State of New Mexico as of June 30, 2013, and the changes in the financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Mr. Tom Church, Cabinet Secretary, Designate
State of New Mexico Department of Transportation
and
Mr. Hector H. Balderas, New Mexico State Auditor
Santa Fe, New Mexico

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements, the non-major fund financial statements and non-major fund budgetary comparisons. The additional schedules listed as other supplementary information in the table of contents as required by the New Mexico State Audit Rule and the accompanying schedule of expenditures of federal awards as required by the U.S. Office of Management and Budget, Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, as listed in the table of contents, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2013 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of New Mexico Department of Transportation (Department), we offer the readers of the Department's financial statement this narrative overview and analysis of the financial activities of the Department for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in footnotes to the basic financial statements, which start on page 43 of this audit report.

1. Overview of the Financial Statements

Financial Highlights - 2013

The Department's net position decreased by \$226,658,397 and the net position of the Department's governmental activities decreased by \$226,724,922 (primarily due to depreciation of infrastructure assets exceeding additions and improvements during the current fiscal year and the reclassification of deferred charges for bond issuance costs to a prior period expense.)

Financial Highlights - 2012

The Department's net assets decreased by \$84,851,210, and the net assets of the Department's governmental activities decreased by \$84,919,852 primarily due to depreciation of infrastructure assets exceeding additions and improvements during the current fiscal year.

This discussion and analysis is intended to serve as an introduction to the Department's basic financial statements. The Department's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) major governmental fund financial statements, and 3) notes to the financial statements. This report also contains other non-major combining and individual governmental fund statements and supplementary information, including the schedule of expenditures of Federal awards, in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Department's finances, in a manner similar to private sector business.

The Statement of Net Position presents information on all of the Department's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating.

The Statement of Activities presents information showing how the Department's net position changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The Department's primary purpose is the construction and maintenance of the infrastructure of the State of New Mexico. Thus, in the government-wide financial statements, the primary function is public works.

The government-wide financial statements start on page 26 of this report.

1. Overview of the Financial Statements - continued

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Department uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Department are divided into two categories: governmental funds and proprietary fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current resources and use of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Department has 51 governmental funds. Governmental funds are reported as major funds in the accompanying financial statements if they meet both of the following criteria:

- 1) Ten percent criterion - An individual governmental fund reports as least 10 percent of any of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund expenditures.
- 2) Five percent criterion - An individual governmental fund reports at least 5 percent of the total for both governmental and enterprise funds of any of the items for which it met the 10 percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040 and 20100). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) are the operating fund of the Department and is used to account for substantially all of the Department's financial activities.

2008B GRIP Bond Debt Service Fund (Fund #10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

1. Overview of the Financial Statements - continued

Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the three major funds. Data from the other 49 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in this report. See pages 168 through 194.

Proprietary Funds

The Department has one type of proprietary fund. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Department uses its enterprise fund to account for the State Infrastructure Bank, since its purpose is to make loans for road projects.

Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the State Infrastructure Bank since it is considered to be a major fund of the Department.

The basic proprietary fund financial statements can be found on pages 38 through 39 and the cash flows statement is on page 40 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 43.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information including the Schedule of Severance Tax Bonds, Schedule of Special Appropriations, Schedule of Petty Cash Deposit Accounts, Schedule of State Road Fund User and Fuel Taxes, Schedule of Debt Service and Coverage Ratios and the Schedule of Expenditures of Federal Awards.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Department's financial position. At June 30, 2013, the Department's assets exceeded liabilities by \$5,403,702,182.

The largest portion of the Department's net position reflect its investments in capital assets (e.g., land, building, equipment, improvements, and infrastructure) less any debt and unspent bond proceeds used to acquire those assets that are still outstanding. Although the Department's investment in its capital assets is reported net of related debt and unspent bond proceeds, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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1. Overview of the Financial Statements - continued

Net Position

As of June 30, 2013 and 2012, the Department has positive balances in two categories of net position, both for the government fund financial statement as a whole, as well as for its separate categories - governmental and business-type activities. Table A-1 summarizes the Department's net position for the fiscal years ended June 30, 2013 and 2012.

Table A-1 The Department's Net Position

	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
Assets:				
Current and other assets	\$ 498,230,423	\$ 617,291,608	\$ 20,939,797	\$ 20,723,225
Capital assets and other	6,623,581,695	6,986,486,203	-	-
Total Assets	\$ 7,121,812,118	\$ 7,603,777,811	\$ 20,939,797	\$ 20,723,225
Deferred Outflows:				
Deferred loss on refunding	\$ 85,651,424	\$ 76,507,362	\$ -	\$ -
Deferred outflow of resources	58,445,464	137,082,035	-	-
Total Deferred Outflows	\$ 144,096,888	\$ 213,589,397	\$ -	\$ -
Total Assets and Deferred Outflows	\$ 7,265,909,006	\$ 7,817,367,208	\$ 20,939,797	\$ 20,723,225
Liabilities:				
Current liabilities	\$ 284,794,101	\$ 76,507,362	\$ 212,264	\$ -
Long-term liabilities	1,598,140,256	137,082,035	-	-
Total Liabilities	\$ 1,882,934,357	\$ 213,589,397	\$ 212,264	\$ -
Net Position:				
Net Investment in Capital Assets	\$ 4,884,648,804	\$ 5,001,281,378	\$ -	\$ -
Restricted	498,325,845	608,418,193	20,727,533	20,661,008
Total Net Position	\$ 5,382,974,649	\$ 5,609,699,571	\$ 20,727,533	\$ 20,661,008

1. Overview of the Financial Statements - continued

Total	
2013	2012
<hr/>	
\$ 519,170,220	\$ 638,014,833
6,623,581,695	6,986,486,203
<hr/>	
\$ 7,142,751,915	\$ 7,624,501,036
\$ 85,651,424	\$ 76,507,362
58,445,464	137,082,035
<hr/>	
\$ 144,096,888	\$ 213,589,397
\$ 7,286,848,803	\$ 7,838,090,433
<hr/>	
\$ 285,006,365	\$ 76,507,362
1,598,140,256	137,082,035
<hr/>	
\$ 1,883,146,621	\$ 213,589,397
<hr/>	
\$ 4,884,648,804	\$ 5,001,281,378
519,053,378	629,079,201
<hr/>	
\$ 5,403,702,182	\$ 5,630,360,579
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1. Overview of the Financial Statements - continued

Changes in Net Assets

Table A-2 provides a summary of the Department's operations for the years ended June 30, 2013 and 2012. Governmental activities decreased the Department's net position by \$226,724,922 in 2013 and decreased the Department's net assets by \$84,919,852 in 2012. Business-type activities increased the Department's net assets by \$66,525 in 2013 and by \$68,642 in 2012, due to interest income earned during the year.

Table A-2 Changes in the Department's Net Assets

	Governmental Activities		Business-type Activities	
	2013	2012	2013	2012
Revenues:				
Program revenues:				
Charges for services	\$ 45,850,237	\$ 33,838,571	\$ -	\$ -
Operating grants	20,880,640	30,830,847	-	-
Capital grants	441,146,787	440,135,455	-	-
General revenues:				
User and fuel taxes	390,149,214	386,438,418	-	-
Interest income	3,804,981	3,895,557	66,525	68,642
Special revenues:				
Gain (loss) on disposal of assets	1,149,083	(71,697)	-	-
Total Revenues	902,980,942	895,067,151	66,525	68,642
Expenses:				
Programs and infrastructure	842,638,581	593,274,035	-	-
Transportation and highway operations	202,343,925	376,172,487	-	-
Program support	92,803,958	48,777,112	-	-
Total Expenses	1,137,786,464	1,018,223,634	-	-
Net Revenues Before Transfers and Reversions	(234,805,522)	(123,156,483)	66,525	68,642
Transfers and Reversions	8,080,600	38,236,631	-	-
(Decrease) Increase in Net Position	(226,724,922)	(84,919,852)	66,525	68,642
Net Position, Beginning of Fiscal Year	5,609,699,571	5,702,624,599	20,661,008	20,592,366
Restatement (See Note 25)	-	(8,005,176)	-	-
Net Position, Beginning of Fiscal Year, as restated	5,609,699,571	5,694,619,423	20,661,008	20,592,366
Net Position, End of Fiscal Year	\$ 5,382,974,649	\$ 5,609,699,571	\$ 20,727,533	\$ 20,661,008

1. Overview of the Financial Statements - continued

Total	
2013	2012
<hr/>	
\$ 45,850,237	\$ 33,838,571
20,880,640	30,830,847
441,146,787	440,135,455
390,149,214	386,438,418
3,871,506	3,964,199
1,149,083	(71,697)
903,047,467	895,135,793
<hr/>	
842,638,581	593,274,035
202,343,925	376,172,487
92,803,958	48,777,112
1,137,786,464	1,018,223,634
<hr/>	
(234,738,997)	(123,087,841)
8,080,600	38,236,631
<hr/>	
(226,658,397)	(84,851,210)
5,630,360,579	5,723,216,965
-	(8,005,176)
5,630,360,579	5,715,211,789
<hr/>	
5,403,702,182	5,630,360,579
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1. Overview of the Financial Statements - continued

Governmental Funds

The Department's governmental funds are designed to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Department's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2013 fiscal year, the Department's governmental funds reported combined ending fund balances of \$353,121,345 a decrease of \$117,907,354 from the prior year. Restricted fund balance indicates amounts available for expenditures in subsequent years for the purposes for which the initial revenues were intended. Non-spendable fund balance indicates amounts which have already been spent and now consist of inventories, long-term assets and prepaid items and other reserved items of \$46,745,709.

The changes in fund balance for the Department's major funds for 2013 are as follows:

State Road Fund(s) (Fund #10040 and 20100)	\$ (13,139,404)
2008B GRIP Bond Debt Service Fund (Fund #10420)	<u>(29,643)</u>
Major funds, net change in fund balances	<u>\$ (13,169,047)</u>

The net decrease in the State Road Fund(s) is due to an increase in expenditures for road maintenance and road construction.

The net decrease in the 2008B GRIP Bond Debt Service Fund is due to interest costs and SWAP collateral costs exceeding interest earnings.

1. Overview of the Financial Statements - continued

Budgetary Highlights

The Department operating budgets (excludes multi-year funds) are on a modified accrual basis and not all available funds are budgeted. The Department made revisions to the original approved budget by \$82,220,667. Overall, these changes were caused by the following significant budget adjustments:

Increase--State of Texas contribution for Park n Ride for El Paso to Las Cruces	\$ 323,200
Increase-Federal Transit Administration grant funds for advertising of transit services between El Paso and Las Cruces	112,374
Increase-Federal Transit Administration grant funds	1,456,029
Increase-Field supplies, contract maintenance and fuel purchases	20,000,000
Increase-Special Fund Balance Appropriation for road maintenance activities	35,000,000
Increase-Debt Service for 2004B GRIP Bonds	12,300,000
Increase--Mesa PDC warranty reimbursement work on U.S. 550	13,029,064
	<u>\$ 82,220,667</u>

The Department's original operating budget for fiscal year 2013 was \$835,501,000. The final budget for the fiscal year was \$1,302,753,851. The \$467,252,851 increase in budget was mainly due to budget adjustments discussed above and the Department's authorized practice of rolling forward into FY13 its remaining FY12 unexpended contracts and purchase orders. The appropriation budgetary period for those FY12 unexpended contracts and purchase orders lapses at the end of the FY12 fiscal year and the Department has to re-establish the budget in FY13 to fund the roll forward of its unexpended contracts and purchase orders. The Department funds the budget increase by utilizing the balance of the unused FY12 budget revenues that were originally budgeted for the unexpended contracts and purchase orders. The roll forward budget of \$385,032,184 is not included in the above schedule of budget adjustments.

Capital Assets Overview

The Department's investment in capital assets for its governmental activities as of June 30, 2013, amounts to \$6,603,455,731 (net of accumulated depreciation). This investment in capital assets includes land, right of way, buildings, equipment, improvement and the infrastructure. Business-type activities have no capital assets.

Major Infrastructure Projects

The Department develops plans to build a transportation system that will better serve the State of New Mexico. Advanced and innovative strategies include building roads using a corridor approach, where an entire route between communities is built. By designing and constructing entire corridors, the Department has been able to realize efficiencies to benefit the state. The Department also employs innovative project development techniques, warranty agreements and highly advanced financing techniques to accomplish the objectives of the Major Investment Program.

1. Overview of the Financial Statements - continued

Capital Assets Overview - continued

Fiscal Year 2012-2013 Active Projects with a contract amount of \$10 million or more:

I-10/NM 292 Interchange for 3.30 miles. - Doña Ana County
NM 136, MP 4.000 to MP 5.000 and - Doña Ana County
I-25, MP 220.500 to MP 222.860 for 2.358 miles - Bernalillo County
NM 26, MP 0.000 to MP 25.760 for 25.760 miles - Luna County
I-40, MP 14.692 to MP 21.267 for 6.575 miles - MC Kinnley County
US 84/285, MP 183.215 to MP 185.223 for 2.008 miles - Santa Fe County
I-40, MP 140.543 to MP 145.789 for 6.918 miles - Bernalillo County
US 54, MP 107.000 to MP 112.700 for 5.691 miles - Lincoln County
US 54, MP 112.700 to MP 119.000 for 6.345 miles - Lincoln County
US 62/180, MP 35.040 to MP 35.590 and US 285, MP 33.262 to - Eddy County
I-25, MP 239.686 to MP 242.208 for 2.522 miles - Sandoval County
US 64/87, MP 390.332 to MP 400.000 for 9.668 miles - Union County
US 64, MP 62.000 to 64.000 for 2.000 miles - San Juan County
US 64, MP 140.000 to MP 148.560 for 8.560 miles - Rio Arriba County
US 491, MP 67.700 to MP 77.000 for 9.300 miles - San Juan County
I-40, MP 150.042 to 152.334 for 2.292 miles - Bernalillo County
US 491, MP 77.000 to MP 85.200 for 8.220 miles - San Juan County
US 491, MP 59.05 to MP 67.74 for 8.69 miles - San Juan County
US 54, MP 163.230 to MP 175.098 for 11.866 miles - Lincoln County
US 491, MP 46.000 to MP 59.000 for 13.042 - San Juan County
I-25, MP 234.600 to MP 239.800 for 5.227 miles - Sandoval County
US64/87, MP 359.950 to MP 375.200 for 15.109 miles - Colfax County
I-10, Las Cruces to Texas State Line for 18.310 miles - Doña Ana County
I-10/I-25, Interchange for 2.255 miles. - Doña Ana County
I-40, MP 160.730 to MP 162.170 and I-40/San Mateo - Bernalillo County
US 84/285, Santa Fe Relief Route to Santa Fe Opera and - Santa Fe County

1. Overview of the Financial Statements - continued

Automotive and Major Road Fund Equipment

For fiscal year 2013, the Automotive and Major Road Fund Equipment modified accrual basis budget total was approximately \$10 million. Of this budget, approximately \$10.0 million was fully expended at June 30, 2013. Automotive and Major Road Fund Equipment purchased includes pickups, dump trucks, rollers, excavators, mowers, tractors, loaders, snowplows, brooms, dozers, motor graders, spreaders, millers, trailers, motor vehicles, etc. All items are approved during the legislative session prior to July of each fiscal year. The Department holds several sales and public auctions during the year to liquidate old and obsolete equipment to public and private entities.

Table A-3
Department's Capital Assets

	2013	2012
Land	\$ 5,177,044	\$ 5,177,044
Construction in Process	193,763,345	193,830,627
Right of Way	488,134,031	485,300,485
Infrastructure	14,978,703,392	15,071,694,230
Equipment and furniture	29,351,500	30,453,316
Library	102,613	102,614
Buildings	48,367,059	45,823,291
Automotive and Major Road Fund Equipment	202,599,261	205,816,651
Accumulated depreciation	(9,342,742,514)	(9,219,215,278)
Total	\$ 6,603,455,731	\$ 6,818,982,980

Additional information on the Department's capital assets can be found in Note 10 of this report.

1. Overview of the Financial Statements - continued

Debt Administration

The Department is authorized to issue bonds by authority of Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA)(1978), as amended. The focus of the Department's bond program is to accelerate transportation construction projects while maintaining strong debt service coverage ratios and minimizing the costs of borrowing.

At June 30, 2013, the Department had a total outstanding debt (bonds) of \$1,479,790,000. Outstanding bond debt is backed by the Department's anticipated state tax revenues and FHWA revenues.

Table A-4
Department's Outstanding Debt

	2013	2012
Bonds (excludes deferred amounts on refunding)	\$ 1,479,790,000	\$ 1,635,870,000

The Department's total bond debt decreased by 9.5% or (\$156,080,000). Total outstanding bond debt at the end of the 2013 fiscal year was \$1,479,790,000 compared to \$1,635,870,000 at the end of the 2012 fiscal year. The net decrease in debt resulted from \$88,448,182 in principal repayments, \$17,231,818 in net bond refunding's and \$50,400,000 in bonds defeased. See Note 13 for a detail of all outstanding bonds.

The Department did not pay any arbitrage to the Internal Revenue Service for any excess interest earned on bond proceeds during the fiscal year and did not have any arbitrage liability at the end of the fiscal year.

2. Economic Factors and Revenue Forecasts

Economic and Demographic Characteristics

New Mexico is the 36th largest state by population and the fifth largest in land area. According to the decennial census the State's population as of April 1, 2010 was 2,059,179. Between 2000 and 2010, the State was the fifteenth fastest growing state, as the population increased 13.2 percent from the 2000 population of 1,819,046. Over the same period of time, the national population grew 9.7 percent. Most of this population growth is occurring in or near the larger cities. There are four Metropolitan Statistical Areas (MSAs) in the state. The Albuquerque MSA is comprised of Bernalillo, Sandoval, Torrance and Valencia Counties; the Las Cruces MSA is Dona Ana County; the Santa Fe MSA is Santa Fe County, and the Farmington MSA is San Juan County. The fastest growing counties in the state are Sandoval, Dona Ana, Bernalillo, Valencia and Lea.

Major industries in the State are energy resources, semi-conductor manufacturing, tourism, services, agriculture-agribusiness, government, and mining. In 2011, New Mexico was the 6th largest producing state of natural gas and the 6th largest producing state of onshore crude oil. In 2011 coal, copper and potash production value exceeded \$2 billion and the state ranked 13th, 3th and 1st respectively in the US. The mining and logging industry employed more than 24,000 New Mexicans in 2013. Major federally funded scientific research facilities at Los Alamos, Albuquerque and White Sands are also a notable part of the State's economy. The state's major transportation routes include Interstate-25, running north-south from El Paso, Texas through Las Cruces, Albuquerque, Santa Fe, Las Vegas and Raton, New Mexico toward Pueblo and Denver, Colorado. Major east-west routes, especially important to interstate commercial carrier traffic, include Interstate-10 from El Paso, Texas to Tucson and Phoenix, Arizona, and Interstate-40 from Amarillo, Texas through Tucumcari, Albuquerque and Gallup, New Mexico to Flagstaff, Arizona.

Revenue Forecasts and Budgets

Federal Revenue:

FHWA Revenue - Federal Revenue – The amount of FHWA revenue (obligation authority) available to all states has slightly increased as a result of the passage of the 5 year transportation reauthorization bill entitled "Safe, Accountable, Flexible, and Efficient Transportation Equity Act for the 21st Century – A Legacy for Users" "SAFETEA-LU" in 2005. The amounts of "obligation limitation" available to New Mexico are \$287.5 million in FY2005, \$292.8 million in FY2006, \$271.1 million in FY2007, \$253.5 million in FY2008, \$372.5 million in FY2009, \$314.8 million in FY2010, \$321.8 million in FY2011, \$322.1 million in FY12. MAP-21 was signed and is in effect for FY13 and FY14, FY13's obligation authority was \$318.3 million.

2. Economic Factors and Revenue Forecasts - continued

Federal Transit Administration Funds - NMDOT reported revenue of \$13,182,849 in FY 2013 Federal Transit Administration grant funds.

National Highway Traffic Safety Administration Funds - NMDOT reported revenue of \$7,697,791 in FY 2013 of National Highway Traffic Safety Administration grant funds.

ARRA Revenue - \$10,230,658 revenue of FY 2013 ARRA funds from FHWA.

State Revenue:

Revenues for the New Mexico Department of Transportation over the long-term (20 years) are characterized as being steady and growing at rates associated with the Consumer Price Index (CPI). There have been periods of stronger and slower, even declining, rates of growth. From fiscal years 1988 to 2000, the average annual compound growth rate was 2.7% and from 2003 to 2007 it was 7.5%. In fiscal year 2001, there was a contraction and then a slowdown due to economic recession that lasted three years.

Department of Transportation revenues was not immune from the latest recession. However, diversity of revenue sources helped to moderate the impact. State Road Fund revenues are split roughly half and half between passenger car based and interstate trucking sourced. Those revenues associated with trucking (special fuel and weight/distance) were negatively influenced by the US economic recession during FY2008 through FY2010 and fell about 15% while passenger cars based revenues (gasoline and vehicle registrations) have been comparatively more stable. With recent current improvements in the US economy, trucking activity has begun to improve and concurrently there has been an increase in the trucking related revenues. FY 2007 was the peak year for Road Fund revenues before the recession; FY 2010 was the low point with revenues falling by over \$35 million or 9%. FY 2018 is forecast to be the year that revenues finally surpass the FY 2007 level, with the peak-to-return cycle lasting 11 years: falling for 3 years by 10% and slowly climbing for 8 years to fully recover.

The latest (July 2013) revenue forecast for the State Road Fund expects a revenue decline of 1.6% in FY2014, followed by growth in the 0.5% to 1.7% range during the subsequent four fiscal years. The revenue decline forecast for the Department as a whole is somewhat less at 1.2% for FY2014, followed by growth in the 0.5% to 1.8% range during the subsequent four fiscal years.

2. Economic Factors and Revenue Forecasts - continued

State Revenue Forecasts - Major Revenue Sources

In the fall of 2003, a special session of the New Mexico Legislature was held and transportation rates and fees were raised on special fuels (primarily diesel), weight/distance trucking rates and motor vehicle registration fees. The basis of these increases was to provide \$40 million annually for the debt service on GRIP, a large, multi-year road construction program. The increases were designed also to add \$20 million for road maintenance. These rate/fee increases, along with the strong economy, added almost \$100 million (36%) from FY 2003 to FY 2007 to the annual State Road Fund revenue levels.

The budget estimate for state tax and fee revenue is prepared in July/August and December/January for each year for the budget year ending 24 months (or 18 months) later. Each fiscal year's revenue estimate is formally assessed six times: twice before the year begins, twice during the fiscal year and twice after the end, with the final numbers being the actual audit.

In fiscal years 2005 through 2007, state revenues from gasoline, special fuels, weight/distance and vehicle registrations grew by \$47.7, \$15.9, \$18.7, million each year, respectively. In fiscal years 2008 through 2010, these same revenues declined \$13.2, \$19.0 and \$5.6 million each year. These four revenue sources constitute 93% of the state road fund. These revenues were consistent with the forecasts for the periods and did add the expected \$60 million for GRIP debt service and highway maintenance expenditures. Strong economic trends, particularly in the trucking industry, also helped to provide for strength in revenue growth in FY 2005 through FY 2007 and have led the decline in FY 2008 through FY 2010, and are now the primary contributors to the return to historic levels. On the other hand, gasoline revenue is expected plateau and decline in FY2017.

Due to the size and importance of each of these four sources, a look at each individually helps to provide a more complete picture of the Department's revenues.

Gasoline tax is the largest of State's revenue sources, providing about \$112 million in revenue in FY 2013. This tax is 17 cents per gallon of gasoline sold, with about three-fourths going to the state road fund and the remainder going primarily to municipalities and counties. It is the one major tax that was not increased during the special session of 2003. Historically, gasoline gallons sold increased until 1995, remained relatively stable from 1995 to 1999, and decreased in 2001, when they again stabilized. The peak years were 1995 to 1999, with 1998 providing \$117.9 million. When increases, slowing and plateaus are discussed in conjunction with gasoline revenues, it should be noted that they are very moderate changes.

Of much interest and frequent query, is how the gasoline usage (gallons) has fared during the dramatic price increase between 2004 and 2008 and in light of the economic slowdown. Somewhat surprisingly, for New Mexico, there was surprisingly little change in gasoline usage.

2. Economic Factors and Revenue Forecasts - continued

Special fuel tax (primarily diesel) is the second largest of the state's revenue sources, providing about \$92.5 million in FY 2013, down from the peak of \$101.5 in FY 2008. The tax per gallon was raised from 18 to 21 cents per gallon effective in FY 2005. Of the 21 cents, the State Road Fund receives 19 cents, with the remainder going to the Local Governments Road Fund. Including the 2003 special legislative session rate increase, special fuels grew by \$27.0 million, or 36%, from FY 2004 to FY 2008. Historically, special fuel revenue has grown robustly with an average annual compound growth rate of 5.2% from 1988 to 2008. After the collapse of the national housing bubble, special fuel revenue fell to a low \$85.6 million in FY 2009 and has since climbed slowly to \$92.5 million in FY 2013.

Weight/Distance tax is charged on trucks over 26,000 pounds and varies by weight and distance traveled in New Mexico. It ranges from a rate of around one cent per mile for vehicles weighing 26,001 to 28,000 pounds to slightly over 4 cents per mile for vehicles weighing over 78,000 pounds. It is historically the third largest revenue producer, with about \$73.5 million in revenue in FY 2013, down from the peak of \$77.4 million in FY 2008. Its rates, too, were raised in the fall 2003 special session. Prior to the tax rate increase, revenues averaged \$50+ million. After FY 2004, revenue increased from 43% to 50%, primarily due to the 38% tax rate increase. (It should be noted that an additional "bump" increase occurred in 2007 because of revenue accrual accounting changes.)

During the latest economic recession, declining consumer durable goods expenditures led to a fairly steep and sudden reduction in freight of all types including air, ship, rail and truck. That decline was in the range of 20% and began in December, 2008. Corresponding reductions in State Road Fund trucking related revenues began in March 2009 and, in only four months, dropped the annual revenue by \$2 million in FY2009. The full year impact in FY2010 of this Weight/Distance tax revenue decline was a \$7.8 million decrease relative to FY2008.

Motor vehicle registration fees are now the third largest revenue source at about \$74.1 million in FY 2013. These fees were raised in the 2003 Special Legislative session by about 33%, and revenue increased by about \$20.7 million or 39%, from FY 2004 to FY 2008. The fees are based on three weight classes for passenger vehicles and 14 weight classes for trucks and commercial carriers. The annual registration fees for trucks over 26,000 pounds are low because those vehicles are subject to the weight/distance taxes, discussed above. This revenue, like gasoline, has remained stable during both the economic expansions and recessionary periods.

Two revenue sources have been impacted negatively by recent federal procedure rulings and legislation. One is the Trip Tax and the other is New Mexico Public Regulation Commission common carrier registration fees. Trip Tax is charged on trucks in lieu of the weight/distance tax and vehicle registration fees for those trucks/companies not registered for weight/distance. What was called a cab card and carried in each truck was used for weight/distance registration identification. Federal regulations now prevent states from requiring the showing of state-specific taxpayer documentation cards. Trip tax rose to a peak of \$8.6 million in FY 2006 and provided revenues of about \$5.0 million in FY 2013. New Mexico is one of four states that impose a weight/distance tax and its associated trip tax. There have been strong investments recently in reporting enforcement and an optical scanning computer truck identification interface with the weight/distance tax data base. These have been accompanied by penalty increases for improper weight/distance tax filing, capital improvements at ports of entry and statewide enhanced documentation checks.

2. Economic Factors and Revenue Forecasts - continued

The New Mexico Public Regulation Commission previously collected common carrier registration fees. Because of efforts by the trucking industry to centralize registrations (because so many trucks are on the road and prorating registrations in so many states), a new common system and procedures were passed into law in the fall of 2006. In FY 2006, the Department received \$3.7 million in revenue. Under the new national system, the total fees across the country were capped at \$100 million and then apportioned such that the maximum New Mexico can now receive is \$3.2 million. Because of delays in getting the system up and running, revenue for FY 2007 came in at \$377,000, \$866,000 for FY 2008, \$2.3 million in FY 2009, and \$1.4 million in FY 2010. With improvements to this situation, FY2011 revenue came in at about \$2.7 million. Late payments from the national depository in FY 2012 led to revenue of only \$881 thousand in FY 2012 and increased revenue in FY 2013 of \$3.2 million. Future years are expected slightly under \$3 million per year.

Background - Gasoline Tax and Tribal Tax Sharing Agreements

The state permits gasoline to be sold at retail by registered Indian tribal distributors on Indian land free of State gasoline tax if the applicable Indian government imposes an equivalent or higher tax (for its own benefit) on retail gasoline sales. The growth in tribal market share initially out-paced the overall growth rate of gasoline sales as a result of competitive pricing, casino traffic, and new tribal travel centers. Over the past few years tribal sales had been declining from around 62 million to 56 million gallons per year, but grew to 68.9 million gallons in FY 2013.

In 2003 and 2004, legislation allowed the state to enter into "tax sharing agreements" with the two Native American Pueblos that were previously entitled to market a limited amount of state-tax-free gasoline outside reservation boundaries. Under the agreements, 40% of the tax collected on 30 million gallons of gasoline per year will be shared with each of the two Pueblos, in exchange for the Pueblos ceasing their wholesale sales activities outside reservation boundaries. The result of these agreements (entered into on January 1, 2004 and July 1, 2004) was significantly more predictable gasoline revenues. These agreements also resulted in a net revenue gain for the State while the gasoline excise tax was higher than the average gross receipts tax otherwise imposed. The term of the two agreements was for a period of 10 years. Chapter 15, Laws 2010 (Senate Bill 59 from the 2010 regular legislative session) allows these agreements to be extended under the same terms for an additional 10 years.

3. Contacting the Department's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, legislators and investors and creditors with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact:

Attn: Accounting Services Director
New Mexico Department of Transportation
1120 Cerrillos Road
P.O. Box 1149
Santa Fe, New Mexico 87504-1149
(505) 827-5108

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FINANCIAL STATEMENTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position

As of June 30, 2013

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Assets:			
Cash (Note 2):			
Unrestricted	\$ 2,100	\$ -	\$ 2,100
Cash equivalents (Note 2):			
(Investment in state general fund investment pool)			
Restricted	231,156,834	20,937,669	252,094,503
Managed by NMFA	121,162,072	-	121,162,072
Receivables:			
Taxes receivable, net	62,720,003	-	62,720,003
Accounts receivable, net (Note 3)	702,454	-	702,454
Interest receivable	2,969	-	2,969
Notes and loans receivable (Note 5)	2,649	-	2,649
Other receivables	20,106	-	20,106
U.S. Department of Transportation (Note 6)	53,678,130	-	53,678,130
Due from other funds (Note 7)	212,264	-	212,264
Due from other state agencies (Note 8)	1,951,080	2,128	1,953,208
Inventories (Note 9)	14,420,684	-	14,420,684
Prepaid expense - other	2,753	-	2,753
Prepaid expense - NM44 warranty	3,189,111	-	3,189,111
Property held for resale, net	9,007,214	-	9,007,214
Total Current Assets	498,230,423	20,939,797	519,170,220
Non-Current Assets:			
Prepaid expense - NM44 warranty, net	20,125,964	-	20,125,964
Capital assets, net (Note 10)	6,603,455,731	-	6,603,455,731
Total Non-Current Assets	6,623,581,695	-	6,623,581,695
Total Assets	\$ 7,121,812,118	\$ 20,939,797	\$ 7,142,751,915
Deferred Outflows of Resources:			
Deferred loss on refunding (Note 13)	85,651,424	-	85,651,424
Deferred outflow of resources (Note 13)	58,445,464	-	58,445,464
Total Deferred Outflows of Resources	\$ 144,096,888	\$ -	\$ 144,096,888
Total Assets and Deferred Outflows of Resources	\$ 7,265,909,006	\$ 20,939,797	\$ 7,286,848,803

See Report of Independent Auditors and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position

As of June 30, 2013

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Liabilities:			
Accounts payable and contracts payable, including retainage of \$8,380,052	\$ 92,092,148	\$ -	\$ 92,092,148
Due to other agencies (Note 12)	35,816,037	-	35,816,037
Due to other funds (Note 7)	-	212,264	212,264
Due to state general fund	102,619	-	102,619
Payable to other governments	108	-	108
Unearned revenue	4,555,427	-	4,555,427
Other accrued expenses	2,399,177	-	2,399,177
Other liabilities	326,503	-	326,503
Short-term note payable (taxable line of credit) (Note 13)	23,000,000	-	23,000,000
Current portion of long-term obligations (Note 13):			
Compensated absences	5,884,241	-	5,884,241
Debentures payable	106,610,000	-	106,610,000
Capitalized bond premium	14,007,841	-	14,007,841
Total Current Liabilities	284,794,101	212,264	285,006,365
Long-Term Liabilities:			
Long-term obligations (Note 13):			
Derivative instruments interest rate swap	98,376,625	-	98,376,625
Debentures payable	1,373,180,000	-	1,373,180,000
Capitalized bond premium, net	126,583,631	-	126,583,631
Total Long-Term Liabilities	1,598,140,256	-	1,598,140,256
Total Liabilities	1,882,934,357	212,264	1,883,146,621
Net Position:			
Net investment in capital assets	4,884,648,804	-	4,884,648,804
Restricted for:			
Unspent bond proceeds	45,813,247	-	45,813,247
Loans	-	20,727,533	20,727,533
Specific purposes	452,512,598	-	452,512,598
Total Net Position	5,382,974,649	20,727,533	5,403,702,182
Total Liabilities and Net Position	\$ 7,265,909,006	\$ 20,939,797	\$ 7,286,848,803

See Report of Independent Auditors and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities

For the Year Ended June 30, 2013

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Program Expenses:			
Programs and infrastructure	\$ 842,638,581	\$ -	\$ 842,638,581
Transportation and highway operations	202,343,925	-	202,343,925
Program support	92,803,958	-	92,803,958
Total Program Expenses	1,137,786,464	-	1,137,786,464
Program Revenues:			
Charges for services	45,850,237	-	45,850,237
Operating grants	20,880,640	-	20,880,640
Capital grants	441,146,787	-	441,146,787
Total Program Revenues	507,877,664	-	507,877,664
Net Program Revenue (Expense)	(629,908,800)	-	(629,908,800)
General Revenues (Losses):			
User and fuel taxes	390,149,214	-	390,149,214
Interest income	3,804,981	66,525	3,871,506
Gain (loss) on disposal of assets and adjustments	1,149,083	-	1,149,083
Total General Revenues (Losses)	395,103,278	66,525	395,169,803
Transfers:			
Reversions to state general fund (Note 15)	(209,930)	-	(209,930)
Transfers from: severance tax bond appropriation (Note 4)	13,040,000	-	13,040,000
Transfers from (to) other state agencies and local governments, net (Note 11)	(4,749,470)	-	(4,749,470)
Total Transfers	8,080,600	-	8,080,600
Net General Revenues and Transfers	403,183,878	66,525	403,250,403
Change in Net Position/Operating Income	(226,724,922)	66,525	(226,658,397)
Net Position, Beginning of Fiscal Year, as restated (see Note 25)	5,609,699,571	20,661,008	5,630,360,579
Net Position, End of Fiscal Year	\$ 5,382,974,649	\$ 20,727,533	\$ 5,403,702,182

See Report of Independent Auditors and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities

For the Year Ended June 30, 2013

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Program Expenses:			
Programs and infrastructure	\$ 842,638,581	\$ -	\$ 842,638,581
Transportation and highway operations	202,343,925	-	202,343,925
Program support	92,803,958	-	92,803,958
Total Program Expenses	1,137,786,464	-	1,137,786,464
Program Revenues:			
Charges for services	45,850,237	-	45,850,237
Operating grants	20,880,640	-	20,880,640
Capital grants	441,146,787	-	441,146,787
Total Program Revenues	507,877,664	-	507,877,664
Net Program Revenue (Expense)	(629,908,800)	-	(629,908,800)
General Revenues (Losses):			
User and fuel taxes	390,149,214	-	390,149,214
Interest income	3,804,981	66,525	3,871,506
Gain (loss) on disposal of assets and adjustments	1,149,083	-	1,149,083
Total General Revenues (Losses)	395,103,278	66,525	395,169,803
Transfers:			
Reversions to state general fund (Note 15)	(209,930)	-	(209,930)
Transfers from: severance tax bond appropriation (Note 4)	13,040,000	-	13,040,000
Transfers from (to) other state agencies and local governments, net (Note 11)	(4,749,470)	-	(4,749,470)
Total Transfers	8,080,600	-	8,080,600
Net General Revenues and Transfers	403,183,878	66,525	403,250,403
Change in Net Position/Operating Income	(226,724,922)	66,525	(226,658,397)
Net Position, Beginning of Fiscal Year, as restated (see Note 25)	5,609,699,571	20,661,008	5,630,360,579
Net Position, End of Fiscal Year	\$ 5,382,974,649	\$ 20,727,533	\$ 5,403,702,182

See Report of Independent Auditors and Notes to Financial Statements

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds

As of June 30, 2013

	Major Funds			
	State Road Fund(s) (SHARE 10040 and 20100)	2008B GRIP Bond Debt Service Fund (SHARE 10420)	Other Governmental	Total Governmental
Assets:				
Cash: (Note 2)				
Unrestricted	\$ 2,100	\$ -	\$ -	\$ 2,100
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool) (Note 2)				
Unrestricted	159,172,462	-	71,984,372	231,156,834
Restricted	-	-	-	-
Managed by NMFA	65,032	23,730,932	97,366,107	121,162,071
Receivables:				
Taxes receivable, net	57,376,319	-	5,343,684	62,720,003
Accounts receivable, net (Note 3)	702,104	-	350	702,454
Interest receivable	-	1,021	1,947	2,968
Notes and loans receivable (Note 5)	2,649	-	-	2,649
Other receivables	20,106	-	-	20,106
Due from:				
U.S. Department of Transportation (Note 6)	43,123,426	-	10,554,705	53,678,131
Other funds (Note 7)	18,823,201	-	5,756,495	24,579,696
Other state agencies (Note 8)	35,970	-	1,915,107	1,951,077
Inventories (Note 9)	14,420,684	-	-	14,420,684
Prepaid expenses - other	2,753	-	-	2,753
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	23,315,075	-	-	23,315,075
Property held for resale	9,007,214	-	-	9,007,214
Total Assets	\$ 326,069,095	\$ 23,731,953	\$ 192,922,767	\$ 542,723,815
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 74,524,669	\$ 176,957	\$ 17,390,628	\$ 92,092,254
Due to other funds	10,688,049	6,409,295	7,270,088	24,367,432
Due to other agencies (Note 12)	20,202,822	-	15,613,215	35,816,037
Due to state general fund	-	-	102,619	102,619
Unearned revenue	2,059,567	-	9,438,883	11,498,450
Other accrued expenses	2,371,242	-	27,931	2,399,173
Other liabilities	326,505	-	-	326,505
Short-term notes payable (taxable line of credit)	-	16,771,760	6,228,240	23,000,000
Total Liabilities	110,172,854	23,358,012	56,071,604	189,602,470
Fund Balances:				
Non-spendable	46,745,709	-	-	46,745,709
Restricted	-	373,941	104,871,524	105,245,465
Committed	180,505,527	-	39,045,257	219,550,784
Assigned	-	-	-	-
Unassigned	(11,354,995)	-	(7,065,618)	(18,420,613)
Total Fund Balances	215,896,241	373,941	136,851,163	353,121,345
Total Liabilities and Fund Balances	\$ 326,069,095	\$ 23,731,953	\$ 192,922,767	\$ 542,723,815

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Position

As of June 30, 2013

Total Net Position - Governmental Funds
(Governmental Fund Balance Sheet)

\$ 353,121,345

Amounts reported for governmental activities in the Statement of
Net Position are different because:

Amounts recorded as deferred revenue in the governmental funds
that were not received within the period of availability - 60 days
after year end; recorded as revenue in the Statement of Activities:

Balance Sheet - Governmental Funds

11,498,450

Statement of Net Position

(4,555,427)

Change in deferred revenue

6,943,023

Capital assets used in governmental activities are not financial
resources and, therefore, not reported in the funds:

The cost of capital assets is

15,946,198,245

Accumulated depreciation is

(9,342,742,514)

Total capital assets

6,603,455,731

Long-term debt not recorded as liabilities in the governmental
funds, but recorded as long-term liabilities in the Statement of
Net Position:

Debentures payable (bonds only)

(1,479,790,000)

Deferred loss on refunding (net of current period amortization)

85,651,424

Compensated absences

(5,884,241)

Ineffective swaps

(39,931,161)

Capitalized bond premiums not recorded in the governmental
funds as a liability, net of amortization:

(140,591,472)

Net Position of Governmental Activities (Statement of Net Position)

\$ 5,382,974,649

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Position

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

For the Year Ended June 30, 2013

	Major Funds			
	State Road Fund(s) (SHARE 10040 and 20100)	2008B GRIP Bond Debt Service Fund (SHARE 10420)	Other Governmental	Total Governmental
Revenues:				
User and fuel taxes	\$ 365,446,818	\$ -	\$ 24,702,394	\$ 390,149,212
U.S. Department of Transportation	412,775,461	-	42,308,942	455,084,403
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	59,416	59,416
Licenses and permits	8,077,279	-	12,717,781	20,795,060
Charges for services	3,290,000	-	660	3,290,660
DWI interlock device	-	-	-	-
Other revenue	20,750,227	-	1,780,140	22,530,367
Interest earnings	241,171	1,111,427	2,452,385	3,804,983
Total Revenues	810,580,956	1,111,427	84,021,718	895,714,101
Expenditures:				
Current:				
Operating costs	12,158,344	-	36,253	12,194,597
Personal services	88,948,727	-	1,025,179	89,973,906
Out-of-state travel	62,527	-	11,614	74,141
Grants and services	1,907,233	-	52,799,049	54,706,282
Travel	19,788,122	-	2,366	19,790,488
Maintenance and repairs	9,220,011	-	88,238	9,308,249
Supplies	40,077,795	-	20,005	40,097,800
Contractual services	120,098,503	-	1,419,758	121,518,261
Other costs	6,769,036	743,134	322,512	7,834,682
Employee benefits	40,960,229	-	357,319	41,317,548
Capital outlay	340,357,194	-	68,513,490	408,870,684
Debt service:				
Principal	70,608,884	-	68,239,298	138,848,182
Interest	72,918,244	397,936	3,245,208	76,561,388
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	605,845	605,845
Total Expenditures	823,874,849	1,141,070	196,686,134	1,021,702,053
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,293,893)	(29,643)	(112,664,416)	(125,987,952)
Other Financing Sources (Uses):				
Appropriations, net of reversions (Note 15)	-	-	(209,930)	(209,930)
Transfers: severance				
tax bond appropriation	-	-	13,039,998	13,039,998
Transfers from (to) other agencies (Note 11)	(5,710,524)	-	961,054	(4,749,470)
Transfers from (to) escrow agent (Note 11)	-	-	-	-
Transfers: intra-agency (Note 11)	5,865,013	-	(5,865,013)	-
Proceeds from LT notes payable (Note 11)	-	-	-	-
Face value of debentures payable (Note 11)	-	-	-	-
Premiums of debentures payable (Note 11)	-	-	-	-
Total Other Financing Sources (Uses)	154,489	-	7,926,109	8,080,598
Net Changes in Fund Balances	(13,139,404)	(29,643)	(104,738,307)	(117,907,354)
Fund Balance, June 30, 2012	229,035,645	403,584	241,589,470	471,028,699
Fund Balance, June 30, 2013	\$ 215,896,241	\$ 373,941	\$ 136,851,163	\$ 353,121,345

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental
Funds to the Statement of Activities

For the Year Ended June 30, 2013

Net Changes in Fund Balances - Total Governmental Funds

(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (117,907,354)

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in unearned revenue adjustments from prior to current year (reported as a liability in the Balance Sheet-Governmental Funds and reported as revenue in the Statement of Activities.) 673,575

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) - are measured by the amounts earned during the year to the Governmental Funds, however, expenditure for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The increase (decrease) in the compensated absences liabilities for the fiscal year was: 77,861

The Statement of Revenues, Expenditures and Changes in Fund Balances report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period these amounts were:

Capital outlay	408,870,684	
Depreciation expense	(628,024,254)	
Disposal of capital asset and adjustments, net book value	1,149,083	
Excess of depreciation expense over capital outlay		(218,004,487)

(Issuance) repayment of debentures recorded as a (source of revenue) principal expenditure in the Statement of Revenues, Expenditures and Changes in Fund Balances recorded as an (increase) reduction in long-term debentures payable in the Statement of Net Position:

Bond proceeds	(221,531,058)	
Transfer for trustee for refunding	241,240,000	
Principal payments	138,848,182	
		158,557,124

Ineffective swaps recorded as a reduction of assets in the Statement of Net Position (39,931,161)

Net change in deferred loss on refunding (including write off of unamortized balance of premiums associated with the refunded bonds), which is recorded as a reduction of long-term liabilities in the Statement of Net Position: 9,144,062

NEW MEXICO DEPARTMENT OF TRANSPORTATION

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental
Funds to the Statement of Activities**

Additional bond premiums recorded as an other financing source in the Statement of Revenues, Expenditures and Changes in Fund Balance, recorded as a liability of \$14,007,841 in the Statement of Net Position, net of \$23,358,563 of amortization, recorded as a decrease to interest expense in the Statement of Net Position:

Amortization of bond premium	14,144,068	
Premiums refunded	9,214,495	
Premium of new bonds issued	(42,693,105)	
		<u>(19,334,542)</u>

Change in Net Position of Governmental Activities (Statement of Activities)

\$ (226,724,922)

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position-Proprietary Fund

As of June 30, 2013

	<u>State Infrastructure Bank</u>
Assets:	
Current Assets:	
Cash equivalents (Note 2):	
Unrestricted	\$ -
Restricted	-
Cash equivalents (Note 2):	
(Investment in state general fund investment pool)	
Unrestricted	\$ 20,937,669
Restricted	-
Receivables:	
Due from other funds	-
Due from other state agencies	2,128
Interest receivable	-
Notes and loans receivable (Note 5)	-
Total Current Assets	<u>20,939,797</u>
Total Assets	<u><u>\$ 20,939,797</u></u>
Liabilities:	
Current Liabilities:	
Accounts payable and contracts payable	\$ -
Due to other funds	212,264
Due to other state agencies	-
Due to other governments	\$ -
Total Current Liabilities	<u>212,264</u>
Total Liabilities	<u>212,264</u>
Net Position:	
Restricted for:	
Loans	<u>20,727,533</u>
Total Net Position	<u>20,727,533</u>
Total Liabilities and Net Position	<u><u>\$ 20,939,797</u></u>

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities-Proprietary Fund

For the Year Ended June 30, 2013

	<u>State Infrastructure Bank</u>
Operating Revenues (Expenses):	
Interest income	\$ -
Total Operating Revenues (Expenses)	<u>-</u>
Non-Operating Revenues (Expenses):	
Interest income	66,525
Expense	-
Total Non-Operating Revenues (Expenses)	<u>66,525</u>
Change in Net Position/Operating Income	66,525
Net Position Beginning of Fiscal Year	<u>20,661,008</u>
Net Position, End of Fiscal Year	<u><u>\$ 20,727,533</u></u>

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Cash Flows-Proprietary Fund

For the Year Ended June 30, 2013

	<u>State Infrastructure Bank</u>
Cash flows provided from operating activities:	\$ 68,543
Cash flows from financing activities:	
Loans issued	669,814
Loans repaid	-
Net increase in cash and cash equivalents	<u>738,357</u>
Cash and cash equivalents at June 30, 2012	<u>20,199,312</u>
Cash and cash equivalents at June 30, 2013	<u><u>\$ 20,937,669</u></u>
 Reconciliation of operating income to net cash provided from operating activities:	
Operating income	\$ 66,525
 Adjustment to reconcile operating income to net cash by operating activities:	
Decrease in due from Other Agency	2,018
Decrease in due to other funds	212,264
Decrease in due to local governments	<u>(212,264)</u>
Cash flows provided by operating activities:	<u><u>\$ 68,543</u></u>

See Report of Independent Auditors' and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2013

STATE ROAD FUND(S) (SHARE 10040 and 20100)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues:					
Federal funds	\$ 372,571,700	\$ 375,571,700	\$ 412,775,461	\$	37,203,761
Other state funds	125,411,000	385,170,000	397,564,324		12,394,324
Interest revenue	-	-	241,171		241,171
Total Revenues:	<u>497,982,700</u>	<u>760,741,700</u>	<u>810,580,956</u>	<u>\$</u>	<u>49,839,256</u>
Prior Year Funds Rebudgeted	<u>335,333,028</u>	<u>335,333,028</u>			
	<u>\$ 833,315,728</u>	<u>\$ 1,096,074,728</u>			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			<u>\$ 810,580,956</u>		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ 23,894,300	\$ 23,894,300	\$ 20,990,546	\$	2,903,754
Contractual services	672,811,351	673,246,925	442,568,965		230,677,960
Other	162,024,932	162,024,932	148,713,633		13,311,299
Intra-agency transfers (in) out	-	-	(6,824,785)		6,824,785
Reversions	-	-	-		-
	<u>858,730,583</u>	<u>859,166,157</u>	<u>605,448,359</u>		<u>253,717,798</u>
Transportation and Highway Ops:					
Personal services/employee benefits	96,531,600	96,531,600	88,641,961		7,889,639
Contractual services	51,392,462	83,008,190	2,322,652		80,685,538
Other	77,965,890	79,379,226	82,841,410		(3,462,184)
	<u>225,889,952</u>	<u>258,919,016</u>	<u>173,806,023</u>		<u>85,112,993</u>
Program Support					
Personal services/employee benefits	22,978,600	22,978,600	20,276,449		2,702,151
Contractual services	3,910,700	3,910,700	2,769,759		1,140,941
Other	13,788,500	13,788,500	14,749,474		(960,974)
Intra-agency transfers (in) out	5,764,100	5,700,900	6,670,296		(969,396)
	<u>46,441,900</u>	<u>46,378,700</u>	<u>44,465,978</u>		<u>1,912,722</u>
Total Annual Budgeted Expenditures	<u>\$ 1,131,062,435</u>	<u>\$ 1,164,463,873</u>	<u>823,720,360</u>	<u>\$</u>	<u>340,743,513</u>
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			154,489		
Amortization and reversions			-		
Total GAAP Expenditures			<u>\$ 823,874,849</u>		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2013

2008B GRIP BOND DEBT SERVICE (SHARE 10420)					
Budgeted Amounts		Actual		Variance	
		Amounts			
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	1,111,427	1,111,427	
Total Revenues:	-	-	1,111,427	\$ 1,111,427	
Prior Year Funds Rebudgeted					
	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 1,111,427		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	1,141,070	(1,141,070)	
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	1,141,070	(1,141,070)	
Total Annual Budgeted Expenditures	\$ -	\$ -	1,141,070	\$ (1,141,070)	
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 1,141,070		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NOTES TO FINANCIAL STATEMENTS

NATURE OF ORGANIZATION

A primary government is any state or general purpose local government consisting of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government. The Department, therefore, is part of the primary government of the State of New Mexico and its financial data should be included in the financial data of the State.

The New Mexico Department of Transportation (Department), formerly known as the New Mexico State Highway and Transportation Department, within the State of New Mexico is responsible for planning, organizing and directing a comprehensive transportation network. The Department was created by the Constitution of New Mexico, Article V, Section 14; and Sections 67-3-1 through 67-3-70, New Mexico Statutes Annotated, 1978 Compilation. The Highway & Transportation Department Reorganization Bill (House Bill 210) created the Department as of July 1, 1987. Under this reorganization act, portions of the Transportation Department were merged into the Department to create the Department's Aviation and Transportation Divisions. On April 4, 2003, the Governor signed a bill changing the Department's name to the New Mexico Department of Transportation.

The governing body of the Department is a six person State Highway Commission. Commissioners are appointed by the Governor, with the advice and consent of the Senate, and each serves for staggered six-year terms.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB has issued Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, and Statement No. 38, *Certain Financial Statement Note Disclosures*. These Statements established the financial reporting requirements for state and local governments throughout the United States. The Department is responsible for the fair presentation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America. The Department has prepared required supplementary information entitled, *Management's Discussion and Analysis*, which precedes the basic financial statements.

Financial Reporting Entity

The accompanying financial statements of the Department include all funds and activities over which the Department has oversight responsibility. The Department is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Even though the Governor appoints the Commission, the Commission has decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. GASB 39 and GASB 61, *Determining Whether Certain Organizations are Component Units*, expands the criteria of component units. GASB 39 and GASB 61 has no impact on the Department and the Department has no blended or discretely presented component units during the year ended June 30, 2013.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Reporting Entity - continued

The Department, the New Mexico Finance Authority (NMFA) and the Federal Highway Administration (FHWA) established a State Infrastructure Bank (SIB) on September 30, 1997. The SIB is a revolving loan program accounted for as a business-type operation - enterprise fund and is administered by the Department to finance highway projects. The initial capitalization for the SIB came from the Highway Department's allotment of federal funds. The Department matched the federal funds based on the required matching percentage from state funds.

Government-wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information of all of the activities, except for fiduciary and component units, of the Department. The effect of material interfund activity has been removed from these government-wide statements. Governmental activities, primarily the construction and maintenance of the State's road system, which normally is supported by taxes and intergovernmental revenues, are reported separately from the business-type activities of the SIB, which to a significant extent acts as a business, loaning funds to other entities and charging interest on the loans. Operating income for the SIB is interest income earned on the funds loaned to other entities. All other income, including interest earned on funds on hand, is non-operating income to the SIB.

Basis of Presentation

The Statement of Activities demonstrates the degree to which the direct expenses of a function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific department function of building and maintaining the State's road system (public works). Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a department. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements for public works. Taxes and other items not properly included among program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenues rather than as program revenues. The Department does not allocate general government expenses to other functions except for depreciation (in direct) (Note 10).

Components of Net Position are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, it is generally the Department's policy to use restricted resources first, then unrestricted resources as they are needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of Presentation - continued

Governmental funds are reported as major funds in the accompanying financial statements if they meet **both** of the following criteria:

Ten percent criterion- An individual governmental fund reports at least ten percent of *any* of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures.

Five percent criterion- An individual governmental fund reports at least five percent of the total for both governmental and enterprise funds of any of the items for which it met the ten percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040 and 20100). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) combine to create the operating fund of the Department and is used to account for substantially all of the Department's financial activities. Section 67-3-59 NMSA establishes that this is a non-reverting fund. This is a general fund. Individual fund data for each fund comprising the State Road Fund(s) are provided in the form of combining statements in this report. See pages 168 to 169.

2008B GRIP Bond Debt Service Fund (Fund #10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Business Type - Proprietary Fund - State Infrastructure Bank (SIB) Financial Statements. The financial statements of the proprietary fund are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements described above.

Governmental Fund Financial Statements. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department considers revenues to be available if they are collected within 60 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

Employees' vested compensated absences are recorded as an expenditure when utilized. The amount of accumulated compensated absences unpaid at June 30, 2013, has been reported only in the government-wide financial statements.

Interest and principal payments on general long-term obligations is recognized as expenditures when paid.

Executory purchase orders and contracts are recorded as a restriction of fund balance in the Capital Project Funds and Special Revenue Funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

The financial activities of the Department are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Department uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The measurement focus is on the flow of expendable financial resources, rather than on net income determination. All governmental funds are accounted for using the modified accrual basis of accounting. The funds' revenues are recognized in the period in which they become susceptible to accrual (i.e., when they are both measurable and available to pay liabilities in the current period). "Available" is defined as collectible within the current period or soon enough thereafter, within 60 days after year-end, to be used to pay liabilities of the current period. Intergovernmental revenues, including Federal allotments and grants, are recorded in accordance with their legal or contractual requirements if collected in the current period or if collectability is assured subsequent to year-end. Grant revenues are collected in advance of the period intended to finance expenditures. If the eligibility requirements are not met, they are recorded as deferred revenues.

The following are the governmental fund types used:

General Funds - The General Funds (Funds #10040 and 20100) are used to account for the proceeds of specific revenue sources that are not otherwise required to be reported in a special revenue fund. The State Road Fund(s) are the operating and general funds of the Department and are used to account for substantially all of the Department's financial activities. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

HIF Bond Fund (Fund #20200). The Highway Infrastructure (HIF) Fund was created under Laws 1998, chapters 84 and 85. This fund is used to account for acquisition for right of ways, planning, design, engineering, construction or improvement of state highway projects. This is a non-reverting fund. The governmental fund types used by the Department were evaluated based on the provisions of GASB Statement No. 54.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Local Government Road Fund (Fund #20300). The Local Government Road Fund was created by Section 67-3-28.2, NMSA 1978. This fund is used to account for monies received for (1) cooperative agreements program for construction and improvement of public highways and streets, and public school parking lots; (2) a municipal arterial program for construction for reconstruction of highways and streets not on the state highway systems; (3) a school bus route program for maintaining, repairing, improving and paving school bus routes, and public school parking lots; and (4) a county arterial program for construction, reconstruction, improvement and maintenance of county roads. Funding is received from state excise taxes. The fund does not receive state general fund appropriations that are subject to reversion.

Federal Planning and Development Fund (Fund #10030). This fund is authorized by the Commission to account for the planning and administration of federal grant monies and state matching funds for mass transportation and railroad improvements. The Highway Safety Act of 1966, as amended, 23 U.S.C. 401 Et. Seq. and 23 U.S.C. 410, authorizes the establishment of this fund. The fund does not receive state general fund appropriations that are subject to reversion.

State Aviation Fund (Fund #20500). The State Aviation Fund was created by Section 64-1-15, NMSA 1978. This fund is used to account for planning, construction and maintenance of a system of airports, navigation aids and related facilities serving New Mexico. Financing is provided from all unrefunded taxes collected on the sale of motor fuel sold for use in aircraft. This is a non-reverting fund.

Traffic Safety Fund(s). Previously three funds were combined for presentation as the Traffic Safety Fund(s). These were the Traffic Safety Fund (#20800), the Federal Traffic Safety Fund (#10010) and the Ignition Interlock Fund (#82600). The following three funds are now also combined into the Traffic Safety Fund(s); the Driver Improvement Program Fund (#10020), Motorcycle Training Fund (#20600) and the DWI Prevention and Education Fund (#20700). Individual fund data for each fund comprising the Traffic Safety Fund(s) are provided in the form of combining statements in this report. See pages 170 through 173.

The Federal Traffic Safety Fund (#10010). The Federal Traffic Safety Fund is the fund through which federal funds are received for various traffic safety programs. This is a non-reverting fund.

Driver Improvement Program Fund (Fund #10020). The Driver Improvement Program Fund was created by Executive Order 87-20. This fund is used to account for the operation of a driver improvement program. Financing is provided from fees collected for drivers' manuals and admissions to driver training courses. This is a non-reverting fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Motorcycle Training Fund (Fund #20600). The Motorcycle Training Fund was created by Section 66-10-10, NMSA 1978. This fund is used to account for the operation of a motorcycle safety training program. Financing is provided from motorcycle registration fees and student training fees. All money in the motorcycle training fund in excess of amounts budgeted revert to the State Road Fund.

DWI Prevention and Education Fund (Fund #20700). The DWI Prevention and Education Fund was created by Section 66-5-35, NMSA 1978. This fund is used to account for the operation of a DWI (Driving While Intoxicated) prevention and education program for elementary and secondary school students. Financing is provided from limited license and permit fees. This is a non-reverting fund.

The Traffic Safety Fund (#20800). The Traffic Safety Fund was created by Section 66-7-512, NMSA 1978. The fund is used for the state match for the federal traffic safety fund programs. This is a non-reverting fund.

The Ignition Interlock Fund (#82600). The Ignition Interlock Fund was created by Section 66-8-102.3, NMSA 1978 for the administration of the Ignition Interlock program. This is a non-reverting fund.

1993 Bond Project Fund (Fund #39400). The bond project fund was created due to the issuance of the December 1993 \$50,000,000 State of New Mexico Highway debentures. The funds from the sale of all of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations held by the State Treasurer with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1999A CHAT Bond Project Fund (Fund #43000). The bond project fund was created due to the issuance of the October 1998 \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A and the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 issued in November 1999. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Also, proceeds can be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2001A CHAT Bond Project Fund (Fund #00600). The bond project fund was created due to the issuance of the March 2001 \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2002C HIF Bond Project Fund (Fund #36100). The bond project fund was created due to the issuance of the May 2002 \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Highway Bonds Series 2002C. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

ARRA Project Fund (Fund #89000). The ARRA Project Fund was created under the American Recovery and Reinvestment Act of 2009, a federal economic stimulus program. This fund tracks the expenditure and reimbursement of projects which qualify under the terms of the Act. This is a non-reverting fund. This is a special revenue fund.

WIPP Bond Project Fund (Fund #43100). The Waste Isolation Pilot Plant (WIPP) Bond Project Fund was created under US congress Public Laws Waste Isolation Pilot Plant Withdrawal Act Public Law 102-579 of 1992 and National Defense Act Public Law 104-201 of 1997. The funds provided under these acts become state funds under the purposes specified under the acts. These funds are required to be used for road projects related to the Waste Isolation Pilot Plant in Carlsbad, New Mexico. This is a non-reverting fund.

2010A Bond Project Fund (Fund #10450). The 2010A Bond Project Fund was created by the engagement of \$200,000,000 Line of Credit June 2008. The Line of Credit was engaged in with an adjustable rate and to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion. In September 2010, the Department refunded the Line of Credit with the NMFA State Transportation Revenue and Refunding Revenue Bonds Series 2010A.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2002D CHAT Bond Project Fund (Fund #11500). The bond project fund was created due to the issuance of the December 2002 \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2004A GRIP Bond Project Fund (Fund #20400). The bond project fund was created when \$700,000,000 New Mexico State Transportation Senior Lien Revenue Bonds Series 2004A were issued through the New Mexico Finance Authority in May 2004. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversions.

2006A GRIP Bond Project Fund (Fund #10210). The bond project fund was created due to the issuance of the September 2006 \$150,000,000 Revenue Bond Series 2006A. The 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has deemed necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

2006B GRIP Bond Project Fund (Fund #10230). The bond project fund was created due to the issuance of the September 2006 \$40,085,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission.

2006C GRIP Bond Project Fund (Fund #10250). The bond project fund was created due to the issuance of the September 2006 \$220,000,000 of State Transportation, Series 2006C Revenue Bonds. The series 2006C Bonds were issued as adjustable rate securities and were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2006D GRIP Bond Project Fund (Fund #10270). The bond project fund was created due to the issuance of the September 2006 \$50,400,000 of State Transportation, Series 2006D Revenue Bonds. The series 2006D Bonds were issued to provide funds for an escrow account required to be maintained by the Department pursuant to a Joint Use Agreement between the Department and the BNSF Contingent Liability Fund. The fund does not receive state general fund appropriations that are subject to reversion.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Debt service requirements are met through the monthly transfer of vehicle and gasoline tax revenues from the State Road Fund. The Department may transfer interest earned on the other bond issues to their respective debt service funds. These funds do not receive state general fund appropriations that are subject to reversion.

1998A WIPP Bond Debt Service Fund (Fund #97200). The fund was created when the \$100,000,000 New Mexico State Highway Commission Subordinate Lien Tax Revenue Highway Bond Series 1998B were issued in October 1998.

1998A CHAT Bond Debt Service Fund (Fund #54800). The fund was created when the \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A were issued in October 1998.

1999 CHAT Bond Debt Service Fund (Fund #43400). The fund was created when the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 were issued in November 1999.

2000 CHAT Bond Debt Service Fund (Fund #43200). The fund was created when the \$201,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2000A were issued in May 2001.

2001A CHAT Bond Debt Service Fund (Fund #00700). The fund was created when the \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A were issued in March 2001.

2002A CHAT Bond Debt Service Fund (Fund #54700). The fund was created when the \$95,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002A were issued in January 2002.

2002B WIPP Bond Debt Service Fund (Fund #75000). The fund was created when the \$79,920,000 New Mexico State Highway Commission Lien Tax Revenue Bonds Series 2002B were issued in January 2002.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2002C HIF Bond Debt Service Fund (Fund #36300). The fund was created when the \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Bonds Series 2002C were issued in May 2002.

2002D CHAT Bond Debt Service Fund (Fund #18700). The fund was created when the \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D were issued in December 2002.

2004A GRIP Bond Debt Service Fund (Fund #10080). The fund was created when the \$700,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bond Series 2004A were issued through the New Mexico Finance Authority in 2004.

2004B GRIP Bond Debt Service Fund (Fund #10090). The fund was created when the \$237,950,000 and \$200,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bonds Series 2004B and Series 2004C were issued through the New Mexico Finance Authority in May 2004. The 2004C Revenue Bond was refunded in 2008 by the 2008A and 2008C Refunding Revenue Bonds.

2006A GRIP Bond Debt Service Fund (Fund #10220). The fund was created when the \$150,000,000 New Mexico State Highway Commission Revenue Bonds Series 2006A were issued in September 2006.

2006B GRIP Bond Debt Service Fund (Fund #10240). The fund was created when the \$40,085,000 New Mexico State Highway Commission Revenue Bonds Series 2006B were issued in September 2006.

2008A GRIP Bond Debt Service Fund (Fund #10410). The fund was created when the \$115,200,000 New Mexico State Transportation Commission Revenue Bonds Series 2008A were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008B GRIP Bond Debt Service Fund (Fund #10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2008C GRIP Bond Debt Service Fund (Fund #10430). The fund was created when the \$84,800,000 New Mexico State Transportation Commission Revenue Bonds Series 2008C were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008D GRIP Bond Debt Service Fund (Fund #10440). The fund was created when the \$50,400,000 New Mexico State Transportation Commission Revenue Bonds Series 2008D were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2009A Bond Debt Service Fund (Fund #11130). The fund was created when the \$112,345,000 NMFA's State Transportation Senior Lien Refunding Revenue Bonds, Series 2009A were issued in November 2009 to refund portions of series 1998A, 1998B, 2001A, 2002A and 2002C.

2010A Bond Debt Service Fund (Fund #11140). The fund was created when the \$174,625,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010A were issued in October 2010 to refund a portion of a borrowing under a tax-exempt line of credit with Bank of America N.A. and finance the costs of certain State Transportation Projects for the Department.

2010B Bond Debt Service Fund (Fund #20450). The fund was created when the \$461,075,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010B were issued in October 2010 to refund portions of series 2002A, 2002C, 2002D and 2004A GRIP.

2012 Refunding Bond Debt Service Fund (Fund #30850). The fund was created when the \$220,400,000 NMFA State Transportation Refunding Revenue Bonds Series 2012 were issued in December of 2012 to refund certain outstanding bonds of the State Transportation Commission and of the Finance Authority which were issued for the purpose of financing or refinancing projects administered by the New Mexico Department of Transportation.

Capital Project Funds - Capital Project Funds are used to account for the purchase or construction of facilities used in the operation of the Department or other long term Department projects specifically appropriated by the state. Expenditures are incurred to build and improve the transportation system within the State of New Mexico.

Capital Projects Fund (Fund #10050). The Capital Projects Fund is used to account for the purchase or construction of facilities used in the operation of the Department. It is a non-major fund. This fund reverts to the State Road Fund upon completion of the appropriation project or appropriation period.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Capital Project Funds - continued

Severance Tax Bond Appropriations Fund (Fund #10060). The Severance Tax Bond Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable. This is a capital projects fund.

General Fund Appropriations Fund (Fund #10070). The General Fund Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund.

STB Capital Outlay Fund (Fund #89200). This fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable. This is a capital projects fund. The existing Fund 10060 will be phased out.

GF Capital Outlay Fund (Fund #93100). This fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund. The existing Fund 10070 will be phased out.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Budgets and Budgetary Accounting

Per the General Appropriations Act of 2012, Section 3M, "For the purpose of administering the General Appropriation Act of 2012, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at year end. Appropriation periods are sometimes for periods in excess of twelve months (multiple-year appropriations). When multiple-year appropriation periods lapse, the authority for the budget also lapses, and encumbrances can no longer be charged to that budget.

The legal level of budgetary control is at the appropriation unit level at the entity-wide level, except for multiyear funds.

Interfund and Interagency Transactions

Transfers which, because of budgetary or legal restrictions, must be expended by funds other than the fund initially receiving the revenue, are recorded as operating transfers in (out) under the other financing sources (uses) category (Note 11) in the governmental fund financial statements.

Restricted Cash and Cash Equivalents

The funds deposited in the debt service funds are restricted to pay future principal and interest payments. The remaining balance of the proceeds from the sale of the debentures, bonds and the NMFA loan are also classified as restricted cash because of the limited use of these funds. Proceeds of the various bond issues are also invested through the State Treasurer's Office in securities repurchase agreements with financial institutions and a money market mutual fund that invests in U.S. Treasury securities. Cash received from the Department of Energy (for the WIPP Project fund) in advance of incurring the eligible expenditures is also reflected as restricted cash because the cash can only be used on specified road projects. Cash held in the State Infrastructure Bank is restricted for use in funding loans (Note 2).

Cash and cash equivalents, for the purpose of the cash flows, has interest in the State General Fund Investment Pool of the State Treasurer's Office.

Taxes Receivable

Taxes receivable represent the amounts due from the New Mexico Taxation and Revenue Department for the Department's June 30 fiscal year user and fuel taxes that are received by the Department after year-end. Accordingly, no allowance for uncollectible amounts is necessary. The revenue related to taxes is recorded when the underlying transaction occurs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Accounts Receivable

Accounts receivable consists of amounts due from various entities: individuals and other state and local agencies located within the State of New Mexico for the sale of maps, brochures and other materials; and for other services performed by the Department. It is the policy of the Department to actively pursue collections of all valid accounts receivable and to comply with Article IV, Section 32 of the New Mexico Constitution that mandates that no amounts owed to the State can be exchanged, transferred, remitted, released or postponed. As a result of this policy, the Department does not write off any receivable balances and, instead, provides an allowance for uncollectible accounts. The Department has specific procedures in place for the treatment and collection of invoices past 30, 60, 90, and 120 days and, any receivables older than 120 days are moved to the allowance account at year end. A detail listing of all uncollectible accounts is maintained and uncollectible accounts are referred to the Department's legal department for possible legal collection actions. The balance of receivables deemed uncollectible through the end of FY13 was \$4,594,523 and a net total of \$459,229 was moved to the uncollectible account during the current fiscal year. A total of \$499,538 was recovered from the uncollectible account during the current fiscal year. (Note 3)

Severance Tax Bonds Proceeds Receivable

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents expenditures incurred by the Department, but not yet reimbursed by the Board of Finance (Note 4).

Notes and Loans Receivable

Loans receivable represent:

Loans to other governmental entities made by the State Infrastructure Bank. Loans are stated at their principal amount. Interest on loans is accrued based on the daily principal balance outstanding, except when a loan has been past due for 90 days. All loans are to governmental entities and secured by certain pledged revenues. The loans are being repaid in accordance with their loan agreements. Management's evaluation of the loan portfolio has determined that no allowance for uncollectible loans is required at June 30, 2013. There are no loans past due for more than 90 days as of the end of the fiscal year which require placement on non-accrual status (Note 5).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Due From the U.S. Department of Transportation

Due from the U.S. Department of Transportation represents amounts billed and unbilled in accordance with the various grant agreements. The "billed" portion represents contract expenditures incurred and billed by the Department. The "unbilled" portion represents expenditures included in accounts payable that will be billed when paid by the Department. The "excess project costs" represents costs actually incurred on a project in excess of approved amounts. The Department provides for an allowance for uncollectible accounts in excess of project costs classification. The allowance is based on an analysis of amounts that are reasonably assured of collection (Note 6). There was no allowance for FY 2013.

Due From/To Other Funds

Due from/to other funds represent amounts due from and to other funds within the Department (Note 7) and are included in the governmental fund financial statements. Inter-fund transactions are eliminated in the GAAP-basis governmental-wide financial statements.

Due to State Treasurer's Office

The amount of negative cash balances are reported in the Due to State Treasurer's Office by fund.

Due to State General Fund (Reversions)

Reversions to the State General Fund by the Department are based on the definitions of both reverting and non-reverting funds. Reversions are calculated by applying the percentage of reverting fund (to total budget for the category) to the amount unexpended for the category at fiscal year-end.

Inventory

Inventory is valued at cost using the first-in, first-out method. Special Revenue Fund inventory consists of materials used in the Department's operations.

The inventory costs are recorded as expenditures when consumed rather than when purchased. Reported inventories are equally offset in the unspendable fund balance, which indicates that it does not constitute "available spendable resources" (Note 9) even though they are a component of current assets.

Prepaid Expense - NM 44 Warranty

The warranty represents the no-fault portion of 3 categories of costs that will meet performance criteria: The pavement, which originally cost \$36,100,000, is being amortized over 20 years. At the end of fiscal year 2013, the unamortized value was \$19,855,000. The structures, which originally cost \$15,916,345 is being amortized over 11 1/2 years. At the end of fiscal year 2013, the unamortized value was \$3,460,075. The remaining amount, which originally cost \$13,564,126, is fully amortized and has no net book value after fiscal year ending June 30, 2006 when it became fully amortized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Property Held for Resale

Property held for resale represents excess land acquired through condemnation and is recorded at its estimated fair value. The Department's management estimated the fair value based upon original cost plus inflation using the Consumer Price Index (CPI). Reported property held for resale is equally offset by the fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of assets.

Capital Assets

Capital assets, which include property, plant, equipment, software in the equipment category, and infrastructure assets (which is normally immovable and of value only to the state, such as roads, streets, tunnels and similar infrastructure items), are reported in the governmental activities columns in the government-wide financial statements. The Department has no internally developed software that requires capitalization. As a result of House Bill 1074, effective date June 17, 2005, and Section 12-6-10 NMSA 1978 the State's capitalization policy threshold was changed from \$1,000 to \$5,000, requiring agencies to capitalize acquisitions greater than \$5,000. Assets purchased prior to June 17, 2005 were not removed and will continue to be depreciated. Purchased and constructed capital assets are valued at historical or estimated historical cost. The Department has not capitalized any construction period interest expense. Donated capital assets are recorded at their estimated fair value at the date of donation.

The Department records as capital assets the specific roads, tunnels and other infrastructure it owns or over which it has primary responsibility for maintenance. According to the GASB, if the Department has the primary responsibility for the asset's maintenance, then the capital asset would be recorded on its books.

An estimated historical cost of the entire infrastructure on the Department's government-wide financial statements was determined as of June 2001. The Department calculated the replacement cost as of June 30, 2001 for its entire infrastructure and then deflated the cost by use of a construction price level index maintained by the Federal Highway Administration. Accumulated depreciation at June 30, 2001 was calculated based on the estimated historical cost of the infrastructure, estimated use of the assets and using a 25 to 30-year life of the infrastructure. Current year activity is shown in Note 10 to the financial statements.

The Department follows the depreciation method to record infrastructure assets. This method requires the Department to allocate the cost of infrastructure assets over their useful lives as depreciation expense. Another allowable methodology is to use the modified approach to record infrastructure. Under this process, the Department does not record depreciation expense nor are amounts capitalized in connection with improvements to these assets, unless the improvements expand the capacity or efficiency of an asset. If this method was used, it would require the Department to: 1) commit to maintaining and preserving the assets at or above a condition level established by the Department, 2) maintain an inventory of the assets and perform periodic assessments to ensure that the condition level is being maintained, and 3) make annual estimates of the amounts that must be expended to maintain and preserve assets at the predetermined condition levels. The Department elected to use the depreciation method as it determined it could not meet the condition to maintain the infrastructure at a predetermined condition level due to an anticipated lack of future funding for maintenance. All major infrastructure has been recorded.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets - continued

The Department records its other capital assets (buildings and machinery and equipment) at historical cost and depreciates the assets over their estimated useful lives. Capital assets acquired in the current year in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements.

Capital assets of the Department are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and right-of-way land. Generally, estimated useful lives are as follows:

Machinery and Equipment	7 - 14 years
Buildings and Other Improvements	40 years
Infrastructure	25 - 30 years

Unearned Revenue

Unearned revenue occurs when the Department receives funds before the corresponding expense or expenditure has been incurred, or all of the eligibility requirements have been met. The Department has received funds in advance of work done from the Department of Energy (DOE) for road projects and other costs relating to the Waste Isolation Pilot Plant (WIPP). Revenue is recognized when eligible expenditures are incurred for these projects and programs and all eligibility requirements are met.

Compensated Absences

The Department accounts for the accumulated vacation and sick leave on the accrual basis in accordance with GASB 16. Accrued vacation up to 240 hours is recorded in the Statement of Net Assets at 100% of the employee's hourly wage. In addition, accrued sick leave over 600 up to 720 hours less the amount classified as current is recorded in the Statement of Net Assets at 50% of the employee's hourly wage. Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each overtime hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2013, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

Long-Term Obligations

Premiums, Discounts and Issuance Costs - In the government-wide financial statements, long-term debt and other long-term obligations are presented in the column for governmental and business-type activities. The same is presented in the proprietary fund financial statements. Bond and note premiums and discounts are capitalized and amortized straight line over the life of the debt. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred per GASB 65.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Long-Term Obligations - continued

In the governmental fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as other expenditures.

Arbitrage Rebate Liability - Any arbitrage rebate is recorded as a liability when it is determined to be owed to the Internal Revenue Service.

Net Position

The government-wide financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Investments in Capital Assets - is intended to reflect the portion of net assets which is associated with non-liquid capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Assets - are liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory or granting agency) limitation on their use. When there is an option, the Department spends restricted resources first.

Unrestricted Assets - are all other net assets that do not meet the definition of "restricted assets" or "investments in capital assets".

Encumbrances

With the General Appropriations Act of 2012, Section 3M establishing the modified accrual basis of accounting for governmental funds as the budgetary basis of accounting for the state of New Mexico, encumbrances related to single year appropriations lapse at fiscal year end. Appropriation periods for periods in excess of twelve months (multiple-year appropriations) lapse at the end of the appropriation period, the budget also lapses, and encumbrances can no longer be charged to that budget. Outstanding encumbrance balances for the Department's Severance Tax Bonds and Special Appropriations are shown in separate supplementary schedules. Significant unexpended encumbrance balances at June 30, 2013 for other multiple year appropriation periods are as follows:

2010A Bond Project Fund	10450	<u>\$ 13,072,584</u>
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Nonspendable Fund Balance

The nonspendable category of fund balance consists of the net financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable categories of fund balances are summarized below:

Inventory - This category was created to represent the portion of fund balance that are noncash assets available for expenditures in future periods.

Property Held for Resale - This category was created to represent the portion of fund balance that are long-term noncash assets available for sale.

Prepaid Expenses - This category was created to represent disbursements made that cannot be reported as expenditures in the current period for GAAP purposes.

Restricted Fund Balance

The restricted category of fund balance consists of the net financial resources that are restricted by either (a) external imposition by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposition by law through constitutional provisions or enabling legislation.

Committed Fund Balance

The committed category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose as established by the highest level of decision-making authority. This fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying these contractual requirements. The Department's highest level of decision-making authority is the Legislative and Executive branches of the State of New Mexico.

Assigned Fund Balance

The assigned category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose by the Department's intent but the constraint imposed does not satisfy the criteria to be classified as restricted or committed.

Unassigned Fund Balance

The unassigned category of fund balance consists of the net financial resources that are the least constrained. In the general fund, these are amounts that have not been restricted, committed or assigned to specific purposes. In other funds, they are negative fund balances that represent shortfalls which are covered by fund balances not restricted, committed or assigned to other specific purposes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Pledged Revenue

The Department has pledged future gasoline excise taxes, motor vehicle registration fees, special fuel excise taxes, vehicle transactions fees, driver's license fees, oversize/overweight permit fees, trip (mileage) taxes, weight distance taxes, leased vehicle gross receipts taxes, tire recycling fees and FHWA revenues, to repay \$1.48 billion in State Transportation Revenue and Refunding Bonds issued between 2002 and 2012. Proceeds from the bonds provided funding for various transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable, as well as to provide funds to refund and restructure certain outstanding bonds. The bonds are payable through 2027. Annual principal and interest payments on the bonds are expected to require less than 25% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$2.01 billion. Principal and interest paid for the current year and total pledged revenues were \$165,009,570 and \$793,585,618, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Eliminations

Total columns in the governmental fund financial statements are captioned "Total (Governmental Funds)" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operation or changes in financial position of the Department as a whole in conformity with generally accepted accounting principles. Eliminations of intra-fund transfers have not been made in the aggregation in the governmental fund financial statements. Due from/to other funds and intra-fund transfers have been eliminated in the government-wide financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The Department has two items that qualify for reporting in this category. They are the deferred gain on refunding and the value of the SWAP agreements.

2. CASH AND CASH EQUIVALENTS

The Department has two types of cash equivalents--those that are deposited with the State Treasurer's Office and those that are held with trustees that are managed by NMFA.

Cash equivalents on deposit with State Treasurer's Office

For cash management and investment purposes, funds of various state agencies are deposited in the State General Fund Investment Pool (the Pool), which is managed by the Office of the New Mexico State Treasurer. Claims on the Pool are reported as assets by the various agencies investing in the Pool.

In June 2012, an independent expert diagnostic report revealed that the General Fund Investment Pool balances had not been reconciled at the business unit/fund level since the inception of the Statewide Human Resources, Accounting, and Management Reporting (SHARE) system in July of 2006. The diagnostic report is available in the Resources section of the Cash Control page of the New Mexico Department of Finance and Administration's website at: http://www.nmdfa.state.nm.us/Cash_Control.aspx. The document title is Current State Diagnostic of Cash Control.

By state statute, the New Mexico Department of Finance and Administration (DFA) is responsible for the performance of monthly reconciliations with the balances and accounts kept by the State Treasurer. Therefore, under the direction of the State Controller / Financial Control Division Director, the Financial Control Division (FCD) of the New Mexico Department of Finance & Administration undertook action to address the situation. DFA/FCD initiated the Cash Management Remediation Project (Remediation Project) in partnership with the Office of the New Mexico State Treasurer, the New Mexico Department of Information Technology, and a contracted third party with expertise in the Enterprise System Software used by the State.

The Remediation Project objective was to design and implement changes necessary to ensure ongoing completion of timely, accurate and comprehensive reconciliation of the Pool. DFA has or is in the process of implementing all the recommendations resulting from the Remediation Project and has made changes to the State's SHARE system configuration, cash accounting policies and procedures, business practices, and banking structure. This has enabled DFA to complete timely and accurate reconciliation of bank to book balances at the State and Business Unit level on a post-implementation basis, however it did not resolve historical reconciling items. Additional changes recommended by the Project continue to be cascaded through DFA and state agencies to support the Business Unit by Fund accounting requirements.

A plan to address historical reconciling items is being assessed and a separate initiative will need to be undertaken to resolve the historical reconciling items. Management considers it unlikely that this separate initiative will be successful in allocating all historical reconciling items to the State entities invested in the Pool. As a result, any remaining differences post specific allocation to Pool participants will be reported in the State General Fund.

Management in FY 2012 recorded a loss contingency of \$101.7 million in the General Fund based on its estimate of the effect of issues related to the reconciliation of the Pool, that estimate is still current. Because no specific loss amount is determinable, consistent with generally accepted accounting principles, the amount accrued is the minimum amount that management considers to be probable. Ultimately, the loss could exceed the amount accrued, perhaps by a substantial amount.

2. CASH AND CASH EQUIVALENTS (continued)

The Department is aware that the General Fund Investment Pool balances have not been reconciled at the Agency and Fund level by the Department of Finance and Administration and that any reconciling items, once determined through a future initiative, will not be allocated to the Department or other state agencies. However, the Department has established its own internal reconciliation policies and procedures to mitigate the risk that our cash balances would be misstated as of June 30, 2013. The Department is confident that our reconciliation process ensures all incoming and outgoing cash transactions are properly identified and that they are timely and accurately recorded in the financial system. Deposit transactions originated by our agency are validated and verified to source documents to ensure for accuracy and compliance before they are recorded in the financial system. Recording is not final until approved by the State Treasurer's Office who compares the recorded transactions against validated bank deposit slips provided to them by the State's Fiscal Agent Bank. Our agency then compares all deposits to financial system cash transaction and general ledger reports to ensure they have been properly and thoroughly recorded. Similarly, incoming wire cash transfers and operating cash transfers originating outside our agency and received by the State's Fiscal Agent Bank are identified, reviewed and verified to ensure they are properly authorized, recorded, reported and

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

2. CASH AND CASH EQUIVALENTS (continued)

Cash equivalents on deposit with State Treasurer's Office (continued)

At June 30, 2013 the Department had the following invested in the General Fund Investment Pool:

General Fund Investment Pool	\$ 252,094,503
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Interest Rate Risk. The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk. The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2012.

The reconciled balances at June 30, 2013, are as follows:

	Fund Number	Amount (+)	Amount (-)
Cash:			
<i>Unrestricted</i>	20100	\$ 2,100	
 Balance Sheet - Governmental Funds Cash, Unrestricted and Statement of Net Assets Cash, Unrestricted		\$ 2,100	

2. CASH AND CASH EQUIVALENTS (continued)

	Fund Number	Amount (+)	Amount (-)
Cash Equivalents:			
<i>Restricted:</i>			
2001A CHAT Bond Project Fund	00600	\$ 4,734,419	\$ -
2001A CHAT Bond Debt Service Fund	00700	234,583	-
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	8,926,294	-
Federal Planning and Development	10030	-	2,028,076
State Road Fund(s)	10040 and 20100	159,172,462	20,199,938
Capital Projects Fund	10050	1,366,565	-
STB Appropriations Fund	10060	-	2,139,961
General Fund Appropriations	10070	598,144	-
2006A GRIP Bond Project Fund	10210	582,089	-
2006B GRIP Bond Project Fund	10230	49,671	-
2010A Bond Project Fund	10450	-	10,624,219
2002D CHAT Bond Project Fund	11500	639,261	-
2002D CHAT Bond Debt Service Fund	18700	12,852	-
HIF Bond Fund	20200	10,345,011	-
Local Government Road Fund	20300	19,508,256	-
2004A GRIP Bond Project Fund	20400	112,078	-
State Aviation Fund	20500	16,786,869	-
2002C HIF Bond Project Fund	36100	1,308,522	-
2002C HIF Bond Debt Service Fund	36300	62,453	-
1993 Bond Project Fund	39400	1,600,121	-
1999A CHAT Bond Project Fund	43000	2,125,051	-
WIPP Bond Project Fund	43100	1,980,339	-
2000 CHAT Bond Debt Service Fund	43200	204,785	-
1999 CHAT Bond Debt Service Fund	43400	267,125	-
2002A CHAT Bond Debt Service Fund	54700	83,859	-
1998A CHAT Bond Debt Service Fund	54800	142,073	-
2002B WIPP Bond Debt Service Fund	75000	111,299	-
ARRA Project Fund	89000	-	640,060

2. CASH AND CASH EQUIVALENTS (continued)

	Fund Number	Amount (+)	Amount (-)
STB Capital Outlay Fund	89200	-	67,745
GF Capital Outlay	93100	188,094	-
1998A WIPP Bond Debt Service Fund	97200	14,559	-
Balance Sheet - Governmental Funds Cash Equivalents, Restricted		231,156,834	
State Infrastructure Bank:			
Restricted Cash Equivalents	89300	20,937,669	
Statement of Net Position Cash Equivalents, Restricted		\$ 252,094,503	
Balance Sheet-Governmental Funds and Statement of Net Position included in Due to Other Agencies (See Note 12)			\$ 35,699,999

State law requires that repurchase agreements be secured by collateral with a market value greater than 102% of the value of the agreement. The securities are held by a third party in the Department's name. The fair value of the repurchase agreement approximates the cost at June 30, 2013.

Cash equivalents managed by New Mexico Finance Authority

Money market funds are managed by New Mexico Finance Authority (fiscal agent) and held by State Treasurer authorized bank accounts at Bank of Albuquerque and Bank of New York as trustees and paying agents for Department. The sources of funds are bond proceeds and other debt service requirements. These funds are invested in short-term money market accounts that invest in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations in accordance with state law. The trustees are also permitted to purchase U.S. Treasury obligations.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of failure of the counterparty, the Department will not be able to recover the value of its collateral securities that are in the possession of an outside party. All are fully collateralized and the collateral is held in the Department's name.

Credit Risk. The Authority's investments shall be in accordance with State Law, 6-10-10 and 6-10-10.1 NMSA 1978, including but not limited to the following: Treasury Bills, Notes, Bonds, Strips and U.S. Government.

Concentration of Credit Risk. Concentration of credit risk is defined as investments of more than 5% in any one issuer. The Department is not susceptible to concentration of credit risk.

2. CASH AND CASH EQUIVALENTS (continued)

Interest Rate Risk. Interest rate risk is the risk that interest rate fluctuations may adversely affect an investment's fair value. The prices of securities fluctuate with market interest rates and the value of securities held in a collateral portfolio will decline if market interest rates rise. In this event, the financial institution is required to provide additional collateral necessary to comply with New Mexico State Statute. Therefore, funds are not susceptible to interest rate risk as they are all fully collateralized.

	Fund Number	Amount
Cash Equivalents:		
<i>Managed by NMFA:</i>		
State Road Fund(s)	10040 and 20100	65,032
2004A GRIP Bond Debt Service Fund	10080	1,085,041
2004B GRIP Bond Debt Service Fund	10090	33,607,671
2006A GRIP Bond Project Fund	10210	162,255
2006A GRIP Bond Debt Service Fund	10220	1,683,172
2006B GRIP Bond Project Fund	10230	10,384
2006B GRIP Bond Debt Service Fund	10240	662,981
2006C GRIP Bond Project Fund	10250	179,118
2008A GRIP Bond Debt Service Fund	10410	8,615,188
2008B GRIP Bond Debt Service Fund	10420	23,730,932
2008C GRIP Bond Debt Service Fund	10430	4,366,472
2008D GRIP Bond Debt Service Fund	10440	1,874,928
2010A Bond Project Fund	10450	44,760,160
2009A Bond Debt Service Fund	11130	49,143
2010A/LOC Bond Debt Service Fund	11140	41,501
2010B GRIP Bond Debt Service Fund	20450	202,746
2012A Refunding Revenue Bond Debt Service Fund	30850	65,348
Balance Sheet - Governmental Funds and Statement of		
Net Position Cash Equivalents, Managed by NMFA		\$ 121,162,072

3. ACCOUNTS RECEIVABLE

The aging of accounts receivable as of June 30, 2013 is as follows:

<u>Number of Days Outstanding</u>	
0 - 30	\$ 285,144
31 - 60	11,616
61 - 120	405,344
Beyond 120	<u>4,594,873</u>
	5,296,977
Allowance for uncollectible accounts	<u>(4,594,523)</u>
	<u><u>\$ 702,454</u></u>

4. SEVERANCE TAX BOND PROCEEDS RECEIVABLE

Severance tax bonds proceeds receivable as of June 30, 2013, appropriated to the Department, were held by the State Board of Finance to reimburse expenditures incurred by the Department. The activity of this account is as follows:

Balance, beginning of year	\$ 22,260,645
Sale and reauthorization of severance tax bonds	35,936,356
Funding from the State Board of Finance	(13,040,000)
Reversion to the State Board of Finance	<u>(107,311)</u>
Balance, end of year	<u><u>\$ 45,049,690</u></u>

The funding for the year ended June 30, 2013 was received under the Laws of 2007, Chapter 3; Laws of 2008, Chapters 9; Laws of 2009, Chapters 7; Laws of 2010, Chapter 105; Laws of 2011, Chapter 183; and Laws of 2012, Chapter 63 and 64 for projects completed ; Laws of 2013, Chapter 202.

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs and are recorded as revenues by the Department. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents the amounts due and available from the State Board of Finance as of year-end.

Receivable at year end (Note 8)	<u><u>\$ 1,909,588</u></u>
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5. NOTES AND LOANS RECEIVABLE

Notes receivable as of June 30, 2013 consist of the following:

A note receivable from a private entity, non-interest bearing, in accordance with federal statutes, collateralized by various property.

\$ 2,649

6. DUE FROM U.S. DEPARTMENT OF TRANSPORTATION

Due from U.S. Department of Transportation (USDOT) consists of the following at June 30, 2013:

Agency

Federal Highway Administration	\$ 43,696,592
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Less allowance for uncollectible amounts	<u>-</u>
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Total Federal Highway Administration	43,696,592
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Other USDOT Agencies	<u>9,981,538</u>
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Total USDOT	<u>\$ 53,678,130</u>
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7. DUE FROM AND DUE TO OTHER FUNDS

These amounts represent interfund receivables and payables arising from the interfund transactions within the Department. Due from/to other funds occur for the following reasons:

- 1) The State Road Fund pays expenditures on behalf of other funds.
- 2) Grant and other funds are recorded in the State Road Fund and then transferred to the appropriate funds.

Interfund receivables and payables as of June 30, 2013 consist of the following:

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
Special Revenue Funds:				
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	\$ 139	\$ 78,607	
Federal Planning and Development	10030	-	114,353	
State Road Fund(s)	10040 and 20100	18,823,201	10,688,049	
HIF Bond Fund	20200	13,600	-	
State Aviation Fund	20500	-	256	
ARRA Project Fund	89000	346,242	414,511	
Total Special Revenue Funds		19,183,182	11,295,776	7,887,406
Debt Service Funds:				
2001A CHAT Bond Debt Service Fund	00700	1,651,520	-	
2004A GRIP Bond Debt Service Fund	10080	-	574,773	
2006A GRIP Bond Debt Service Fund	10220	-	1,649,100	
2006B GRIP Bond Debt Service Fund	10240	-	658,193	
2008AGRIP Bond Debt Service Fund	10410	-	1,370,943	
2008B GRIP Bond Debt Service Fund	10420	-	6,409,295	
2008C GRIP Bond Debt Service Fund	10430	-	1,009,166	
2008D GRIP Bond Debt Service Fund	10440	-	1,267,688	
2012A Bond Debt Service Fund	30850	-	611	
2000 CHAT Bond Debt Service Fund	43200	1,184,452	-	
1999 CHAT Bond Debt Service Fund	43400	750,144	-	
2002A CHAT Bond Debt Service Fund	54700	690,434	-	
1998A CHAT Bond Debt Service Fund	54800	86,180	-	
2002B WIPP Bond Debt Service Fund	75000	702,644	-	
1998 WIPP Bond Debt Service Fund	97200	199,253	-	
Total Debt Service Funds		5,264,627	12,939,769	(7,675,142)
Capital Projects Funds:				
Gen. Fund Appropriations Fund	10070	-	131,887	
GF Capital Outlay Fund	93100	131,887	-	
Total Capital Projects Funds		131,887	131,887	-
Enterprise Funds:				
State Infrastructure Fund	89300	-	212,264	
Total Enterprise Funds		-	212,264	(212,264)
Total Interfund Receivables and Payables		\$ 24,579,696	\$ 24,579,696	\$ -

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS - continued

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
Summary				
Total Special Revenue Funds - net				\$ 7,887,406
Total Debt Service Funds - net				(7,675,142)
Total Capital Projects Funds – net				-
Total Governmental – net				212,264
Total Enterprise Funds – net				(212,264)
Total All Funds				\$ -

8. DUE FROM OTHER AGENCIES

Fund Description	Fund Number	Sub-total	Total	Due From
State Road Fund	20100	\$ 3,576		Department of Public Safety
Total reauthorizations due			3,576	
2001A CHAT Bond Project Fund	00600	406		State Treasurer's Office
2001A CHAT Bond Debt Service Fund	00700	20		State Treasurer's Office
2002D CHAT Bond Project Fund	11500	55		State Treasurer's Office
2002D CHAT Bond Debt Service Fund	18700	1		State Treasurer's Office
State Road Fund	20100	31,753		State Treasurer's Office
HIF Bond Fund	20200	930		State Treasurer's Office
Local Government Road Fund	20300	1,836		State Treasurer's Office
State Aviation Fund	20500	1,512		State Treasurer's Office
Motorcycle Training Fund	20600	14		State Treasurer's Office
Traffic Safety Fund	20800	105		State Treasurer's Office
2002C HIF Bond Project Fund	36100	113		State Treasurer's Office
2002C HIF Bond Debt Service Fund	36300	5		State Treasurer's Office
1993 Bond Project Fund	39400	138		State Treasurer's Office
1999A CHAT Bond Project Fund	43000	183		State Treasurer's Office
WIPP Bond Project Fund	43100	133		State Treasurer's Office
2000 CHAT Bond Debt Service Fund	43200	18		State Treasurer's Office

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

8. DUE FROM OTHER AGENCIES - continued

Fund Description	Fund Number	Sub-total	Total	Due From
1999 CHAT Bond Debt Service Fund	43400	23		State Treasurer's Office
2002A CHAT Bond Debt Service Fund	54700	7		State Treasurer's Office
1998A CHAT Bond Debt Service Fund	54800	12		State Treasurer's Office
2002B WIPP Bond Debt Service Fund	75000	10		State Treasurer's Office
1998A WIPP Bond Debt Service Fund	97200	1		State Treasurer's Office
Total accrued interest due			37,275	
STB Appropriations Fund	10060	1,060,059		DFA Board of Finance
STB Capital Outlay Fund	89200	849,529		DFA Board of Finance
Total reimbursement due			1,909,588	
State Road Fund	20100	27		Human Services Department
State Road Fund	20100	488		Department of Health
State Road Fund	20100	27		Higher Education Department
State Road Fund	20100	99		Taxation and Revenue Department
Total reimbursement due			641	
Total due from other agencies--government funds only			1,951,080	
SIB Interest accrued from Local Gov't Investment Pool			2,128	
Total due from other agencies--government wide only			<u>\$ 1,953,208</u>	

9. INVENTORY

Inventory as of June 30, 2013 consists of the following:

Highway maintenance materials stockpiled	\$ 7,866,783
Repair Parts and expendable supplies	5,506,811
Fuel, oil and lubricants	1,047,091
	<u>\$ 14,420,684</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

10. CAPITAL ASSETS

A summary of changes in capital assets for fiscal year ended June 30, 2013 follows:

	Beginning Balance		Adjustments &	
	June 30, 2012	Additions	Transfers	Retirements
Non-depreciable assets:				
Construction in Progress	\$ 193,830,627	\$ 394,428,260	\$ -	\$ -
Rail System Infrastructure - Right of Way	77,252,100	-	-	-
Land	5,177,044	-	-	-
Right of Way	408,048,385	-	-	-
Total non-depreciable assets	684,308,156	394,428,260	-	-
Depreciable assets:				
Infrastructure	14,703,925,551	-	-	(484,652,834)
Automotive and Major Road Fund Equipment	205,816,651	10,562,401	347,440	(14,127,231)
Rail System Infrastructure	367,768,679	-	-	-
Buildings	45,823,291	1,201,018	1,620,782	(278,032)
Equipment and furniture	30,453,316	1,967,132	(270,265)	(2,798,684)
Library	102,614	-	-	-
Total depreciable assets	15,353,890,102	13,730,551	1,697,957	(501,856,781)
Total Assets	16,038,198,258	408,158,811	1,697,957	(501,856,781)
Less Accumulated Depreciation:				
Infrastructure	(8,954,955,656)	(597,933,204)	-	484,652,834
Automotive and Major Road Fund Equipment	(151,033,710)	(9,747,415)	(244,487)	14,106,583
Rail System Infrastructure	(61,479,926)	(14,710,748)	-	-
Buildings	(27,135,111)	(819,373)	(15,180)	87,838
Equipment and furniture	(24,508,261)	(1,624,403)	(34,403)	2,754,722
Library	(102,614)	-	-	-
Total Accumulated Depreciation	(9,219,215,278)	(624,835,143)	(294,070)	501,601,977
Net Total	\$ 6,818,982,981	\$ (216,676,332)	\$ 1,403,887	\$ (254,804)

There were no software costs to capitalize as of year-end. Depreciation and amortization was allocated to the following functions:

Depreciation:	
Programs and infrastructure	\$ 601,122,316
Transportation and highway operations	14,710,748
Program support	12,191,190
	<u>628,024,254</u>
Amortization	<u>3,189,030</u>
Total depreciation and amortization	<u><u>\$ 631,213,284</u></u>

10. CAPITAL ASSETS (continued)

CIP Reclassifications	Ending Balance June 30, 2013
\$ (394,495,542)	\$ 193,763,345
-	77,252,100
-	5,177,044
2,833,546	410,881,931
(391,661,996)	687,074,420
391,661,996	14,610,934,713
-	202,599,261
-	367,768,679
-	48,367,059
-	29,351,499
-	102,614
391,661,996	15,259,123,825
(0)	15,946,198,245
-	(9,068,236,026)
-	(146,919,029)
-	(76,190,674)
-	(27,881,826)
-	(23,412,345)
-	(102,614)
-	(9,342,742,514)
\$ (0)	\$ 6,603,455,731

11. OPERATING TRANSFERS

Transfers within the Agency:

	State Road Fund(s) (Multi)	Motorcycle Training Fund (SHARE 20600)	Capital Projects Fund (SHARE 10050)	General Fund Appropriations (SHARE 10070)	GF Capital Outlay (SHARE 93100)	HIF Bond Fund (SHARE 20200)
(1)	\$ (889,803)	\$ -	\$ -	\$ -	\$ -	\$ (2,897,181)
(2)	-	-	-	-	-	-
(3)	-	-	-	-	-	-
(4)	20,057	-	-	-	-	138
(5)	6,656,152	-	(6,656,152)	-	-	-
(6)	-	-	-	(131,887)	131,887	-
(7)	-	-	-	-	-	-
(8)	78,607	(78,607)	-	-	-	-
	<u>\$ 5,865,013</u>	<u>\$ (78,607)</u>	<u>\$ (6,656,152)</u>	<u>\$ (131,887)</u>	<u>\$ 131,887</u>	<u>\$ (2,897,043)</u>

- (1) Transfer from the State Road Fund and HIF Bond Fund to the Non-GRIP Debt Service Funds for debt repayments
- (2) Transfer from 2004B interest earnings to offset interest costs in 2008A and 2008C
- (3) Transfer of 2006D BNSF interest earnings to 2008D
- (4) Reversion of funds on closure of Non-GRIP bond fund bank accounts
- (5) Return of unexpended funds to Road Fund
- (6) Transfer appropriated cash from 10070 to 93100
- (7) Transfer funds from 2006D BNSF to pay off 2008D Principal
- (8) Transfer excess money from the Motorcycle Training Fund to State Road Fund per Section 6-10-10 NMSA 1978

NEW MEXICO DEPARTMENT OF TRANSPORTATION
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11. OPERATING TRANSFERS - continued

	2006D GRIP Bond Project Fund (SHARE 10270)	2001A CHAT Bond Debt Service Fund (SHARE 00700)	2004B GRIP Bond Debt Service Fund (SHARE 10090)	2008A GRIP Bond Debt Service Fund (SHARE 10410)	2008C GRIP Bond Debt Service Fund (SHARE 10430)	2008D GRIP Bond Debt Service Fund (SHARE 10440)
(1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2)	-	-	(1,114,383)	641,884	472,498	-
(3)	(45,972)	-	-	-	-	45,972
(4)	-	(40)	-	-	-	-
(5)	-	-	-	-	-	-
(6)	-	-	-	-	-	-
(7)	(49,998,716)	-	-	-	-	49,998,716
(8)	-	-	-	-	-	-
	<u>\$ (50,044,688)</u>	<u>\$ (40)</u>	<u>\$ (1,114,383)</u>	<u>\$ 641,884</u>	<u>\$ 472,498</u>	<u>\$ 50,044,688</u>

11. OPERATING TRANSFERS - continued

	2002D CHAT Bond Debt Service Fund (SHARE 18700)	2002C HIF Bond Debt Service Fund (SHARE 36300)	2000 CHAT Bond Debt Service Fund (SHARE 43200)	1999 CHAT Bond Debt Service Fund (SHARE 43400)	2002A CHAT Bond Debt Service Fund (SHARE 54700)	1998A CHAT Bond Debt Service (SHARE 54800)
(1)	\$ 889,803	\$ 2,897,181	\$ -	\$ -	\$ -	\$ -
(2)	-	-	-	-	-	-
(3)	-	-	-	-	-	-
(4)	(19,929)	(138)	(29)	(18)	(17)	(2)
(5)	-	-	-	-	-	-
(6)	-	-	-	-	-	-
(7)	-	-	-	-	-	-
(8)	-	-	-	-	-	-
	<u>\$ 869,874</u>	<u>\$ 2,897,043</u>	<u>\$ (29)</u>	<u>\$ (18)</u>	<u>\$ (17)</u>	<u>\$ (2)</u>

- (1) Transfer from the State Road Fund and HIF Bond Fund to the Non-GRIP Debt Service Funds for debt repayments
- (2) Transfer from 2004B interest earnings to offset interest costs in 2008A and 2008C
- (3) Transfer of 2006D BNSF interest earnings to 2008D
- (4) Reversion of funds on closure of Non-GRIP bond fund bank accounts
- (5) Return of unexpended funds to Road Fund
- (6) Transfer appropriated cash from 10070 to 93100
- (7) Transfer funds from 2006D BNSF to pay off 2008D Principal
- (8) Transfer excess money from the Motorcycle Training Fund to State Road Fund per Section 6-10-10 NMSA 1978

11. OPERATING TRANSFERS - continued

	2002B WIPP Bond Debt Service Fund (SHARE 75000)	1998A WIPP Bond Debt Service Fund (SHARE 97200)	Total All Pages Netting Funds Only
(1)	\$ -	\$ -	\$ -
(2)	-	-	-
(3)	-	-	-
(4)	(17)	(5)	-
(5)	-	-	-
(6)	-	-	-
(7)	-	-	-
(8)	-	-	-
	<u>\$ (17)</u>	<u>\$ (5)</u>	<u>\$ -</u>

11. OPERATING TRANSFERS - continued

Transfers outside of Agency:

	State Road Fund(s) (Multi)	Capital Projects Fund (SHARE 10050)	STB Appropriations Fund (SHARE 10060)	2012A Refunding Revenue Bond Fund (SHARE 30850)	Ignition Interlock (SHARE 82600)
(9)	\$ -	\$ -	\$ -	\$ 220,400,000	\$ -
(10)	-	-	-	42,693,105	-
(11)	-	-	-	(653,181)	-
(12)	-	-	-	(261,769,370)	-
(13)	-	-	-	-	300,000
(14)	(5,710,524)	-	-	-	-
(15)	-	(9,500)	-	-	-
(16)	-	-	-	-	-
(17)	-	-	(107,311)	-	-
	<u>\$ (5,710,524)</u>	<u>\$ (9,500)</u>	<u>\$ (107,311)</u>	<u>\$ 670,554</u>	<u>\$ 300,000</u>

- (9) Receipt principal amount of 2012A Refunding Bonds
- (10) Receipt of premium on 2012A Refunding Bonds
- (11) Transfer of cash for Costs of Issuance for 2012A Refunding Bonds
- (12) Transfer proceeds from 2012A Refunding to 2012A Escrow account
- (13) Annual transfer in from Department of Finance
- (14) Transfers made to Department of Public Safety (less reversions)
- (15) Transfer of 1% to DCA from Appropriation 09-3156
- (16) Due to DFA - State General Fund for Unexpended Appropriations
- (17) Reversions scheduled to be sent to DFA in FY14

11. OPERATING TRANSFERS - continued

	GF Capital Outlay	Total all Inter-agency Transfers
	(SHARE 93100)	
(9)	\$ -	\$ 220,400,000
(10)	-	42,693,105
(11)	-	(653,181)
(12)	-	(261,769,370)
(13)	-	300,000
(14)	-	(5,710,524)
(15)	-	(9,500)
(16)	(102,619)	(102,619)
(17)	-	(107,311)
	<u>\$ (102,619)</u>	<u>\$ (4,959,400)</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

12. DUE TO OTHER AGENCIES

Fund Description	Fund Number	Due To	Total
Federal Planning and Development	10030	Due to State Treasurer's Office	\$ 2,028,076
STB Appropriations Fund	10060	Due to State Treasurer's Office	2,139,961
STB Appropriations Fund	10060	Board of Finance	113,154
2010A Bond Project Fund	10450	Due to State Treasurer's Office	10,624,219
State Road Fund(s)	10040 and 20100	Department of Finance	2,536
		Administrative Office of the Courts	348
		Due to State Treasurer's Office	20,199,938
		Due to State Treasurer's Office	640,060
ARRA Project Fund	89000	Due to State Treasurer's Office	67,745
STB Capital Outlay Fund	89200	Due to State Treasurer's Office	<u>67,745</u>
Total due to other agencies			<u><u>\$ 35,816,037</u></u>
		Due to State Treasurer's Office	\$ 35,699,999
		Board of Finance	113,154
		Department of Finance	2,536
		Administrative Office of the Courts	348
			<u><u>\$ 35,816,037</u></u>

13. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2013:

Governmental Activities	Balance at June 30, 2012	Increase	Decrease	Ending Balance June 30, 2013	Amounts due within one year
2002C HIF Bonds	\$ 5,930,000	-	(5,930,000)	-	\$ -
2002D CHAT Bonds	1,575,000	-	(1,575,000)	-	-
2004A GRIP Bonds	248,310,000	-	(167,695,000)	80,615,000	19,360,000
2004B GRIP Bonds	63,860,000	-	(34,120,000)	29,740,000	29,740,000
2006A GRIP Bonds	149,760,000	-	(66,235,000)	83,525,000	255,000
2006B GRIP Bonds	26,675,000	-	(1,270,000)	25,405,000	1,320,000
2008A GRIP Bonds	115,200,000	-	-	115,200,000	-
2008B GRIP Bonds	220,000,000	-	-	220,000,000	-
2008C GRIP Bonds	84,800,000	-	-	84,800,000	-
2008D GRIP Bonds	50,400,000	-	(50,400,000)	-	-
2009A Refunding Bonds	49,345,000	-	(23,190,000)	26,155,000	11,075,000
2010A Debt Service	168,580,000	-	(23,120,000)	145,460,000	38,225,000
2010B GRIP Bonds	451,435,000	-	-	451,435,000	6,635,000
2012 Refunding Bonds	-	220,400,000	(2,945,000)	217,455,000	-
Debentures	1,635,870,000	220,400,000	(376,480,000)	1,479,790,000	106,610,000
Compensated absences payable	5,961,995	5,150,948	(5,228,702)	5,884,241	5,884,241
Total obligations	1,641,831,995	\$ 225,550,948	\$ (381,708,702)	1,485,674,241	\$ 112,494,241
Less current portion	(88,274,464)			(112,494,241)	
Net long-term obligations	<u>\$ 1,553,557,531</u>			<u>\$ 1,373,180,000</u>	

As discussed in Note 1, Deferred amount on refunding is presented as a deferred outflow of resources on the financial statements and is not presented net of related debentures.

Governmental Activities	Balance at June 30, 2012	Increase	Decrease	Ending Balance June 30, 2013	Amounts due within one year
Deferred outflow of resources	\$ 76,507,362	15,931,656	(6,787,594)	85,651,424	7,377,654

The State Road Fund (#20100) is used to liquidate other long-term liabilities, such as compensated absences and capital leases. The Department is authorized to issue bonds from time to time, payable from the proceeds of the collection of gasoline excise taxes, motor vehicle registration fees, and other fees that are required by law to be paid into the State Road Fund and not otherwise pledged solely to the payment of outstanding bonds and debentures. The total aggregate outstanding bonds issued are in accordance with the authorizing legislation for the bonds and other debt with the approval of the State Board of Finance, which includes Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA) (1978), as amended; and the Supplemental Public Securities Act constituting Sections 6-15-8 through 6-14-11 of the NMSA (1978), as amended.

13. LONG-TERM OBLIGATIONS - continued

Series 2002C HIF

The Department issued \$67,750,000 of the New Mexico State Highway Infrastructure Fund Revenue Highway Bonds (additionally secured by a Senior Subordinate Lien on Certain State Road Fund Revenues), Series 2002C, in May 2002. The gross proceeds including accrued interest to the Department were \$69,809,036 including \$2,499,411 of an original issue premium. The cost of issuance including underwriter fees was \$440,375. The bonds are special limited obligations of the State Highway Commission, payable from and secured by a senior pledge of proceeds of the collection of leased vehicle gross receipts tax revenues and tire recycling fees, in each case that are required by law to be paid into the Highway Infrastructure Fund and interest on such amounts in the Highway Infrastructure Fund. The Bonds are additionally payable from and secured by a senior subordinate pledge of proceeds of the collection of gasoline excise taxes, special fuel excise taxes, vehicle transaction taxes or fees, drivers license fees, oversize/overweight permit fees, certain Public Regulation Commission fees, trip taxes, weight distance taxes, motor vehicle registration fees, and to the extent authorized to be paid into the State Road Fund in the future, motor vehicle excise taxes, in each case that are required by law to be paid into the State Road Fund and interest on such amounts in the State Road Fund. The Series 2002C Bonds (HIF Bonds) were issued to fund projects identified by the Department and the Legislature.

In October 2010, \$7,270,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

In December 2012, the remaining \$5,930,000 outstanding was refunded, in part, by the 2012 Refunding Revenue Bonds.

13. LONG-TERM OBLIGATIONS - continued

Series 2002D CHAT

The Department issued \$16,000,000 of the New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Highway Bonds, Series 2002D, in December 2002. The gross proceeds to the Department were \$16,572,740 including \$699,498 of an original issue premium. The cost of issuance including underwriter fees was \$126,758. The Bonds are special limited obligations of the State Highway Commission, payable solely from and secured by a senior subordinate pledge of proceeds of the collection of gasoline excise taxes, special fuel excise taxes, vehicle transaction taxes or fees, drivers license fees, oversize/overweight permit fees, certain Public Regulation Commission fees, trip taxes, weight distance taxes, motor vehicle registration fees, and to the extent authorized to be paid into the State Road Fund in the future, motor vehicle excise taxes, in each case that are required by law to be paid into the State Road Fund and interest on such amounts in the State Road Fund. The Series 2002D Bonds (CHAT Bonds) were issued to fund projects identified by the Department and the Legislature.

In October 2010, \$1,635,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

In December 2012, the remaining \$1,575,000 outstanding was refunded, in part, by the 2012 Refunding Revenue Bonds.

13. LONG-TERM OBLIGATIONS - continued

Series 2004A GRIP

The Department issued \$700,000,000 through the New Mexico Finance Authority's (NMFA) State Transportation Revenue Bonds (Senior Lien), Series 2004A, in May 2004. The gross proceeds to the Department were \$738,787,815, including \$43,556,815 of an original issue premium. The cost of issuance including underwriter fees was \$6,368,367. The Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Series 2004A Bonds were issued to provide funds for certain transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable.

The Department is responsible for the NMFA issuance costs and must annually pay the NMFA 25 basis points on the outstanding principal balance. Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.80% to 5.25% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

In October 2010, \$451,690,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

In December 2012, \$167,695,000 was refunded by the 2012 Refunding Revenue Bonds.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$7,378,656, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2004A GRIP:			
2014	\$ 19,360,000	\$ 4,162,768	\$ 23,522,768
2015	61,255,000	3,215,888	64,470,888
Total	<u>\$ 80,615,000</u>	<u>\$ 7,378,656</u>	<u>\$ 87,993,656</u>

13. LONG-TERM OBLIGATIONS - continued

Series 2004B GRIP

The Department issued \$237,950,000 of bonds through the New Mexico Finance Authority's (NMFA) State Transportation Refunding Revenue Bonds (Subordinate Lien), Series 2004B, in May 2004. The gross proceeds to the Department were \$254,129,187, including \$16,347,187 of an original issue premium. The cost of issuance including underwriter fees was \$2,196,442.

The Series 2004B Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund and restructure certain outstanding bonds of the NMFA and the Commission.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 2.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2014.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$1,483,400, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2004B GRIP:			
2014	<u>29,740,000</u>	<u>1,483,400</u>	<u>31,223,400</u>
Total	<u>\$ 29,740,000</u>	<u>\$ 1,483,400</u>	<u>\$ 31,223,400</u>

13. LONG-TERM OBLIGATIONS - continued

Refundings

NMFA, on behalf of the Department, has issued multiple series of refunding bonds in prior years to advance refund certain older debt issues of the Department. The net proceeds of those issuances less any new amounts borrowed plus, at times, additional funds provided by the Department, were used to purchase U. S. Governmental securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the older debt issues. As a result, the advance refundings of the older debt are considered to be defeased and the liability for those bonds has been removed from long-term obligations. The bonds outstanding of \$685,425,000 were considered defeased in substance as of June 30, 2013.

The cumulative deferred amount on the refundings of \$85,651,424, recorded, as a deferred outflow, is the difference between the reacquisition price (funds required to refund the old debt including call provisions) and the net carrying amount of the old debt. The deferred amount on the refunding is recorded to the government-wide financial statements and is required to be amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Derivative Instruments

At the time of the 2004 GRIP bond issuance, NMFA, on behalf of the Department, entered into interest rate exchange agreements ("swaps") with respect both to the adjustable rate bonds then issued and the adjustable rate bonds anticipated to be issued in 2006. All of the 2004 adjustable rate bonds were hedged at issuance with immediately-starting swaps and approximately one-half of the anticipated total 2006 issuance was hedged with forward-starting swaps that became effective in 2006.

In all of the swaps, NMFA, on behalf of the Department, receives a variable-interest rate payment based on an index, and makes a fixed-rate interest payment. This arrangement has the effect of converting the variable rate bonds to "synthetic fixed-rate" issues.

As in the case of the GRIP bonds, NMFA has entered into the swaps as an agent for the Department. These swap agreements remained in effect following the 2008 refunding and reissuance of the 2004 and 2006 adjustable rate bonds as Variable Rate Demand Notes (the 2008A through D series).

Objectives of the Swaps

The objective in entering into the swap agreements was to obtain a lower interest cost for the 2004 bonds than could have been obtained at the time had they been issued as fixed-rate bonds. With respect to the planned 2006, issuance, NMFA believed in 2004 that it would be desirable to "lock in" a synthetic fixed rate of 5% or less for a portion of the bonds anticipated to be issued in 2006.

13. LONG-TERM OBLIGATIONS - continued

Significant Terms

2004 Swaps:

<u>Counterparty</u>	<u>Royal Bank of Canada</u>	<u>Goldman Sachs</u>	<u>Deutsche Bank</u>
Notional Amount	\$100,000,000	\$50,000,000	\$50,000,000
Receipt Rate	68 % of 1 month LIBOR	68 % of 1 month LIBOR	68 % of 1 month LIBOR
Payment Rate (Syn- thetic Fixed Rate)	3.934%	3.934%	3.934%
Embedded Option(s)	None	None	None
Effective Date	May 20, 2004	May 20, 2004	May 20, 2004
Termination Date:	June 15, 2024	June 15, 2024	June 15, 2024

2006 Forward Starting Swaps:

<u>Counterparty</u>	<u>JP Morgan Chase Bank</u>	<u>UBS AG</u>
Notional Amount	\$110,000,000	\$110,000,000
Receipt Rate	SIFMA Municipal Swap Index	SIFMA Municipal Swap Index
Payment Rate	5.072%	5.072%
Embedded Option(s)	"Knockout" option – Counterparty may cancel if the index remains above 7% for more than 180 days	"Knockout" option – Counterparty may cancel if the index remains above 7% for more than 180 days
Option premium to NMFA	0.34%	0.34%
Net payment rate ("Synthetic Fixed Rate"), equals the payment rate less option premium	4.732%	4.732%
Effective Date	December 15, 2006	December 15, 2006
Termination Date:	December 15, 2026	December 15, 2026

No cash was paid or received at the initiation of any of the above swaps.

13. LONG-TERM OBLIGATIONS - continued

Fair Value

The estimated fair value of the swaps at June 30, 2013 was as follows:

<u>Counterparty</u>	<u>Notional Value</u>	<u>Fair Value *</u>
Goldman Sachs	\$ 50,000,000	\$ (9,982,790)
Deutsche	50,000,000	(9,982,790)
Royal Bank of Canada	100,000,000	(19,965,581)
JPMorgan Chase Bank	110,000,000	(29,222,732)
UBS AG	110,000,000	(29,222,732)
	<u>\$ 420,000,000</u>	<u>\$ (98,376,625)</u>

* The Fair Value is the estimated amount that would have been received by or paid by the Department if the agreements had been terminated at June 30, 2013 under the terms of the agreement. This value is the net present value of the receipts and payments anticipated to be made pursuant to the agreements. The net present values are calculated based on discount rates indicated by actual swap transactions that occurred on or around June 30, 2013. Negative amounts indicate payments that would have been made by the Department to the counterparties.

These swaps have been deemed a hedge, and as such, the total amount entered as a liability for the year ended June 30, 2013 was \$98,376,625.

During fiscal year 2013, management evaluated the effectiveness of the SWAP agreements and found a portion to be ineffective. As a result the ineffective portion was expensed in the amount of \$39,931,161 and the asset was reduced to \$58,445,464, which consists of the JP Morgan Chase Bank and UBS AG SWAP agreements.

Associated Debt

Variable Rate Debt*	Par Value	<u>2013 Debt Service</u>		Net Variable Made (Received)	Total Net Interest Paid	Effective Interest Rate
		Principal	Fixed Interest			
Series 2008A and C	\$ 200,000,000	\$ -	\$ 7,911,711	\$ 1,072,048	\$ 8,983,759	4.492%
Series 2008B	220,000,000	-	11,220,391	16,719	11,237,110	5.108%

* The interest and swap payments for these bonds include the payments for the 2004 and 2006 Series bonds that that the 2008 series bonds replaced during the prior fiscal year.

The interest includes amounts paid within the fiscal year without regard to the costs associated with the swap collateral (Taxable) Line of Credit.

13. LONG-TERM OBLIGATIONS - continued

Risks

Credit Risk. Credit risk is the possibility that a counterparty will not fulfill its obligations.

The credit ratings of the counterparties, at June 30, 2013, were:

	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
Royal Bank of Canada	Aa3	AA-	AA
Goldman Sachs	Aa2	AAA	N/A
Deutsche Bank	A2	A+	A+
JP Morgan Chase	Aa3	A+	A+
UBS AG	A2	A	A

Presently, the Department has no exposure to loss with respect to the counterparties, as the termination values of the swaps are negative. That is, no amounts would be owed to the Department if any swaps were terminated at present. Each swap agreement contains provisions requiring the posting of collateral in the event that termination values exceed certain amounts. Termination values currently exceeded these limits, and, accordingly, collateral was posted for \$11,820,000 as of 6/30/2013 at UBS. The swap agreements permit the netting of amounts owed between the Department and a counterparty, mitigating, to some extent, the level of credit risk. The Department believes it has an adequate degree of diversification with regard to counterparties.

Swap Collateral Requirements – Taxable Line of Credit

Negative balances at the end of the fiscal year were such that collateral needed to be posted. For that purpose a short-term Taxable Line of Credit was established. There was \$23,000,000 outstanding on the line of credit at the end of the fiscal year, with \$35,000,000 borrowed and \$5,000,000 borrowed and \$17,000,000 repaid during the year.

SHARE fund 10410 - 2008A GRIP Bond Debt Service Fund	\$ 3,587,466
SHARE fund 10420 - 2008B GRIP Bond Debt Service Fund	16,771,760
SHARE fund 10430 - 2008C GRIP Bond Debt Service Fund	2,640,774
Total Short-term Notes Payable (Taxable Line of Credit)	<u>\$ 23,000,000</u>

During the year, the Department paid off a \$50,000,000 balance on the 2008D GRIP bonds that the BNSF had previously required as collateral. The new agreement, as discussed above, requires the department to have an available Line of Credit for \$50,000,000 as an insurance in case certain conditions occur.

Interest Rate Risk.

The knock-out option in the 2006 swaps leaves the Department open to interest rate risk. If the SIFMA municipal swap index averages above 7% for 180 consecutive days, then, as provided by the terms of the knockout option, swap agreements could be cancelled by the counterparties and the Department would have outstanding unhedged variable rate debt in a 7% interest rate environment.

13. LONG-TERM OBLIGATIONS - continued

Basis Risk.

Basis risk is the possibility that the variable rate paid on the bonds may not be adequately offset by the variable index payment received under the swap agreement. The Department has little or no such risk with respect to the 2006 bonds as the 2006 swaps pay a variable rate equal to the SIFMA Municipal Swap index which has very closely approximated, historically, the rates paid on variable rate municipal debt. The Department has basis risk, however, with respect to the 2004 swaps. The variable rate the Department receives with respect to the 2004 swaps is 68% of one-month LIBOR. While this rate has closely tracked the SIFMA Municipal Swap Index for a long period of time, there has recently been some divergence between the two indices. There is no guarantee that the two indices will remain as closely correlated in the future as they were in the past. There is a possibility, therefore, of a mismatch between actual variable rate bond debt service payments and the variable rate receipts under the 2004 swap agreements, resulting in a failure to achieve the synthetic fixed rate expected when the swaps initiated.

One event that would cause a divergence between the indices would be a significant change in U.S. income tax rates. This might result in 68% of LIBOR no longer approximating the tax-exempt rate set by the market for the Department's variable rate debt.

Termination Risk

The unplanned termination of one or more of the swaps exposes the Department to the possibility that the synthetic fixed rate expected to be obtained on the variable rate debt will not, in fact, be achieved. The swap agreements contain the standard ISDA provisions for termination, including events such as bankruptcy, ratings downgrades, and failure to post collateral when required. In addition, the Department, but not the counterparties, can terminate the swaps at any time with 30-day notice.

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA

The following bonds were issued by the New Mexico Finance Authority (Authority) in an agency capacity on behalf of the Department of Transportation during the fiscal year:

Series 2006A GRIP

On September 19, 2006, the Authority issued \$150,000,000 of State Transportation, Series 2006A Revenue Bonds. The Series 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of GRIP transportation projects. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.6% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

In December 2012, \$66,040,000 was refunded by the 2012 Refunding Revenue Bonds.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$48,403,808, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006A GRIP:			
2014	255,000	4,152,413	\$ 4,407,413
2015	3,715,000	4,053,163	7,768,163
2016	3,535,000	3,871,913	7,406,913
2017	3,550,000	3,699,888	7,249,888
2018	3,570,000	3,527,275	7,097,275
2019-2023	650,000	17,155,406	17,805,406
2024-2027	68,250,000	11,943,750	80,193,750
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 83,525,000</u>	<u>\$ 48,403,808</u>	<u>\$ 131,928,808</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2006B GRIP

On September 19, 2006, the Authority issued \$39,005,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The Series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$9,724,087, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006B GRIP:			
2014	\$ 1,320,000	\$ 1,188,261	\$ 2,508,261
2015	1,375,000	1,135,288	2,510,288
2016	1,435,000	1,073,744	2,508,744
2017	1,500,000	1,010,044	2,510,044
2018	1,565,000	942,875	2,507,875
2019-2023	9,110,000	3,435,125	12,545,125
2024-2027	9,100,000	938,750	10,038,750
Total	<u>\$ 25,405,000</u>	<u>\$ 9,724,087</u>	<u>\$ 35,129,087</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008A GRIP

The Department issued \$115,200,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008A in April of 2008. There was no original issue premium. The cost of issuance was \$457,260.

The \$115,200,000 Series 2008A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$49,970,254, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008A GRIP:			
2014	\$ -	\$ 5,051,968	\$ 5,051,968
2015	-	5,051,968	5,051,968
2016	-	5,051,968	5,051,968
2017	-	4,549,301	4,549,301
2018	-	4,531,968	4,531,968
2019-2023	37,080,000	22,659,840	59,739,840
2024-2027	78,120,000	3,073,241	81,193,241
Total	<u>\$ 115,200,000</u>	<u>\$ 49,970,254</u>	<u>\$ 165,170,254</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008B GRIP

The Department issued \$220,000,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008B in April of 2008. There was no original issue premium. The cost of issuance was \$873,240.

The \$220,000,000 Series 2008B Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$131,876,108, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008B GRIP:			
2014	\$ -	\$ 11,190,400	\$ 11,190,400
2015	-	11,190,400	11,190,400
2016	-	11,190,400	11,190,400
2017	-	10,436,400	10,436,400
2018	-	10,410,400	10,410,400
2019-2023	11,200,000	52,052,000	63,252,000
2024-2027	208,800,000	25,406,108	234,206,108
Total	<u>\$ 220,000,000</u>	<u>\$ 131,876,108</u>	<u>\$ 351,876,108</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008C GRIP

The Department issued \$84,800,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008C in May of 2008. There was no original issue premium. The cost of issuance was \$448,194.

The \$84,800,000 Series 2008C Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$37,294,540, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008C GRIP:			
2014	\$ -	\$ 3,887,232	\$ 3,887,232
2015	-	3,887,232	3,887,232
2016	-	3,887,232	3,887,232
2017	-	3,354,405	3,354,405
2018	-	3,336,032	3,336,032
2019-2023	27,295,000	16,680,160	43,975,160
2024-2027	57,505,000	2,262,247	59,767,247
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 84,800,000</u>	<u>\$ 37,294,540</u>	<u>\$ 122,094,540</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008D GRIP

The Department issued \$50,400,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008D in May of 2008. There was no original issue premium. The cost of issuance was \$264,930.

The \$50,400,000 Series 2008D Bonds, are payable wholly and solely from moneys derived from sources other than general taxation revenues. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for an escrow as required by BNSF Railway Company in the Joint Use Agreement with the New Mexico Department of Transportation to cover costs of additional uninsured liabilities on the part of BNSF which would not exist but for the commuter rail service and related activities.

On June 17, 2013 the Series 2008D Bonds were retired with the \$50,400,000 principal payment.

13. LONG-TERM OBLIGATIONS - continued

Series 2009A Refunding

The Department issued \$112,345,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2009A in November 2009. The gross proceeds to the Department were \$120,756,035, including \$8,411,035 of an original issue premium. The cost of issuance, including the underwriter's discount, was \$899,329.

The Series 2009A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2017.

The Department's future estimated scheduled annual requirement to amortize the Bonds, including interest payments of \$2,358,800, based on interest rates from 2.0% to 5.0%, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2009A Refunding:			
2014	\$ 11,075,000	\$ 1,094,400	\$ 12,169,400
2015	4,820,000	651,400	5,471,400
2016	5,195,000	410,400	5,605,400
2017	5,065,000	202,600	5,267,600
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 26,155,000</u>	<u>\$ 2,358,800</u>	<u>\$ 28,513,800</u>

13. LONG-TERM OBLIGATIONS - continued

2010A Revenue and Refundings

The Department issued \$174,625,000 NMFA State Transportation Revenue and Refunding Revenue Bonds (Subordinate and Senior Lien) Series 2010A in September 2010. The gross proceeds to the Department were \$200,494,152 including an original issuance premium of \$26,745,858. The cost of issuance, including the underwriters' discount, was \$1,320,666.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 1.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$30,928,000, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010A Refunding			
2014	\$ 38,225,000	\$ 5,915,475	\$ 44,140,475
2015	12,015,000	4,764,650	16,779,650
2016	12,595,000	4,202,600	16,797,600
2017	13,265,000	3,585,375	16,850,375
2018	8,770,000	3,060,625	11,830,625
2019-2023	53,705,000	8,901,200	62,606,200
2024-2027	6,885,000	498,075	7,383,075
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 145,460,000</u>	<u>\$ 30,928,000</u>	<u>\$ 176,388,000</u>

13. LONG-TERM OBLIGATIONS - continued

2010B Revenue and Refundings

The Department issued \$461,075,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2010B in October 2010. The gross proceeds to the Department were \$543,315,911 including an original issuance premium of \$84,632,805. The cost of issuance, including the underwriters' discount, was \$3,096,740.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$141,766,200, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010B Refunding			
2014	\$ 6,635,000	\$ 22,067,500	\$ 28,702,500
2015	-	21,832,100	21,832,100
2016	395,000	21,832,100	22,227,100
2017	69,180,000	21,820,250	91,000,250
2018	78,075,000	18,361,250	96,436,250
2019-2023	286,210,000	35,306,000	321,516,000
2024-2027	10,940,000	547,000	11,487,000
Total	<u>\$ 451,435,000</u>	<u>\$ 141,766,200</u>	<u>\$ 593,201,200</u>

13. LONG-TERM OBLIGATIONS - continued

2012 Revenue and Refundings

The Department issued \$220,400,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2012 in December 2012. The gross proceeds to the Department were \$261,769,370 including an original issuance premium of \$42,693,105. The cost of issuance, including the underwriters' discount, was \$1,259,026.

Proceeds from the sale of the Series 2012 Bonds, together with other legally available funds from current year principal set asides, were used to refund (i) all of the New Mexico State Highway Commission Highway Infrastructure Fund Revenue Bonds, in the current outstanding amount of \$5,930,000 (The "Series 2002C Bonds"), (ii) all of the New Mexico State Transportation Commission Senior Subordinate Lien Tax Revenue Highway Bonds, in the current outstanding amount of \$1,575,000 (The "Series 2002D Bonds"), (iii) a portion of the Finance Authority State Transportation Revenue Bonds totaling \$167,695,000 currently outstanding in the aggregate amount of \$248,310,000 (The "Series 2004A Bonds"), and (iv) a portion of the Finance Authority State Transportation Revenue Bonds totaling \$66,040,000 currently outstanding in the aggregate amount of \$149,760,000 (The "Series 2006A Bonds"). Proceeds from the Series 2012 Bonds were also be used to pay costs of issuing the Series 2012 Bonds.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 1.25% to 5.00% per annum, is payable semi-annually on June 15 and December 15 through the year 2026.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$76,294,615, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010B Refunding			
2014	\$ -	\$ 8,791,663	\$ 8,791,663
2015	900,000	8,791,663	9,691,663
2016	45,485,000	8,764,663	54,249,663
2017	1,095,000	7,454,963	8,549,963
2018	1,305,000	7,411,163	8,716,163
2019-2023	121,860,000	30,531,650	152,391,650
2024-2027	46,810,000	4,548,850	51,358,850
	<u> </u>	<u> </u>	<u> </u>
Total	\$ 217,455,000	\$ 76,294,615	\$ 293,749,615
	<u> </u>	<u> </u>	<u> </u>

13. LONG-TERM OBLIGATIONS - continued

Total future principal and interest obligation repayments for all long-term payables are as follows:

<u>Year Ended June 30,</u>	<u>Total</u>
2014	\$ 175,595,480
2015	\$ 148,653,752
2016	\$ 128,925,020
2017	\$ 149,768,226
2018	\$ 144,866,588
2019-2023	\$ 733,831,381
2024-2027	\$ 535,628,021
Total	\$ 2,017,268,467

Long-Term Debt Interest Expense

The total amount of interest expense included in direct expenses in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds is \$76,561,388 for the year-ended June 30, 2013.

Capital Leases

There are no future minimum lease obligations to report as of June 30, 2013.

Compensated Absences

An obligation amounting to \$5,884,241 at June 30, 2013 has been recorded to the government-wide financial statements representing the Department's commitment for accrued vacation, sick leave and other compensated absences.

14. NEGATIVE FUND BALANCES

The Department had negative fund balances at the end of the fiscal year as follows:

Fund 43100: WIPP Bond Project Fund \$2,669,367

This amount represents revenue deferred to the following fiscal year due to DOE grant monies received in advance and not recognized as revenue until actually expended.

Fund 10030: Federal Planning and Development Fund \$1,290,446

This amount represents unreimbursed expenditures awaiting administrative processing requirements.

Fund 10060: Severance Tax Bond Appropriations Fund \$3,217,883

This amount represents unreimbursed expenditures awaiting administrative processing requirements.

15. REVERSIONS

Reversions are calculated based on an original appropriation amount less total expenditures until the appropriation is expired or closed by the capital projects division.

Current year reversions due to the State General Fund as of June 30, 2013 were as follows:

Fund 93100	<u>\$ 102,619</u>
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Current year reversions due to the State Board of Finance of June 30, 2013 were as follows:

Fund 10060	<u>\$ 107,311</u>
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Total of all reversions	<u>\$ 209,930</u>
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16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy

Plan members are required to contribute 8.92% of their gross salary. The Department is required to contribute 15.09% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the years ending June 30, 2013, 2012 and 2011 were \$12,635,831, \$11,046,477, and \$13,459,033, respectively, equal to the amount of the required contribution for each year.

17. OTHER POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Plan Description

The Department contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

17. OTHER POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN - continued

Funding Policy

The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service-based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Department's contributions to the RHCA for the years ended June 30, 2013, 2012, 2011 were \$1,676,656, \$1,505,141, and \$1,472,272, respectively, which equal the required contributions for each year.

18. RISK MANAGEMENT

The Department, as a state agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the state of New Mexico. The Department pays annual premiums to the Risk Management Division for coverage provided in the following areas:

1. Liability and civil rights protection for claims made by others against the state of New Mexico.
2. Coverage to protect the state of New Mexico's property and assets.
3. Fringe benefit coverage's for state of New Mexico employees.

During the 2010-2011 fiscal year, the Department paid Risk Management \$4,013,600 in insurance premiums. During the 2011-2012 fiscal year, the Department paid Risk Management \$4,283,653 in insurance premiums. During the 2012-2013 fiscal year, the Department paid Risk Management \$3,122,902 in insurance premiums. The Department's exposure is limited to \$1,000 per any first-party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

After conferring with legal counsel concerning pending litigation and claims, the Department believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the Department. In addition, for the years ended June 30, 2011, 2012 and 2013, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department.

19. LITIGATION

The Department is subject to various legal proceedings, claims and liabilities, including right-of-way condemnation proceedings, contractor claims and employee claims, which arise in the ordinary course of the Department's operations. There are various contractor lawsuits and claims against the Department for various reasons. The Department contests these claims and if a likelihood of a loss is probable and can be reasonably estimated, the Department accrues the loss in the accompanying financial statements. In the opinion of the Department's management and legal counsel, the ultimate resolution of the above matters will not have a material adverse impact on the financial position or results of operations of the Department.

20. OPERATING LEASE COMMITMENT

The Department leases certain equipment and premises under numerous operating leases. Leases are subject to future appropriations and as such are cancelable by the Department at the end of a fiscal year. Rental expense for the year ended June 30, 2013 was \$1,099,647.

The future minimum lease payments under operating leases as of June 30, 2013 are as follows:

Years ending June 30:	Lease Amounts
2013	\$ 148,195
2014	115,315
2015	115,315
2016	115,315
2017-2021	201,385
2022	12,000
	<u>\$ 707,525</u>

21. COMMITMENTS AND CONTINGENCIES

Grant Revenue

The Department participates in numerous federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Department has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2013 may be impaired. In the opinion of the Department, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

22. BUDGETED VS. ACTUAL EXPENDITURES

Transfers, which are shown in the expenditure portion of the Budget and Actual presentation, are the intra-agency transfers only and these net to zero across the entire agency. Any one fund presentation will show a variance over or under budget since in general transfers are not budgeted. See Note 11 for the Transfers Schedule Footnote.

22. BUDGETED VS. ACTUAL EXPENDITURES - continued

Debt expenditures, which are reported in the Other category for budget purposes, and which include principal, interest and fees related to debt, were budgeted to be \$159,060,000. The actual expenditures, measured in the same way, were \$218,014,768.

Expenditures related to debt which was incurred during or after 2004 are budgeted and expensed primarily in the fund which generates the revenue for the payments, specifically State Road Fund (#20100), HIF Bond Fund (#20200) and WIPP Bond Project Fund (#43100). This is for several reasons, not the least of which, it is needed in order to capture the costs for billing entities when the debt costs are reimbursable. If actual debt costs, paid out of the debt trustee accounts, exceed the cash transferred from the primary fund, the debt service fund which records the trustee cash that was used in addition to the cash transferred, then records the debt expenditures.

Expenditures related to debt which was incurred before 2004 are also budgeted in the fund which generates the revenue for payments, but presented as an expenditure for GAAP purposes in the debt service fund. The recording of the cash transferred to the debt service funds is a transfer out in the sending fund and as a transfer in for the debt service funds. These transfer amounts are not formally budgeted.

23. SUBSEQUENT EVENTS

Updated Fair Value of Swaps

The estimated fair value of the swaps at November 26, 2013 was as follows:

Counterparty	Notional Value	Fair Value	Collateral Posted
Goldman Sachs	\$ 50,000,000	\$ (10,400,651)	\$ -
Deutsche	50,000,000	(10,400,651)	-
Royal Bank of Canada	100,000,000	(20,801,302)	1,410,000
JPMorgan Chase Bank	110,000,000	(29,623,881)	1,640,000
UBS AG	110,000,000	(29,623,881)	1,650,000
Total	\$ 420,000,000	\$ (100,850,366)	\$ 4,700,000

The date of the Collateral Posting Report is November 26, 2013.

23. SUBSEQUENT EVENTS - continued

Projects - Paseo Del Norte

In September of 2013, the State Transportation Commission approved a capital budget adjustment request authorizing the additional funding of \$50,442,894 for a major reconstruction of the I25/Paseo Del Norte Interchange in the City of Albuquerque. Funding for this request was provided by the City of Albuquerque in the amount of \$45,442,894 and the County of Bernalillo for \$5,000,000. Other funding for this project had been authorized by the Federal Highway Administration in the amount of \$18,317,394 and the New Mexico Legislature through Severance tax bond funds in the amount of \$29,768,000. The total funding for the project was \$98,528,288 and the project will predominately focus on improving traffic flow for northbound I-25 to westbound Paseo Del Norte (NM423) and eastbound Paseo Del Norte to southbound I-25 movements.

24. INSURANCE COVERAGE

The Department obtains coverage through Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of the Department are covered by blanket fidelity bond up to \$5,000,000 with a \$1,000 deductible per occurrence by the State of New Mexico for the period July 1, 2012, through June 30, 2013.

25. ACCOUNTING CHANGES AND ACCOUNTING STANDARDS

In fiscal year 2013, the Department implemented Governmental Accounting Standards Board (GASB) Statement 63 "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" and Statement 65 "Items Previously Reported as Assets and Liabilities". Statement 63 will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position. The objective of Statement 65 is to either properly classify certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).

The implementation of Statement 65 resulted in the reclassification of the beginning net position of the governmental activities in the government-wide financial statements. The deferred charges for issuance costs were reclassified as expense of prior periods and resulted in the adjustment below:

Net Position at June 30, 2012	\$ 5,638,365,755
Change in reporting for deferred charges for debt issuance costs	<u>(8,005,176)</u>
Net Position at June 30, 2013, restated	<u><u>\$ 5,630,360,579</u></u>

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SUPPLEMENTARY INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

DEPARTMENT OF TRANSPORTATION				
agency wide including enterprise fund excluding multi-year funds				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 400,449,000	\$ 404,905,029	\$ 455,084,403	\$ 50,179,374
Other state funds	164,800,000	424,559,000	435,763,877	11,204,877
Interest revenue	30,000	30,000	3,871,508	3,841,423
Total Revenues:	<u>565,279,000</u>	<u>829,494,029</u>	<u>894,719,788</u>	<u>\$ 65,225,674</u>
Prior Year Funds Rebudgeted	<u>384,974,384</u>	<u>384,974,384</u>		
	<u>\$ 950,253,384</u>	<u>\$ 1,214,468,413</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 894,719,788</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure:				
Personal services/employee benefits	\$ 25,417,800	\$ 25,417,800	\$ 22,373,045	\$ 3,044,755
Contractual services	686,170,782	686,606,356	498,760,822	187,845,534
Other	232,213,136	245,969,165	250,018,223	(4,049,058)
Intra-agency transfers (in) out	-	-	(4,306,349)	4,306,349
Reversions	-	-	-	449
	<u>943,801,718</u>	<u>957,993,321</u>	<u>766,845,741</u>	<u>191,148,029</u>
Transportation and Highway Ops:				
Personal services/employee benefits	96,531,600	96,531,600	88,641,961	7,889,639
Contractual services	51,392,462	83,008,190	2,322,652	80,685,538
Other	117,428,704	118,842,040	106,905,916	11,936,124
	<u>265,352,766</u>	<u>298,381,830</u>	<u>197,870,529</u>	<u>100,511,301</u>
Program Support:				
Personal services/employee benefits	22,978,600	22,978,600	20,276,449	2,702,151
Contractual services	3,910,700	3,910,700	2,769,759	1,140,941
Other	13,788,500	13,788,500	15,891,837	(2,103,337)
Intra-agency transfers (in) out	5,764,100	5,700,900	2,232,954	3,467,946
	<u>46,441,900</u>	<u>46,378,700</u>	<u>41,170,999</u>	<u>5,207,701</u>
Total Annual Budgeted Expenditures	<u>\$ 1,255,596,384</u>	<u>\$ 1,302,753,851</u>	<u>1,005,887,269</u>	<u>\$ 296,867,031</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			2,073,395	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 1,007,960,664</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

STATE ROAD FUND(S) (SHARE 10040 and, 20100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 372,571,700	\$ 375,571,700	\$ 412,775,461	\$ 37,203,761
Other state funds	125,411,000	385,170,000	397,564,324	12,394,324
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	241,171	241,171
Total Revenues:	<u>497,982,700</u>	<u>760,741,700</u>	<u>810,580,956</u>	<u>\$ 49,839,256</u>
Prior Year Funds Rebudgeted	<u>335,333,028</u>	<u>335,333,028</u>		
	<u>\$ 833,315,728</u>	<u>\$ 1,096,074,728</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 810,580,956</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 23,894,300	\$ 23,894,300	\$ 20,990,546	\$ 2,903,754
Contractual services	672,811,351	673,246,925	442,568,965	230,677,960
Other	162,024,932	162,024,932	148,713,633	13,311,299
Intra-agency transfers (in) out	-	-	(6,824,785)	6,824,785
Reversions	-	-	-	-
	<u>858,730,583</u>	<u>859,166,157</u>	<u>605,448,359</u>	<u>253,717,798</u>
Transportation and Highway Ops:				
Personal services/employee benefits	96,531,600	96,531,600	88,641,961	7,889,639
Contractual services	51,392,462	83,008,190	2,322,652	80,685,538
Other	77,965,890	79,379,226	82,841,410	(3,462,184)
	<u>225,889,952</u>	<u>258,919,016</u>	<u>173,806,023</u>	<u>85,112,993</u>
Program Support				
Personal services/employee benefits	22,978,600	22,978,600	20,276,449	2,702,151
Contractual services	3,910,700	3,910,700	2,769,759	1,140,941
Other	13,788,500	13,788,500	14,749,474	(960,974)
Intra-agency transfers (in) out	5,764,100	5,700,900	6,670,296	(969,396)
	<u>46,441,900</u>	<u>46,378,700</u>	<u>44,465,978</u>	<u>1,912,722</u>
Total Annual Budgeted Expenditures	<u>\$ 1,131,062,435</u>	<u>\$ 1,164,463,873</u>	<u>823,720,360</u>	<u>\$ 340,743,513</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			154,489	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 823,874,849</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

DEPARTMENTAL SERVICES-INVENTORIES FUND (SHARE 10040)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	1,051,977	1,051,977	
Interest revenue	-	-	-	-	
Total Revenues:	-	-	1,051,977	\$ 1,051,977	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$ 1,051,977		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

STATE ROAD FUND (SHARE 20100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 372,571,700	\$ 375,571,700	\$ 412,775,461	\$ 37,203,761
Other state funds	125,411,000	385,170,000	396,512,347	11,342,347
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	241,171	241,171
Total Revenues:	<u>497,982,700</u>	<u>760,741,700</u>	<u>809,528,979</u>	<u>\$ 48,787,279</u>
Prior Year Funds Rebudgeted	<u>335,333,028</u>	<u>335,333,028</u>		
	<u>\$ 833,315,728</u>	<u>\$ 1,096,074,728</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 809,528,979</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 23,894,300	\$ 23,894,300	\$ 20,990,546	\$ 2,903,754
Contractual services	672,811,351	673,246,925	442,568,965	230,677,960
Other	162,024,932	162,024,932	148,713,634	13,311,298
Intra-agency transfers (in) out	-	-	(6,824,785)	6,824,785
	<u>858,730,583</u>	<u>859,166,157</u>	<u>605,448,360</u>	<u>253,717,797</u>
Transportation and Highway Ops:				
Personal services/employee benefits	96,531,600	96,531,600	88,641,961	7,889,639
Contractual services	51,392,462	83,008,190	2,322,651	80,685,539
Other	77,965,890	79,379,226	82,841,410	(3,462,184)
	<u>225,889,952</u>	<u>258,919,016</u>	<u>173,806,022</u>	<u>85,112,994</u>
Program Support				
Personal services/employee benefits	22,978,600	22,978,600	20,276,449	2,702,151
Contractual services	3,910,700	3,910,700	2,769,759	1,140,941
Other	13,788,500	13,788,500	14,749,474	(960,974)
Intra-agency transfers (in) out	5,764,100	5,700,900	6,670,296	(969,396)
	<u>46,441,900</u>	<u>46,378,700</u>	<u>44,465,978</u>	<u>1,912,722</u>
Total Annual Budgeted Expenditures	<u>\$ 1,131,062,435</u>	<u>\$ 1,164,463,873</u>	<u>\$ 823,720,360</u>	<u>\$ 340,743,513</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			154,489	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 823,874,849</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013	NON MAJOR GOVERNMENTAL FUNDS			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	
			(Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 27,877,300	\$ 29,333,329	\$ 42,308,942	\$ 12,975,613
Other state funds	39,389,000	39,389,000	38,199,553	(1,189,447)
Interest revenue	30,000	30,000	2,518,910	2,488,825
Total Revenues:	67,296,300	68,752,329	83,027,405	\$ 14,274,991
Prior Year Funds Rebudgeted	49,641,356	49,641,356		
	\$ 116,937,656	\$ 118,393,685		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 83,027,405	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 1,523,500	\$ 1,523,500	\$ 1,382,499	\$ 141,001
Contractual services	13,359,431	13,359,431	56,191,857	(42,832,426)
Other	70,188,204	83,944,233	101,304,590	(17,360,357)
Intra-agency transfers (in) out	-	-	2,518,436	(2,518,436)
Reversions	-	-	-	449
	85,071,135	98,827,164	161,397,382	(62,569,770)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	39,462,814	39,462,814	24,064,506	15,398,308
Reversions	-	-	-	-
	39,462,814	39,462,814	24,064,506	15,398,308
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	1,293	(1,293)
Intra-agency transfers (in) out	-	-	(4,437,342)	4,437,342
	-	-	(4,436,049)	4,436,049
Total Annual Budgeted Expenditures	\$ 124,533,949	\$ 138,289,978	181,025,839	\$ (42,735,413)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			1,918,906	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 182,944,745	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

TRAFFIC SAFETY FUND(S) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 15,742,400	\$ 15,742,400	\$ 7,697,791	\$ (8,044,609)
Other state funds	4,124,000	4,124,000	3,056,404	(1,067,596)
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	2,616	2,616
Total Revenues:	<u>19,866,400</u>	<u>19,866,400</u>	<u>10,756,811</u>	<u>\$ (9,109,589)</u>
Prior Year Funds Rebudgeted	<u>6,956,335</u>	<u>6,956,335</u>		
	<u>\$ 26,822,735</u>	<u>\$ 26,822,735</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 10,756,811</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 684,700	\$ 684,700	\$ 583,145	\$ 101,555
Contractual services	32,550	32,550	32,550	-
Other	27,125,485	27,125,485	12,735,423	14,390,062
Intra-agency transfers (in) out	-	-	(378,607)	378,607
Reversions	-	-	-	-
	<u>27,842,735</u>	<u>27,842,735</u>	<u>12,972,511</u>	<u>14,870,224</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 27,842,735</u>	<u>\$ 27,842,735</u>	<u>12,972,511</u>	<u>\$ 14,870,224</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			378,607	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 13,351,118</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

FEDERAL TRAFFIC SAFETY FUND (SHARE 10010)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 15,742,400	\$ 15,742,400	\$ 7,697,791	\$ (8,044,609)
Other state funds	-	-	333	333
Interest revenue	-	-	-	-
Total Revenues:	<u>15,742,400</u>	<u>15,742,400</u>	<u>7,698,124</u>	<u>\$ (8,044,276)</u>
Prior Year Funds Rebudgeted	<u>4,677,411</u>	<u>4,677,411</u>		
	<u>\$ 20,419,811</u>	<u>\$ 20,419,811</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 7,698,124</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 545,800	\$ 545,800	\$ 527,063	\$ 18,737
Contractual services	32,550	32,550	32,550	-
Other	19,861,461	19,861,461	9,456,049	10,405,412
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>20,439,811</u>	<u>20,439,811</u>	<u>10,015,662</u>	<u>10,424,149</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 20,439,811</u>	<u>\$ 20,439,811</u>	<u>10,015,662</u>	<u>\$ 10,424,149</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 10,015,662</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

DRIVER IMPROVEMENT FUND (SHARE 10020)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	330,000	330,000	320,217	(9,783)
Interest revenue	-	-	-	-
Total Revenues:	<u>330,000</u>	<u>330,000</u>	<u>320,217</u>	<u>\$ (9,783)</u>
Prior Year Funds Rebudgeted	<u>137,328</u>	<u>137,328</u>		
	<u>\$ 467,328</u>	<u>\$ 467,328</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 320,217</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	467,328	467,328	282,125	185,203
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>467,328</u>	<u>467,328</u>	<u>282,125</u>	<u>185,203</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 467,328</u>	<u>\$ 467,328</u>	<u>282,125</u>	<u>\$ 185,203</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 282,125</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

MOTORCYCLE TRAINING FUND (SHARE 20600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	130,000	130,000	135,156	5,156
Interest revenue	-	-	233	233
Total Revenues:	<u>130,000</u>	<u>130,000</u>	<u>135,389</u>	<u>\$ 5,389</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ 130,000</u>	<u>\$ 130,000</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 135,389</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	130,000	130,000	130,000	-
Intra-agency transfers (in) out	-	-	(78,607)	78,607
Reversions	-	-	-	-
	<u>130,000</u>	<u>130,000</u>	<u>51,393</u>	<u>78,607</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>51,393</u>	<u>\$ 78,607</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			78,607	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 130,000</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

DWI PREVENTION AND EDUCATION FUND (SHARE 20700)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)	Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	475,000	475,000	513,498		38,498
Interest revenue	-	-	-		-
Total Revenues:	475,000	475,000	513,498	\$	38,498
Prior Year Funds Rebudgeted	613,344	613,344			
	\$ 1,088,344	\$ 1,088,344			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	513,498	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ 80,900	\$ 80,900	\$ -	\$	80,900
Contractual services	-	-	-		-
Other	1,007,444	1,007,444	877,212		130,232
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	1,088,344	1,088,344	877,212		211,132
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
	-	-	-		-
Total Annual Budgeted Expenditures	\$ 1,088,344	\$ 1,088,344	877,212	\$	211,132
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$	877,212	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

TRAFFIC SAFETY FUND (SHARE 20800)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,189,000	1,189,000	1,334,087	145,087
Interest revenue	-	-	2,383	2,383
Total Revenues:	<u>1,189,000</u>	<u>1,189,000</u>	<u>1,336,470</u>	<u>\$ 147,470</u>
Prior Year Funds Rebudgeted	<u>1,524,993</u>	<u>1,524,993</u>		
	<u>\$ 2,713,993</u>	<u>\$ 2,713,993</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 1,336,470</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	2,713,993	2,713,993	1,613,796	1,100,197
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>2,713,993</u>	<u>2,713,993</u>	<u>1,613,796</u>	<u>1,100,197</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 2,713,993</u>	<u>\$ 2,713,993</u>	<u>1,613,796</u>	<u>\$ 1,100,197</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 1,613,796</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

IGNITION INTERLOCK FUND (SHARE 82600)					
	Budgeted Amounts		Actual Amounts		Variance Over (Under)
	Original	Final	(Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	2,000,000	2,000,000	753,113		(1,246,887)
State general fund	-	-	-		-
Total Revenues:	2,000,000	2,000,000	753,113	\$	(1,246,887)
Prior Year Funds Rebudgeted	3,259	3,259			
	\$ 2,003,259	\$ 2,003,259			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	753,113	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ 58,000	\$ 58,000	\$ 56,082	\$	1,918
Contractual services	-	-	-		-
Other	2,945,259	2,945,259	376,241		2,569,018
Intra-agency transfers (in) out	-	-	(300,000)		300,000
Reversions	-	-	-		-
	3,003,259	3,003,259	132,323		2,870,936
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
	-	-	-		-
Total Annual Budgeted Expenditures	\$ 3,003,259	\$ 3,003,259	132,323	\$	2,870,936
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)			300,000		
Amortization and reversions			-		
Total GAAP Expenditures			\$	432,323	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

FEDERAL PLANNING AND DEVELOPMENT FUND (SHARE 10030)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 12,134,900	\$ 13,590,929	\$ 13,182,849	\$ (408,080)
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues:	<u>12,134,900</u>	<u>13,590,929</u>	<u>13,182,849</u>	<u>\$ (408,080)</u>
Prior Year Funds Rebudgeted	<u>8,374,738</u>	<u>8,374,738</u>		
	<u>\$ 20,509,638</u>	<u>\$ 21,965,667</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 13,182,849</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 445,400	\$ 445,400	\$ 418,328	\$ 27,072
Contractual services	-	-	-	-
Other	20,064,238	21,520,267	12,937,101	8,583,166
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>20,509,638</u>	<u>21,965,667</u>	<u>13,355,429</u>	<u>8,610,238</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 20,509,638</u>	<u>\$ 21,965,667</u>	<u>13,355,429</u>	<u>\$ 8,610,238</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 13,355,429</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

HIF BOND FUND (SHARE 20200)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	7,610,000	7,610,000	7,021,317	(588,683)
Interest revenue	10,000	10,000	25,452	15,452
Total Revenues:	<u>7,620,000</u>	<u>7,620,000</u>	<u>7,046,769</u>	<u>\$ (573,231)</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ 7,620,000</u>	<u>\$ 7,620,000</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 7,046,769</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	9,083,000	9,083,000	6,009,100	3,073,900
Intra-agency transfers (in) out	-	-	2,897,043	(2,897,043)
Reversions	-	-	-	-
	<u>9,083,000</u>	<u>9,083,000</u>	<u>8,906,143</u>	<u>176,857</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 9,083,000</u>	<u>\$ 9,083,000</u>	<u>8,906,143</u>	<u>\$ 176,857</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			(2,897,043)	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 6,009,100</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

LOCAL GOVERNMENT ROAD FUND (SHARE 20300)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	22,430,000	22,430,000	21,495,503	(934,497)
Interest revenue	20,000	20,000	46,243	26,243
Total Revenues:	<u>22,450,000</u>	<u>22,450,000</u>	<u>21,541,746</u>	<u>\$ (908,254)</u>
Prior Year Funds Rebudgeted	<u>16,899,521</u>	<u>16,899,521</u>		
	<u>\$ 39,349,521</u>	<u>\$ 39,349,521</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 21,541,746</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	39,462,814	39,462,814	24,064,506	15,398,308
	<u>39,462,814</u>	<u>39,462,814</u>	<u>24,064,506</u>	<u>15,398,308</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 39,462,814</u>	<u>\$ 39,462,814</u>	<u>24,064,506</u>	<u>\$ 15,398,308</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 24,064,506</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

STATE AVIATION FUND (SHARE 20500)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	5,225,000	5,225,000	5,911,691	686,691
Interest revenue	-	-	35,887	35,887
Total Revenues:	<u>5,225,000</u>	<u>5,225,000</u>	<u>5,947,578</u>	<u>\$ 722,578</u>
Prior Year Funds Rebudgeted	<u>5,343,733</u>	<u>5,343,733</u>		
	<u>\$ 10,568,733</u>	<u>\$ 10,568,733</u>		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			<u>\$ 5,947,578</u>	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 393,400	\$ 393,400	\$ 381,026	\$ 12,374
Contractual services	1,259,852	1,259,852	115,814	1,144,038
Other	13,915,481	13,915,481	3,335,731	10,579,750
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>15,568,733</u>	<u>15,568,733</u>	<u>3,832,571</u>	<u>11,736,162</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 15,568,733</u>	<u>\$ 15,568,733</u>	<u>3,832,571</u>	<u>\$ 11,736,162</u>
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			<u>\$ 3,832,571</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

1993 BOND PROJECT FUND (SHARE 39400)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	3,577		3,577
Total Revenues:	-	-	3,577	\$	3,577
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 3,577	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures				\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

1999A CHAT BOND PROJECT FUND (SHARE 43000)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	4,751		4,751
Total Revenues:	-	-	4,751	\$	4,751
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	4,751	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

WIPP BOND PROJECT FUND (SHARE 43100)					
	Budgeted Amounts		Actual	Variance	
	Original	Final	Amounts (Modified Accrual)	Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ 11,197,644	\$	11,197,644
Other state funds	-	-	-		-
Interest revenue	-	-	14,036		14,036
Total Revenues:	-	-	11,211,680	\$	11,211,680
Prior Year Funds Rebudgeted	12,067,029	12,067,029			
	\$ 12,067,029	\$ 12,067,029			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 11,211,680		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$	-
Contractual services	12,067,029	12,067,029	11,197,644		869,385
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	12,067,029	12,067,029	11,197,644		869,385
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
	-	-	-		-
Total Annual Budgeted Expenditures	\$ 12,067,029	\$ 12,067,029	11,197,644	\$	869,385
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 11,197,644		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2001A CHAT BOND PROJECT FUND (SHARE 00600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	10,583	10,583
Total Revenues:	-	-	10,583	\$ 10,583
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 10,583	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2002C HIF BOND PROJECT FUND (SHARE 36100)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	2,925		2,925
Total Revenues:	-	-	2,925	\$	2,925
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	2,925	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2002D CHAT BOND PROJECT FUND (SHARE 11500)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	1,429		1,429
Total Revenues:	-	-	1,429	\$	1,429
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	1,429	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2004A GRIP BOND PROJECT FUND (SHARE 20400)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	603,777		603,777
Interest revenue	-	-	-		-
Total Revenues:	-	-	603,777	\$	603,777
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	603,777	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2006A GRIP BOND PROJECT FUND (SHARE 10210)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	100,000	100,000
Interest revenue	-	-	28	28
Total Revenues:	-	-	100,028	\$ 100,028
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 100,028	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	4	(4)
	-	-	4	(4)
Total Annual Budgeted Expenditures	\$ -	\$ -	4	\$ (4)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			-	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 4	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2006B GRIP BOND PROJECT FUND (SHARE 10230)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	2		2
Total Revenues:	-	-	2	\$	2
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 2	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures				\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2006C GRIP BOND PROJECT FUND (SHARE 10250)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	30		30
Total Revenues:	-	-	30	\$	30
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 30	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	4		(4)
Intra-agency transfers (in) out	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	4	\$	(4)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures				\$ 4	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2006D GRIP BOND PROJECT FUND (SHARE 10270)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	38,982		38,982
Total Revenues:	-	-	38,982	\$	38,982
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	38,982	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	1,285		(1,285)
Intra-agency transfers (in) out	-	-	50,044,688		(50,044,688)
Total Annual Budgeted Expenditures	\$ -	\$ -	50,045,973	\$	(50,045,973)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)			(50,044,688)		
Amortization and reversions				-	
Total GAAP Expenditures			\$	1,285	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

ARRA PROJECT FUND (SHARE 89000)					
	Budgeted Amounts		Actual	Variance	
	Original	Final	Amounts (Modified Accrual)	Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ 10,230,658	\$ 10,230,658	
Other state funds	-	-	10,851	10,851	
Interest revenue	-	-	-	-	
Total Revenues:	-	-	10,241,509	\$ 10,241,509	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 10,241,509		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	
Contractual services	-	-	8,793,297	(8,793,297)	
Other	-	-	2	(2)	
Intra-agency transfers (in) out	-	-	-	-	
Reversions	-	-	-	-	
	-	-	8,793,299	(8,793,299)	
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	
Contractual services	-	-	-	-	
Other	-	-	-	-	
	-	-	-	-	
Program Support					
Personal services/employee benefits	-	-	-	-	
Contractual services	-	-	-	-	
Other	-	-	-	-	
Intra-agency transfers (in) out	-	-	-	-	
	-	-	-	-	
Total Annual Budgeted Expenditures	\$ -	\$ -	8,793,299	\$ (8,793,299)	
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 8,793,299		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

1998A WIPP BOND DEBT SERVICE (SHARE 97200)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	33		33
Total Revenues:	-	-	33	\$	33
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 33		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	5		(5)
Total Annual Budgeted Expenditures	\$ -	\$ -	5	\$	(5)
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			(5)		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

1998A CHAT BOND DEBT SERVICE (SHARE 54800)					
	Budgeted Amounts		Actual Amounts		Variance Over (Under)
	Original	Final	(Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	318		318
Total Revenues:	-	-	318	\$	318
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 318	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	2		(2)
	-	-	2		(2)
Total Annual Budgeted Expenditures	\$ -	\$ -	2	\$	(2)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				(2)	
Amortization and reversions				-	
Total GAAP Expenditures				\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

1999 CHAT BOND DEBT SERVICE (SHARE 43400)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	597		597
Total Revenues:	-	-	597	\$	597
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 597		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	18		(18)
	-	-	18		(18)
Total Annual Budgeted Expenditures	\$ -	\$ -	18	\$	(18)
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			(18)		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2000 CHAT BOND DEBT SERVICE (SHARE 43200)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	458		458
Total Revenues:	-	-	458	\$	458
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 458	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	29		(29)
Total Annual Budgeted Expenditures	\$ -	\$ -	29	\$	(29)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				(29)	
Amortization and reversions				-	
Total GAAP Expenditures				\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2001A CHAT BOND DEBT SERVICE (SHARE 00700)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	524		524
Total Revenues:	-	-	524	\$	524
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	524	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	40		(40)
Total Annual Budgeted Expenditures	\$ -	\$ -	40	\$	(40)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)			(40)		
Amortization and reversions			-		
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2002A CHAT BOND DEBT SERVICE (SHARE 54700)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	187		187
Total Revenues:	-	-	187	\$	187
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 187	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	17		(17)
Total Annual Budgeted Expenditures	\$ -	\$ -	17	\$	(17)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)			(17)		
Amortization and reversions			-		
Total GAAP Expenditures				\$ -	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2002B WIPP BOND DEBT SERVICE (SHARE 75000)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	249		249
Total Revenues:	-	-	249	\$	249
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	249	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	17		(17)
Total Annual Budgeted Expenditures	\$ -	\$ -	17	\$	(17)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)			(17)		
Amortization and reversions			-		
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2002C HIF BOND DEBT SERVICE (SHARE 36300)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	228	228
Total Revenues:	-	-	228	\$ 228
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency			-	
Total GAAP Revenues			\$ 228	
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	2,897,181	(2,897,181)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	2,897,181	(2,897,181)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	(2,897,043)	2,897,043
Reversions	-	-	-	-
	-	-	(2,897,043)	2,897,043
Total Annual Budgeted Expenditures	\$ -	\$ -	138	\$ (138)
Reconciliation to GAAP expenditures:				
Accruals			-	
Transfers in (out)			2,897,043	
Amortization and reversions			-	
Total GAAP Expenditures			\$ 2,897,181	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2002D CHAT BOND DEBT SERVICE (SHARE 18700)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	90		90
Total Revenues:	-	-	90	\$	90
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 90		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	889,804		(889,804)
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	-	-	889,804		(889,804)
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	(869,874)		869,874
	-	-	(869,874)		869,874
Total Annual Budgeted Expenditures	\$ -	\$ -	19,930	\$	(19,930)
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			869,874		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 889,804		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

	2004A GRIP BOND DEBT SERVICE (SHARE 10080)				
	Budgeted Amounts		Actual	Variance	
	Original	Final	Amounts	Over (Under)	
			(Modified Accrual)		
Revenues:					
Federal funds	\$	-	\$	-	-
Other state funds		-		-	-
Interest revenue		-	449		449
Total Revenues:		-	449	\$	449
Prior Year Funds Rebudgeted		-			
	\$	-			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	449	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$	-	\$	-	-
Contractual services		-		-	-
Other		-		-	-
Intra-agency transfers (in) out		-		-	-
Reversions		-		-	-
		-		-	-
Transportation and Highway Ops:					
Personal services/employee benefits		-		-	-
Contractual services		-		-	-
Other		-		-	-
		-		-	-
Program Support					
Personal services/employee benefits		-		-	-
Contractual services		-		-	-
Other		-		-	-
Intra-agency transfers (in) out		-		-	-
		-		-	-
Total Annual Budgeted Expenditures	\$	-		\$	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2004B GRIP BOND DEBT SERVICE (SHARE 10090)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	1,937,351	1,937,351	
Total Revenues:	-	-	1,937,351	\$ 1,937,351	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 1,937,351		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	12,300,000	11,140,541	1,159,459	
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	12,300,000	11,140,541	1,159,459	
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	1,114,383	(1,114,383)	
	-	-	1,114,383	(1,114,383)	
Total Annual Budgeted Expenditures	\$ -	\$ 12,300,000	12,254,924	\$ 45,076	
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			(1,114,383)		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 11,140,541		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2006A GRIP BOND DEBT SERVICE (SHARE 10220)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	255	255	
Total Revenues:	-	-	255	\$ 255	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 255		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -	-
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2006B GRIP BOND DEBT SERVICE (SHARE 10240)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	125		125
Total Revenues:	-	-	125	\$	125
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 125		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2008A GRIP BOND DEBT SERVICE (SHARE 10410)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	180,354	180,354	
Total Revenues:	-	-	180,354	\$ 180,354	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 180,354		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	198,282	(198,282)	
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	198,282	(198,282)	
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	(641,884)	641,884	
	-	-	(641,884)	641,884	
Total Annual Budgeted Expenditures	\$ -	\$ -	(443,602)	\$ 443,602	
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			641,884		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 198,282		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2010A BOND PROJECT FUND (SHARE 10450)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	8,228		8,228
Total Revenues:	-	-	8,228	\$	8,228
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 8,228	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	36,052,552		(36,052,552)
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	-	-	36,052,552		(36,052,552)
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
	-	-	-		-
Total Annual Budgeted Expenditures	\$ -	\$ -	36,052,552	\$	(36,052,552)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures				\$ 36,052,552	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2008C GRIP BOND DEBT SERVICE (SHARE 10430)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	132,458	132,458	
Total Revenues:	-	-	132,458	\$ 132,458	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 132,458		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	149,880	(149,880)	
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	149,880	(149,880)	
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	(472,498)	472,498	
	-	-	(472,498)	472,498	
Total Annual Budgeted Expenditures	\$ -	\$ -	(322,618)	\$ 322,618	
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			472,498		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 149,880		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2008D GRIP BOND DEBT SERVICE (SHARE 10440)				
Budgeted Amounts		Actual	Variance	
Original	Final	Amounts (Modified Accrual)	Over (Under)	
Revenues:				
Federal funds	\$ - \$ -	\$ - \$ -		
Other state funds	- -	- -		
Interest revenue	- -	419	419	
Total Revenues:		419	\$ 419	
Prior Year Funds Rebudgeted		- -		
		\$ - \$ -		
Reconciliations to GAAP Revenues:				
Transfers outside the Agency		-		
Total GAAP Revenues		\$ 419		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ - \$ -	\$ - \$ -		
Contractual services	- -	- -		
Other	- -	50,400,000	(50,400,000)	
Intra-agency transfers (in) out	- -	- -		
Reversions	- -	- -		
		50,400,000	(50,400,000)	
Transportation and Highway Ops:				
Personal services/employee benefits	- -	- -		
Contractual services	- -	- -		
Other	- -	- -		
		- -		
Program Support				
Personal services/employee benefits	- -	- -		
Contractual services	- -	- -		
Other	- -	- -		
Intra-agency transfers (in) out	- -	(50,044,688)	50,044,688	
		(50,044,688)	50,044,688	
Total Annual Budgeted Expenditures		\$ 355,312	\$ (355,312)	
Reconciliation to GAAP expenditures:				
Accruals		-		
Transfers in (out)		50,044,688		
Amortization and reversions		-		
Total GAAP Expenditures		\$ 50,400,000		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2009A BOND DEBT SERVICE (SHARE 11130)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	10		10
Interest revenue	-	-	1,656		1,656
Total Revenues:	-	-	1,666	\$	1,666
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	1,666	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	-	-	-		-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
	-	-	-		-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2010A BOND DEBT SERVICE (SHARE 11140)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	1,067	1,067	
Total Revenues:	-	-	1,067	\$ 1,067	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			-		
Total GAAP Revenues			\$ 1,067		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	3,800	(3,800)	
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	3,800	(3,800)	
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	3,800	\$ (3,800)	
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 3,800		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2010B GRIP BOND DEBT SERVICE FUND (SHARE 20450)					
	Budgeted Amounts		Actual Amounts		Variance Over (Under)
	Original	Final	(Modified Accrual)		
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	713		713
Total Revenues:	-	-	713	\$	713
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 713	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	1,900		(1,900)
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	-	-	1,900		(1,900)
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
	-	-	-		-
Total Annual Budgeted Expenditures	\$ -	\$ -	1,900	\$	(1,900)
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures				\$ 1,900	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

2012A REFUNDING BOND DEBT SERVICE FUND (SHARE 30850)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	85		85
Total Revenues:	-	-	85	\$	85
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ 85	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	605,845		(605,845)
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	-	-	605,845		(605,845)
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	(670,554)		670,554
Reversions	-	-	-		-
	-	-	(670,554)		670,554
Total Annual Budgeted Expenditures	\$ -	\$ -	(64,709)	\$	64,709
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)			670,554		
Amortization and reversions			-		
Total GAAP Expenditures				\$ 605,845	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

STATE INFRASTRUCTURE BANK (SHARE 89300)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	66,525	66,525	
Total Revenues:	-	-	66,525	\$ 66,525	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$ 66,525		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$ -	
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$ -		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

CAPITAL PROJECTS FUND (SHARE 10050)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	-	-	-
Total Revenues:	-	-	-	\$ -	-
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ -	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	124,019	(124,019)	
Other	-	-	832,531	(832,531)	
Intra-agency transfers (in) out	-	-	9,500	(9,500)	
Reversions	-	-	6,656,152	(6,656,152)	
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	7,622,202	\$ (7,622,202)	
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)			(6,665,652)		
Amortization and reversions			-		
Total GAAP Expenditures				\$ 956,550	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

STB APPROPRIATIONS FUND (SHARE 10060)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	1,059,495	1,059,495	
Transfers outside the agency	-	-	11,132,328	11,132,328	
Total Revenues:	-	-	12,191,823	\$ 12,191,823	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			(11,132,328)		
Total GAAP Revenues			\$ 1,059,495		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	10,588,624	(10,588,624)	
Other	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	10,588,624	(10,588,624)	
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	10,588,624	\$ (10,588,624)	
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 10,588,624		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

GENERAL FUND APPROPRIATIONS FUND (SHARE 10070)					
Budgeted Amounts		Actual Amounts		Variance	
Original	Final	(Modified Accrual)		Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	1,343		1,343
Interest revenue	-	-	-		-
Total Revenues:	-	-	1,343	\$	1,343
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues			\$	1,343	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-		-
Other	-	-	-		-
Intra-agency transfers (in) out	-	-	-		-
Reversions	-	-	-		-
	-	-	-		-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
Reversions	-	-	-		-
	-	-	-		-
Program Support					
Personal services/employee benefits	-	-	-		-
Contractual services	-	-	-		-
Other	-	-	-		-
	-	-	-		-
Total Annual Budgeted Expenditures	\$ -	\$ -	-	\$	-
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)				-	
Amortization and reversions				-	
Total GAAP Expenditures			\$	-	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

STB CAPITAL OUTLAY FUND (SHARE 89200)					
	Budgeted Amounts		Actual	Variance	
	Original	Final	Amounts (Modified Accrual)	Over (Under)	
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Transfers outside the agency	-	-	1,907,670	1,907,670	
Total Revenues:	-	-	1,907,670	\$ 1,907,670	
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency			(1,907,670)		
Total GAAP Revenues			\$ -		
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	425	(425)	
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	425	(425)	
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	769,202	(769,202)	
Other	-	-	1,138,043	(1,138,043)	
Reversions	-	-	-	-	-
	-	-	1,907,245	(1,907,245)	
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	1,907,670	\$ (1,907,670)	
Reconciliation to GAAP expenditures:					
Accruals			-		
Transfers in (out)			-		
Amortization and reversions			-		
Total GAAP Expenditures			\$ 1,907,670		

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2013

GF CAPITAL OUTLAY FUND (SHARE 93100)					
	Budgeted Amounts		Actual Amounts		Variance
	Original	Final	(Modified Accrual)		Over (Under)
Revenues:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Transfers outside the agency	-	-	-	-	-
Total Revenues:	-	-	-	\$ -	-
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Reconciliations to GAAP Revenues:					
Transfers outside the Agency				-	
Total GAAP Revenues				\$ -	
Expenditures - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	248,979		(248,979)
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	248,979		(248,979)
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	39,566		(39,566)
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	(131,887)		131,887
Reversions	-	-	102,619		(102,619)
	-	-	10,298		(10,298)
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	259,277	\$ (259,277)	
Reconciliation to GAAP expenditures:					
Accruals				-	
Transfers in (out)			131,887		
Amortization and reversions			(102,619)		
Total GAAP Expenditures				\$ 288,545	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-State Road Fund(s)

As of June 30, 2013

	Departmental Services- Inventories (SHARE 10040)	State Road Fund (SHARE 20100)	State Road Fund(s) (SHARE 10040 and 20100)
Assets:			
Cash:			
Unrestricted	\$ -	\$ 2,100	\$ 2,100
Restricted	-	-	-
Cash Equivalents: investment in state general fund investment pool)			
Unrestricted	-	159,172,462	159,172,462
Restricted	-	-	-
Managed by NMFA	-	65,032	65,032
Receivables:			
Taxes receivable, net	-	57,376,319	57,376,319
Accounts receivable, net	-	702,104	702,104
Interest receivable	-	-	-
Notes and loans receivable	-	2,649	2,649
Other receivables	-	20,106	20,106
Due from:			
U.S. Department of Transportation	-	43,123,426	43,123,426
Other funds	10,071,859	8,751,342	18,823,201
Other state agencies	-	35,970	35,970
Inventories	14,420,684	-	14,420,684
Prepaid expenses - other	-	2,753	2,753
Prepaid expenses - risk management	-	-	-
Prepaid expense - NM44 warranty	-	23,315,075	23,315,075
Property held for resale	-	9,007,214	9,007,214
Total Assets	<u>\$ 24,492,543</u>	<u>\$ 301,576,552</u>	<u>\$ 326,069,095</u>
Liabilities and Net Position:			
Liabilities:			
Accounts payable	\$ 678,169	\$ 73,846,500	\$ 74,524,669
Due to other funds	256,454	10,431,595	10,688,049
Due to other agencies	20,199,938	2,884	20,202,822
Due to state general fund	-	-	-
Unearned revenue	-	2,059,567	2,059,567
Other accrued expenses	-	2,371,242	2,371,242
Other liabilities	292,293	34,212	326,505
Short-term notes payable (taxable line of credit)	-	-	-
Total Liabilities	<u>21,426,854</u>	<u>88,746,000</u>	<u>110,172,854</u>
Non-spendable	14,420,684	32,325,025	46,745,709
Restricted	-	-	-
Committed	-	180,505,527	180,505,527
Assigned	-	-	-
Unassigned	(11,354,995)	-	(11,354,995)
Total Net Position	<u>3,065,689</u>	<u>212,830,552</u>	<u>215,896,241</u>
Total Liabilities and Net Position	<u>\$ 24,492,543</u>	<u>\$ 301,576,552</u>	<u>\$ 326,069,095</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-State Road Fund(s)

For the Year Ended June 30, 2013

	Departmental Services- Inventories (SHARE 10040)	State Road Fund (SHARE 20100)	State Road Fund(s) (SHARE 10040, and 20100)
Revenues:			
User and fuel taxes	\$ -	\$ 365,446,818	\$ 365,446,818
U.S. Department of Transportation	-	412,775,461	412,775,461
U.S. Department of Energy	-	-	-
Fees and fines	-	-	-
Licenses and permits	-	8,077,279	8,077,279
Charges for services	-	3,290,000	3,290,000
DWI interlock device	-	-	-
Other revenue	1,051,977	19,698,250	20,750,227
Interest earnings	-	241,171	241,171
Total Revenues	<u>1,051,977</u>	<u>809,528,979</u>	<u>810,580,956</u>
Expenditures:			
Current:			
Operating costs	-	12,158,344	12,158,344
Personal services	-	88,948,727	88,948,727
Out-of-state travel	-	62,527	62,527
Grants and services	-	1,907,233	1,907,233
Travel	-	19,788,122	19,788,122
Maintenance and repairs	-	9,220,011	9,220,011
Supplies	-	40,077,795	40,077,795
Contractual services	-	120,098,503	120,098,503
Other costs	-	6,769,036	6,769,036
Employee benefits	-	40,960,229	40,960,229
Capital outlay	-	340,357,194	340,357,194
Debt service:			
Principal	-	70,608,884	70,608,884
Interest	-	72,918,244	72,918,244
Trustee and broker fees	-	-	-
Debt issuance costs	-	-	-
Total Expenditures	<u>-</u>	<u>823,874,849</u>	<u>823,874,849</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,051,977</u>	<u>(14,345,870)</u>	<u>(13,293,893)</u>
Other Financing Sources (Uses):			
Appropriations, net of reversions	-	-	-
Transfers: severance	-	-	-
tax bond appropriation	-	-	-
Transfers from (to) other agencies	-	(5,710,524)	(5,710,524)
Transfers from (to) escrow agent	-	-	-
Transfers: intra-agency	-	5,865,013	5,865,013
Proceeds from LT notes payable	-	-	-
Face value of debentures payable	-	-	-
Premiums of debentures payable	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>154,489</u>	<u>154,489</u>
Net Changes in Net Position	<u>1,051,977</u>	<u>(14,191,381)</u>	<u>(13,139,404)</u>
Net Position, June 30, 2012	<u>2,013,712</u>	<u>227,021,933</u>	<u>229,035,645</u>
Net Position, June 30, 2013	<u>\$ 3,065,689</u>	<u>\$ 212,830,552</u>	<u>\$ 215,896,241</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-Traffic Safety Fund(s)

As of June 30, 2013

	Federal Traffic Safety Fund (SHARE 10010)	Driver Improvement Fund (SHARE 10020)	Motorcycle Training Fund (SHARE 20600)	DWI Prevention and Education Fund (SHARE 20700)	Traffic Safety Fund (SHARE 20800)	Ignition Interlock (SHARE 82600)	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
Assets:							
Cash:							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)							
Unrestricted	2,222,384	627,723	159,129	1,499,169	1,018,739	3,399,150	8,926,294
Restricted	-	-	-	-	-	-	-
Managed by NMFA	-	-	-	-	-	-	-
Receivables:							
Taxes receivable, net	-	-	15,638	38,320	101,482	40,350	195,790
Accounts receivable, net	-	350	-	-	-	-	350
Interest receivable	-	-	-	-	-	-	-
Notes and loans receivable	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Due from:							
U.S. Department of Transportation	5,682,446	-	-	-	-	-	5,682,446
Other funds	139	-	-	-	-	-	139
Other state agencies	-	-	14	-	105	-	119
Inventories	-	-	-	-	-	-	-
Prepaid expenses - other	-	-	-	-	-	-	-
Prepaid expenses - risk management	-	-	-	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-
Total Assets	\$ 7,904,969	\$ 628,073	\$ 174,781	\$ 1,537,489	\$ 1,120,326	\$ 3,439,500	\$ 14,805,138
Liabilities and Net Position:							
Liabilities:							
Accounts payable	\$ 2,272,957	\$ 52,005	\$ 96,170	\$ 154,127	\$ 404,291	\$ 29,311	\$ 3,008,861
Due to other funds	-	-	78,607	-	-	-	78,607
Due to other agencies	-	-	-	-	-	-	-
Due to state general fund	-	-	-	-	-	-	-
Unearned revenue	4,437,639	-	-	-	-	-	4,437,639
Other accrued expenses	9,789	-	-	-	1	1,059	10,849
Other liabilities	-	-	-	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-	-	-	-
Total Liabilities	6,720,385	52,005	174,777	154,127	404,292	30,370	7,535,956
Non-spendable	-	-	-	-	-	-	-
Restricted	1,184,584	-	5	1,383,362	716,034	3,409,129	6,693,114
Committed	-	576,068	-	-	-	-	576,068
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Net Position	1,184,584	576,068	5	1,383,362	716,034	3,409,129	7,269,182
Total Liabilities and Net Position	\$ 7,904,969	\$ 628,073	\$ 174,782	\$ 1,537,489	\$ 1,120,326	\$ 3,439,499	\$ 14,805,138

See Report of Independent Auditors

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Traffic Safety Fund(s)

For the Year Ended June 30, 2013

	Federal Traffic Safety Fund (SHARE 10010)	Driver Improvement Fund (SHARE 10020)	Motorcycle Training Fund (SHARE 20600)	DWI Prevention and Education Fund (SHARE 20700)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	7,697,791	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	320,217	135,156	513,498
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	333	-	-	-
Interest earnings	-	-	233	-
Total Revenues	7,698,124	320,217	135,389	513,498
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	391,198	-	-	-
Out-of-state travel	3,785	-	-	-
Grants and services	9,452,264	282,125	130,000	877,212
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	32,550	-	-	-
Other costs	-	-	-	-
Employee benefits	135,865	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	10,015,662	282,125	130,000	877,212
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,317,538)	38,092	5,389	(363,714)
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	(78,606)	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(78,606)	-
Net Changes in Fund Balances	(2,317,538)	38,092	(73,217)	(363,714)
Fund Balance, June 30, 2012	3,502,122	537,976	73,222	1,747,076
Fund Balance, June 30, 2013	\$ 1,184,584	\$ 576,068	\$ 5	\$ 1,383,362

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Traffic Safety Fund(s)

Traffic Safety Fund (SHARE 20800)	Ignition Interlock (SHARE 82600)	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
\$ -	\$ -	\$ -
-	-	7,697,791
-	-	-
-	-	-
1,334,087	753,113	3,056,071
-	-	-
-	-	-
-	-	333
2,383	-	2,616
<u>1,336,470</u>	<u>753,113</u>	<u>10,756,811</u>
-	-	-
-	34,790	425,988
-	-	3,785
1,613,796	376,241	12,731,638
-	-	-
-	-	-
-	-	-
-	-	32,550
-	-	-
-	21,292	157,157
-	-	-
-	-	-
-	-	-
-	-	-
<u>1,613,796</u>	<u>432,323</u>	<u>13,351,118</u>
<u>(277,326)</u>	<u>320,790</u>	<u>(2,594,307)</u>
-	-	-
-	-	-
-	300,000	300,000
-	-	-
-	-	(78,606)
-	-	-
-	-	-
<u>-</u>	<u>300,000</u>	<u>221,394</u>
<u>(277,326)</u>	<u>620,790</u>	<u>(2,372,913)</u>
<u>993,360</u>	<u>2,788,339</u>	<u>9,642,095</u>
<u>\$ 716,034</u>	<u>\$ 3,409,129</u>	<u>\$ 7,269,182</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2013

	Traffic Safety Fund(s) (SHARE 10010, 10020,20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Bond Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)	State Aviation Fund (SHARE 20500)
Assets:					
Cash:					
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Cash Equivalents: investment in state general fund investment pool]					
Unrestricted	8,926,294	-	10,345,011	19,508,256	16,786,869
Restricted	-	-	-	-	-
Managed by NMFA	-	-	-	-	-
Receivables:					
Taxes receivable, net	195,790	-	894,695	3,358,782	894,417
Accounts receivable, net	350	-	-	-	-
Interest receivable	-	-	-	-	-
Notes and loans receivable	-	-	-	-	-
Other receivables	-	-	-	-	-
Due from:					
U.S. Department of Transportation	5,682,446	4,163,929	-	-	-
Other funds	139	-	13,600	-	-
Other state agencies	119	-	930	1,836	1,511
Inventories	-	-	-	-	-
Prepaid expenses - other	-	-	-	-	-
Prepaid expenses - risk management	-	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-	-
Property held for resale	-	-	-	-	-
Total Assets	\$ 14,805,138	\$ 4,163,929	\$ 11,254,236	\$ 22,868,874	\$ 17,682,797
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 3,008,860	\$ 2,857,232	\$ -	\$ 3,210,506	\$ 306,794
Due to other funds	78,607	114,353	-	-	256
Due to other agencies	-	2,028,076	-	-	-
Due to state general fund	-	-	-	-	-
Unearned revenue	4,437,639	445,817	-	-	-
Other accrued expenses	10,849	8,897	-	-	8,185
Other liabilities	-	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-	-
Total Liabilities	7,535,955	5,454,375	-	3,210,506	315,235
Non-spendable	-	-	-	-	-
Restricted	6,693,114	-	11,254,236	-	-
Committed	576,068	-	-	19,658,368	17,367,562
Assigned	-	-	-	-	-
Unassigned (deficit)	-	(1,290,446)	-	-	-
Total Fund Balances (deficit)	7,269,182	(1,290,446)	11,254,236	19,658,368	17,367,562
Total Liabilities and Fund Balances	\$ 14,805,137	\$ 4,163,929	\$ 11,254,236	\$ 22,868,874	\$ 17,682,797

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

1993 Bond Project Fund (SHARE 39400)	1999A CHAT Bond Project Fund (SHARE 43000)	WIPP Bond Project Fund (SHARE 43100)	2001A CHAT Bond Project Fund (SHARE 00600)	2002C HIF Bond Project Fund (SHARE 36100)					
\$ -	\$ -	\$ -	\$ -	\$ -					
-	-	-	-	-					
1,600,121	2,125,051	1,980,339	4,734,419	1,308,522					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
137	183	132	406	112					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
<u>\$ 1,600,258</u>	<u>\$ 2,125,234</u>	<u>\$ 1,980,471</u>	<u>\$ 4,734,825</u>	<u>\$ 1,308,634</u>					
\$ -	\$ -	\$ 94,411	\$ -	\$ -					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
-	-	4,555,427	-	-					
-	-	-	-	-					
-	-	-	-	-					
-	-	-	-	-					
-	-	4,649,838	-	-					
-	-	-	-	-					
1,600,258	2,125,234	-	4,734,826	1,308,634					
-	-	-	-	-					
-	-	-	-	-					
-	-	(2,669,367)	-	-					
<u>1,600,258</u>	<u>2,125,234</u>	<u>(2,669,367)</u>	<u>4,734,826</u>	<u>1,308,634</u>					
<u>\$ 1,600,258</u>	<u>\$ 2,125,234</u>	<u>\$ 1,980,471</u>	<u>\$ 4,734,826</u>	<u>\$ 1,308,634</u>					

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2013

	2002D CHAT Bond Project Fund (SHARE 11500)	2004A GRIP Bond Project Fund (SHARE 20400)	2006A GRIP Bond Project Fund (SHARE 10210)	2006B GRIP Bond Project Fund SHARE (10230)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool]				
Unrestricted	639,261	112,078	582,089	49,671
Restricted	-	-	-	-
Managed by NMFA	-	-	162,255	10,384
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	3	-
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	-
Other state agencies	55	-	-	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 639,316	\$ 112,078	\$ 744,347	\$ 60,055
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 257,114	\$ -
Due to other funds	-	-	-	-
Due to other agencies	-	-	-	-
Due to state general fund	-	-	-	-
Unearned revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	-	-	257,114	-
Non-spendable	-	-	-	-
Restricted	639,316	-	487,233	60,055
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	112,078	-	-
Total Fund Balances (deficit)	639,316	112,078	487,233	60,055
Total Liabilities and Fund Balances	\$ 639,316	\$ 112,078	\$ 744,347	\$ 60,055

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2006C GRIP Bond Project Fund (SHARE 10250)	2006D GRIP Bond Project Fund (SHARE 10270)	2010A Bond Project Fund (SHARE 10450)	ARRA Project Fund (SHARE 89000)	Total Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	68,697,981
179,118	-	44,760,159	-	45,111,916
-	-	-	-	5,343,684
-	-	-	-	350
3	-	743	-	749
-	-	-	-	-
-	-	-	-	-
-	-	-	708,330	10,554,705
-	-	-	346,242	359,981
-	-	-	-	5,421
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 179,121</u>	<u>\$ -</u>	<u>\$ 44,760,902</u>	<u>\$ 1,054,572</u>	<u>\$ 130,074,787</u>
\$ -	\$ -	\$ 4,251,848	\$ 1	\$ 13,986,766
-	-	-	414,511	607,727
-	-	10,624,219	640,060	13,292,355
-	-	-	-	-
-	-	-	-	9,438,883
-	-	-	-	27,931
-	-	-	-	-
-	-	-	-	-
-	-	14,876,067	1,054,572	37,353,662
-	-	-	-	-
179,121	-	29,884,835	-	58,966,862
-	-	-	-	37,601,998
-	-	-	-	-
-	-	-	-	(3,847,735)
<u>179,121</u>	<u>-</u>	<u>29,884,835</u>	<u>-</u>	<u>92,721,125</u>
<u>\$ 179,121</u>	<u>\$ -</u>	<u>\$ 44,760,902</u>	<u>\$ 1,054,572</u>	<u>\$ 130,074,787</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2013

	General Fund Appropriations (SHARE 10070)	Capital Projects Fund (SHARE 10050)	STB Appropriations Fund (SHARE 10060)	STB Capital Outlay Fund (SHARE 89200)	GF Capital Outlay Fund (SHARE 93100)	Total Capital Projects Funds
Assets:						
Cash:						
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-
Cash Equivalents: investment in state general fund investment pool]						
Unrestricted	598,144	1,366,565	-	-	188,094	2,152,803
Restricted	-	-	-	-	-	-
Managed by NMFA	-	-	-	-	-	-
Receivables:						
Taxes receivable, net	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-
Notes and loans receivable	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from:						
U.S. Department of Transportation	-	-	-	-	-	-
Other funds	-	-	-	-	131,887	131,887
Other state agencies	-	-	1,060,059	849,529	-	1,909,588
Inventories	-	-	-	-	-	-
Prepaid expenses - other	-	-	-	-	-	-
Prepaid expenses - risk management	-	-	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-
Total Assets	\$ 598,144	\$ 1,366,565	\$ 1,060,059	\$ 849,529	\$ 319,981	\$ 4,194,278
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ 207,524	\$ 182,039	\$ 2,024,827	\$ 781,784	\$ 52,380	\$ 3,248,554
Due to other funds	131,887	-	-	-	-	131,887
Due to other agencies	-	-	2,253,115	67,745	-	2,320,860
Due to state general fund	-	-	-	-	102,619	102,619
Unearned revenue	-	-	-	-	-	-
Other accrued expenses	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-	-	-
Total Liabilities	339,411	182,039	4,277,942	849,529	154,999	5,803,920
Non-spendable	-	-	-	-	-	-
Restricted	-	-	-	-	164,982	164,982
Committed	258,733	1,184,526	-	-	-	1,443,259
Assigned	-	-	-	-	-	-
Unassigned (deficit)	-	-	(3,217,883)	-	-	(3,217,883)
Total Fund Balances (deficit)	258,733	1,184,526	(3,217,883)	-	164,982	(1,609,642)
Total Liabilities and Fund Balances	\$ 598,144	\$ 1,366,565	\$ 1,060,059	\$ 849,529	\$ 319,981	\$ 4,194,278

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

1998A WIPP Bond Debt Service Fund (SHARE 97200)	1998A CHAT Bond Debt Service Fund (SHARE 54800)	1999 CHAT Bond Debt Service Fund (SHARE 43400)	2000 CHAT Bond Debt Service Fund (SHARE 43200)	2001A CHAT Bond Debt Service Fund (SHARE 00700)	2002A CHAT Bond Debt Service Fund (SHARE 54700)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
14,559	142,073	267,125	204,785	234,583	83,859
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
199,253	86,180	750,144	1,184,452	1,651,520	690,434
1	14	23	17	20	6
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 213,813</u>	<u>\$ 228,267</u>	<u>\$ 1,017,292</u>	<u>\$ 1,389,254</u>	<u>\$ 1,886,123</u>	<u>\$ 774,299</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
213,813	228,267	1,017,292	1,389,254	1,886,123	774,299
-	-	-	-	-	-
-	-	-	-	-	-
<u>213,813</u>	<u>228,267</u>	<u>1,017,292</u>	<u>1,389,254</u>	<u>1,886,123</u>	<u>774,299</u>
<u>\$ 213,813</u>	<u>\$ 228,267</u>	<u>\$ 1,017,292</u>	<u>\$ 1,389,254</u>	<u>\$ 1,886,123</u>	<u>\$ 774,299</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2013

	2002B WIPP Bond Debt Service Fund (SHARE 75000)	2002C HIF Bond Debt Service Fund (SHARE 36300)	2002D CHAT Bond Debt Service Fund (SHARE 18700)	2004A GRIP Bond Debt Service Fund (SHARE 10080)	2004B GRIP Bond Debt Service Fund (SHARE 10090)
Assets:					
Cash:					
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Cash Equivalents: investment in state general fund investment pool]					
Unrestricted	111,299	62,453	12,852	-	-
Restricted	-	-	-	-	-
Managed by NMFA	-	-	-	1,085,041	33,607,671
Receivables:					
Taxes receivable, net	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-
Interest receivable	-	-	-	35	229
Notes and loans receivable	-	-	-	-	-
Other receivables	-	-	-	-	-
Due from:					
U.S. Department of Transportation	-	-	-	-	-
Other funds	702,644	-	-	-	-
Other state agencies	10	6	1	-	-
Inventories	-	-	-	-	-
Prepaid expenses - other	-	-	-	-	-
Prepaid expenses - risk management	-	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-	-
Property held for resale	-	-	-	-	-
Total Assets	\$ 813,953	\$ 62,459	\$ 12,853	\$ 1,085,076	\$ 33,607,900
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	574,773	-
Due to other agencies	-	-	-	-	-
Due to state general fund	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Other accrued expenses	-	-	-	-	-
Other liabilities	-	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-	-
Total Liabilities	-	-	-	574,773	-
Non-spendable	-	-	-	-	-
Restricted	813,953	62,459	12,853	510,303	33,607,900
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total Fund Balances (deficit)	813,953	62,459	12,853	510,303	33,607,900
Total Liabilities and Fund Balances	\$ 813,953	\$ 62,459	\$ 12,853	\$ 1,085,076	\$ 33,607,900

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2006A GRIP Bond Debt Service Fund (SHARE 10220)	2006B GRIP Bond Debt Service Fund (SHARE 10240)	2008A GRIP Bond Debt Service Fund (SHARE 10410)	2008C GRIP Bond Debt Service Fund (SHARE 10430)	2008D GRIP Bond Debt Service Fund (SHARE 10440)
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
1,683,172	662,981	8,615,188	4,366,472	1,874,928
-	-	-	-	-
45	15	287	178	36
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 1,683,217</u>	<u>\$ 662,996</u>	<u>\$ 8,615,475</u>	<u>\$ 4,366,650</u>	<u>\$ 1,874,964</u>
\$ -	\$ -	\$ 62,289	\$ -	\$ 93,020
1,649,100	658,193	1,370,943	1,009,166	1,267,688
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	3,587,465	2,640,774	-
<u>1,649,100</u>	<u>658,193</u>	<u>5,020,697</u>	<u>3,649,940</u>	<u>1,360,708</u>
-	-	-	-	-
34,117	4,803	3,594,778	716,710	514,256
-	-	-	-	-
-	-	-	-	-
<u>34,117</u>	<u>4,803</u>	<u>3,594,778</u>	<u>716,710</u>	<u>514,256</u>
<u>\$ 1,683,217</u>	<u>\$ 662,996</u>	<u>\$ 8,615,475</u>	<u>\$ 4,366,650</u>	<u>\$ 1,874,964</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2013

	2009A Bond Debt Service Fund (SHARE 11130)	2010A Bond Debt Service Fund (SHARE 11140)	2010B Bond Debt Service Fund (SHARE 20450)
Assets:			
Cash:			
Unrestricted	\$ -	\$ -	\$ -
Restricted	-	-	-
Cash Equivalents: investment in state general fund investment pool]			
Unrestricted	-	-	-
Restricted	-	-	-
Managed by NMFA	49,143	41,501	202,746
Receivables:			
Taxes receivable, net	-	-	-
Accounts receivable, net	-	-	-
Interest receivable	203	22	91
Notes and loans receivable	-	-	-
Other receivables	-	-	-
Due from:			
U.S. Department of Transportation	-	-	-
Other funds	-	-	-
Other state agencies	-	-	-
Inventories	-	-	-
Prepaid expenses - other	-	-	-
Prepaid expenses - risk management	-	-	-
Prepaid expense - NM44 warranty	-	-	-
Property held for resale	-	-	-
Total Assets	<u>\$ 49,346</u>	<u>\$ 41,523</u>	<u>\$ 202,837</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Due to other agencies	-	-	-
Due to state general fund	-	-	-
Unearned revenue	-	-	-
Other accrued expenses	-	-	-
Other liabilities	-	-	-
Short-term notes payable	-	-	-
(taxable line of credit)	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Non-spendable	-	-	-
Restricted	49,346	41,523	202,837
Committed	-	-	-
Assigned	-	-	-
Unassigned (deficit)	-	-	-
Total Fund Balances (deficit)	<u>49,346</u>	<u>41,523</u>	<u>202,837</u>
Total Liabilities and Fund Balances	<u>\$ 49,346</u>	<u>\$ 41,523</u>	<u>\$ 202,837</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2012A Refunding Revenue Bond Debt Service Fund (SHARE 30850)	Total Debt Service Funds	Total Government Funds
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	1,133,588	71,984,372
-	-	-
65,348	52,254,191	97,366,107
-	-	-
-	-	5,343,684
-	-	350
57	1,198	1,947
-	-	-
-	-	-
-	-	-
-	-	10,554,705
-	5,264,627	5,756,495
-	98	1,915,107
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ 65,405</u>	<u>\$ 58,653,702</u>	<u>\$ 192,922,767</u>
\$ -	\$ 155,308	\$ 17,390,628
611	6,530,474	7,270,088
-	-	15,613,215
-	-	102,619
-	-	9,438,883
-	-	27,931
-	-	-
-	-	-
-	6,228,240	6,228,240
<u>611</u>	<u>12,914,022</u>	<u>56,071,604</u>
-	-	-
64,794	45,739,680	104,871,524
-	-	39,045,257
-	-	-
-	-	(7,065,618)
<u>64,794</u>	<u>45,739,680</u>	<u>136,851,163</u>
<u>\$ 65,405</u>	<u>\$ 58,653,702</u>	<u>\$ 192,922,767</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2013

	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ 5,214,495	\$ 13,640,615
U.S. Department of Transportation	7,697,791	13,182,849	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	3,056,071	-	1,806,822	7,854,888
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	333	-	-	-
Interest earnings	2,616	-	25,452	46,243
Total Revenues	10,756,811	13,182,849	7,046,769	21,541,746
Expenditures:				
Current:				
Operating costs	-	6,478	-	-
Personal services	425,988	322,013	-	-
Out-of-state travel	3,785	5,069	-	-
Grants and services	12,731,638	12,810,482	-	24,064,506
Travel	-	73	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	1,000	-	-
Contractual services	32,550	-	-	-
Other costs	-	114,000	-	-
Employee benefits	157,157	96,314	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	4,044,632	-
Interest	-	-	1,964,468	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	13,351,118	13,355,429	6,009,100	24,064,506
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,594,307)	(172,580)	1,037,669	(2,522,760)
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	300,000	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	(78,606)	-	(2,897,043)	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	221,394	-	(2,897,043)	-
Net Changes in Net Position	(2,372,913)	(172,580)	(1,859,374)	(2,522,760)
Net Position (deficit), June 30, 2012	9,642,095	(1,117,866)	13,113,610	22,181,128
Net Position (deficit), June 30, 2013	\$ 7,269,182	\$ (1,290,446)	\$ 11,254,236	\$ 19,658,368

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

State Aviation Fund (SHARE 20500)	1993 Bond Project Fund (SHARE 39400)	1999A CHAT Project Fund (SHARE 43000)	WIPP Bond Project Fund (SHARE 43100)	2001A CHAT Project Fund (SHARE 00600)	2002C HIF Project Fund (SHARE 36100)
\$ 5,847,284	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	11,197,644	-	-
-	-	-	-	-	-
59,416	-	-	-	-	-
-	-	-	-	-	-
660	-	-	-	-	-
-	-	-	-	-	-
4,331	-	-	-	-	-
35,887	3,577	4,751	14,036	10,583	2,925
5,947,578	3,577	4,751	11,211,680	10,583	2,925
29,775	-	-	-	-	-
277,178	-	-	-	-	-
2,760	-	-	-	-	-
3,192,423	-	-	-	-	-
2,293	-	-	-	-	-
88,238	-	-	-	-	-
19,005	-	-	-	-	-
115,814	-	-	-	-	-
1,237	-	-	-	-	-
103,848	-	-	-	-	-
-	-	-	11,197,644	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,832,571	-	-	11,197,644	-	-
2,115,007	3,577	4,751	14,036	10,583	2,925
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,115,007	3,577	4,751	14,036	10,583	2,925
15,252,555	1,596,681	2,120,483	(2,683,403)	4,724,243	1,305,709
\$ 17,367,562	\$ 1,600,258	\$ 2,125,234	\$ (2,669,367)	\$ 4,734,826	\$ 1,308,634

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2013

	2002D CHAT Project Fund (SHARE 11500)	2004A GRIP Project Fund (SHARE 20400)	2006A GRIP Project Fund (SHARE 10210)	2006B GRIP Project Fund SHARE (10230)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	603,777	100,000	-
Interest earnings	1,429	-	28	2
Total Revenues	1,429	603,777	100,028	2
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	4	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	-	-	4	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,429	603,777	100,024	2
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	-	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Changes in Net Position	1,429	603,777	100,024	2
Net Position (deficit), June 30, 2012	637,887	(491,699)	387,209	60,053
Net Position (deficit), June 30, 2013	\$ 639,316	\$ 112,078	\$ 487,233	\$ 60,055

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

2006C GRIP Project Fund (SHARE 10250)	2006D GRIP Project Fund (SHARE 10270)	2010A Project Fund (SHARE 10450)	ARRA Project Fund (SHARE 89000)	Total Special Revenue Funds	General Fund Appropriations (SHARE 10070)	Capital Projects Fund (SHARE 10050)
\$ -	\$ -	\$ -	\$ -	24,702,394	\$ -	\$ -
-	-	-	10,230,658	42,308,942	-	-
-	-	-	-	-	-	-
-	-	-	-	59,416	-	-
-	-	-	-	12,717,781	-	-
-	-	-	-	660	-	-
-	-	-	-	-	-	-
-	-	-	10,851	719,292	1,343	-
30	38,982	8,228	-	194,769	-	-
30	38,982	8,228	10,241,509	80,703,254	1,343	-
-	-	-	-	36,253	-	-
-	-	-	-	1,025,179	-	-
-	-	-	-	11,614	-	-
-	-	-	-	52,799,049	-	-
-	-	-	-	2,366	-	-
-	-	-	-	88,238	-	-
-	-	-	-	20,005	-	-
-	-	97,028	241,154	486,546	-	124,019
4	1,285	-	-	116,530	-	-
-	-	-	-	357,319	-	-
-	-	35,955,524	8,552,145	55,705,313	-	832,531
-	-	-	-	4,044,632	-	-
-	-	-	-	1,964,468	-	-
-	-	-	-	-	-	-
4	1,285	36,052,552	8,793,299	116,657,512	-	956,550
26	37,697	(36,044,324)	1,448,210	(35,954,258)	1,343	(956,550)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	300,000	-	(9,500)
-	(50,044,688)	-	-	(53,020,337)	(131,887)	(6,656,152)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(50,044,688)	-	-	(52,720,337)	(131,887)	(6,665,652)
26	(50,006,991)	(36,044,324)	1,448,210	(88,674,595)	(130,544)	(7,622,202)
179,095	50,006,991	65,929,159	(1,448,210)	181,395,720	389,277	8,806,728
\$ 179,121	\$ -	\$ 29,884,835	\$ -	\$ 92,721,125	\$ 258,733	\$ 1,184,526

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2013

	STB Capital Improvements Projects (SHARE 10060)	STB Capital Outlay (SHARE 89200)	GF Capital Outlay (SHARE 93100)	Total Capital Projects Funds
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	-
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	1,059,495	-	-	1,060,838
Interest earnings	-	-	-	-
Total Revenues	1,059,495	-	-	1,060,838
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	769,627	39,566	933,212
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	10,588,624	1,138,043	248,979	12,808,177
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	10,588,624	1,907,670	288,545	13,741,389
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,529,129)	(1,907,670)	(288,545)	(12,680,551)
Other Financing Sources (Uses):				
Appropriations, net of reversions	(107,311)	-	(102,619)	(209,930)
Transfers: severance				
tax bond appropriation	11,132,328	1,907,670	-	13,039,998
Transfers from (to) other agencies	-	-	-	(9,500)
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	131,887	(6,656,152)
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	11,025,017	1,907,670	29,268	6,164,416
Net Changes in Net Position	1,495,888	-	(259,277)	(6,516,135)
Net Position (deficit), June 30, 2012	(4,713,771)	-	424,259	4,906,493
Net Position (deficit), June 30, 2013	\$ (3,217,883)	\$ -	\$ 164,982	\$ (1,609,642)

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

1998A WIPP Debt Service (SHARE 97200)	1998A CHAT Debt Service (SHARE 54800)	1999 CHAT Debt Service (SHARE 43400)	2000 CHAT Debt Service (SHARE 43200)	2001A CHAT Debt Service (SHARE 00700)	2002A CHAT Debt Service (SHARE 54700)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
33	318	597	458	524	187
33	318	597	458	524	187
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
33	318	597	458	524	187
-	-	-	-	-	-
-	-	-	-	-	-
(5)	(2)	(18)	(29)	(40)	(17)
-	-	-	-	-	-
-	-	-	-	-	-
(5)	(2)	(18)	(29)	(40)	(17)
28	316	579	429	484	170
213,785	227,951	1,016,713	1,388,825	1,885,639	774,129
\$ 213,813	\$ 228,267	\$ 1,017,292	\$ 1,389,254	\$ 1,886,123	\$ 774,299

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2013

	2002B WIPP Debt Service (SHARE 75000)	2002C HIF Debt Service (SHARE 36300)	2002D CHAT Debt Service (SHARE 18700)	2004A GRIP Debt Service (SHARE 10080)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	249	228	90	449
Total Revenues	<u>249</u>	<u>228</u>	<u>90</u>	<u>449</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	2,749,091	859,091	-
Interest	-	148,090	30,713	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>2,897,181</u>	<u>889,804</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>249</u>	<u>(2,896,953)</u>	<u>(889,714)</u>	<u>449</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	(17)	2,897,043	869,874	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>(17)</u>	<u>2,897,043</u>	<u>869,874</u>	<u>-</u>
Net Changes in Net Position	<u>232</u>	<u>90</u>	<u>(19,840)</u>	<u>449</u>
Net Position (deficit), June 30, 2012	<u>813,721</u>	<u>62,369</u>	<u>32,693</u>	<u>509,854</u>
Net Position (deficit), June 30, 2013	<u>\$ 813,953</u>	<u>\$ 62,459</u>	<u>\$ 12,853</u>	<u>\$ 510,303</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

2004B GRIP Debt Service (SHARE 10090)	2006A GRIP Debt Service (SHARE 10220)	2006B GRIP Debt Service (SHARE 10240)	2008A GRIP Debt Service (SHARE 10410)	2008C GRIP Debt Service (SHARE 10430)	2008D GRIP Debt Service (SHARE 10440)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,937,351	255	125	180,354	132,458	419
1,937,351	255	125	180,354	132,458	419
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,900	-	-	198,282	100	-
-	-	-	-	-	-
-	-	-	-	-	-
10,186,484	-	-	-	-	50,400,000
952,157	-	-	-	149,780	-
-	-	-	-	-	-
-	-	-	-	-	-
11,140,541	-	-	198,282	149,880	50,400,000
(9,203,190)	255	125	(17,928)	(17,422)	(50,399,581)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(1,114,383)	-	-	641,884	472,498	50,044,688
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(1,114,383)	-	-	641,884	472,498	50,044,688
(10,317,573)	255	125	623,956	455,076	(354,893)
43,925,473	33,862	4,678	2,970,822	261,634	869,150
\$ 33,607,900	\$ 34,117	\$ 4,803	\$ 3,594,778	\$ 716,710	\$ 514,257

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2013

	2009A Bond Debt Service Fund (SHARE 11130)	2010A Bond Debt Service Fund (SHARE 11140)	2010B Bond Debt Service Fund (SHARE 20450)
Revenues:			
User and fuel taxes	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-
U.S. Department of Energy	-	-	-
Fees and fines	-	-	-
Licenses and permits	-	-	-
Charges for services	-	-	-
DWI interlock device	-	-	-
Other revenue	10	-	-
Interest earnings	1,656	1,067	713
Total Revenues	1,666	1,067	713
Expenditures:			
Current:			
Operating costs	-	-	-
Personal services	-	-	-
Out-of-state travel	-	-	-
Grants and services	-	-	-
Travel	-	-	-
Maintenance and repairs	-	-	-
Supplies	-	-	-
Contractual services	-	-	-
Other costs	-	3,800	1,900
Employee benefits	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Trustee and broker fees	-	-	-
Debt issuance costs	-	-	-
Total Expenditures	-	3,800	1,900
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,666	(2,733)	(1,187)
Other Financing Sources (Uses):			
Appropriations, net of reversions	-	-	-
Transfers: severance	-	-	-
tax bond appropriation	-	-	-
Transfers from (to) other agencies	-	-	-
Transfers from (to) escrow agent	-	-	-
Transfers: intra-agency	-	-	-
Proceeds from LT notes payable	-	-	-
Face value of debentures payable	-	-	-
Premiums of debentures payable	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Changes in Net Position	1,666	(2,733)	(1,187)
Net Position (deficit), June 30, 2012	47,680	44,255	204,024
Net Position (deficit), June 30, 2013	\$ 49,346	\$ 41,522	\$ 202,837

See Report of Independent Auditors

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

2012A Refunding Revenue Bond Debt Service Fund (SHARE 30850)		Total Debt Service Funds	Total Government Funds
\$	-	\$ -	\$ 24,702,394
	-	-	42,308,942
	-	-	-
	-	-	59,416
	-	-	12,717,781
	-	-	660
	-	-	-
	-	10	1,780,140
	85	2,257,616	2,452,385
	85	2,257,626	84,021,718
	-	-	36,253
	-	-	1,025,179
	-	-	11,614
	-	-	52,799,049
	-	-	2,366
	-	-	88,238
	-	-	20,005
	-	-	1,419,758
	-	205,982	322,512
	-	-	357,319
	-	-	68,513,490
	-	-	-
	-	64,194,666	68,239,298
	-	1,280,740	3,245,208
	-	-	-
	605,845	605,845	605,845
	605,845	66,287,233	196,686,134
	(605,760)	(64,029,607)	(112,664,416)
	-	-	(209,930)
	-	-	13,039,998
	670,554	670,554	961,054
	-	-	-
	-	53,811,476	(5,865,013)
	-	-	-
	-	-	-
	-	-	-
	670,554	54,482,030	7,926,109
	64,794	(9,547,577)	(104,738,307)
	-	55,287,257	241,589,470
\$	64,794	\$ 45,739,680	\$ 136,851,163

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

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OTHER SUPPLEMENTARY INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

As of June 30, 2013

	Budgeted Amounts		Current Year Expenditures
	Original	Final	
Expenditures for 2009 multi-year projects			
Capital outlay	\$ 1,400,000	\$ 1,379,954	\$610,668.88
Expenditures for 2010 multi-year projects			
Capital outlay	350,000	350,000	124,019
Expenditures for 2011 multi-year projects			
Capital outlay	350,000	350,000	213,801
Expenditures for 2012 multi-year projects			
Capital outlay	350,000	350,000	8,061
Total Expenditures	\$ 2,450,000	\$ 2,429,954	\$ 956,550

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

Life-to-Date Outstanding Encumbrances		Total Actual	Prior Year Actual	Total Expenditures	Variance From Final Budget (Over) Under
\$ -		\$ -	\$ 1,081,104	\$ 1,379,954	\$ -
-		-	350,000	124,019	225,981
-		-	83,941	213,801	136,199
-		-	350,000	8,061	341,939
\$ -		\$ -	\$ 1,865,045	\$ 1,725,835	\$ 704,119

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

As of June 30, 2013

Chapter	Laws	Bonds Appropriated	Bonds Sold	Amounts AIPP	Funds Reauthorized
3	2007	\$ 53,110,992	\$ 53,110,992	\$ -	\$ -
9	2008	150,000,000	150,000,000	-	-
92	2008	19,778,000	19,778,000	(9,600)	(1,732,771)
5	2009	1,500,000	1,500,000	-	-
7	2009	6,032,628	6,032,628	-	-
105	2010	-	-	-	8,635,000
63	2012	-	-	-	188,941
64	2012	34,273,051	34,273,051	-	-
353	2012	-	-	-	247,500
183	2011	-	-	-	16,037
92	2013	-	-	-	473,963
202	2013	-	-	-	-
		<u>\$ 264,694,671</u>	<u>\$ 264,694,671</u>	<u>\$ (9,600)</u>	<u>\$ 7,828,670</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

Funds Reverted	Bond Balance After Reauthorization	Funds Received	Expended To Date	Balance Available	Due from Board of Finance
\$ (81,434)	\$ 53,029,558	\$ 52,739,436	\$ 52,839,081	\$ 364,137	\$ 99,645
-	150,000,000	142,214,026	143,202,300	7,874,638	287,937
(1,003,495)	17,032,135	17,026,607	17,026,607	1,737	-
(1,500,000)	-	-	-	1,500,000	-
(944,445)	5,088,535	4,415,705	5,088,183	1,028,075	672,478
-	8,635,000	8,603,603	8,603,603	31,397	-
-	188,941	-	67,745	188,941	67,745
-	34,273,051	933,748	1,646,864	33,339,303	713,116
-	247,500	-	-	247,500	-
-	16,037	16,037	16,037	-	-
-	473,963	-	425	473,963	425
-	-	-	-	-	68,244
\$ (3,529,374)	\$ 268,984,720	\$ 225,949,162	\$ 228,490,845	\$ 45,049,691	\$ 1,909,590

Balance Available	\$ 45,049,691
Due from Board of Finance	1,909,590
Total (Note 4)	\$ 46,959,281

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

As of June 30, 2013

	Appropriation Amount	Expenditures Inception to June 30, 2013
Special Revenue Funds		
Laws of 2011, Chapter 183	\$ -	\$ 334,154
Laws of 2012, Chapter 63	-	33,073
Laws of 2013, Chapter 202	-	-
	-	367,227
Capital Projects Funds		
Laws of 2009, Chapter 125	1,400,000	1,379,954
Laws of 2010 Special Session, Chapter 4	350,000	124,019
Laws of 2011, Chapter 5	350,000	213,801
Laws of 2012, Chapter 64	350,000	8,061
	2,450,000	1,725,835
Total all Fund Types	\$ 2,450,000	\$ 2,093,062

* Note: State House and Senate Memorials are directions on how appropriated monies should be spent. They are not laws.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

Encumbrances		Re-appropriation		Reversion	Balance
Balance as of		Amount		Amount	as of
June 30, 2013					June 30, 2013
\$	-	\$	436,773	\$ (102,619)	\$ -
	-		131,886	-	98,813
	-		132,335	-	132,335
	-		700,994	(102,619)	231,148
	-		-	(20,046)	20,046
	-		-	-	225,981
	-		-	-	136,199
	-		-	-	341,939
	-		-	(20,046)	724,165
\$	-	\$	700,994	\$ (122,665)	\$ 955,312

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Supplemental Schedule of Special Appropriations

Special Revenue Funds

Under the Laws of 2011, Chapters 183 the Department was appropriated \$502,940 respectively, for highway maintenance and certain infrastructure projects and improvements, respectively. Any unexpended or unencumbered balance remaining at the end of the 2012 fiscal year will revert to the State General Fund. The appropriation period is for 2 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, Chapters 64 the Department was appropriated \$131,887 respectively, for highway maintenance and certain infrastructure projects and improvements, respectively. Any unexpended or unencumbered balance remaining at the end of the 2012 fiscal year will revert to the State General Fund. The appropriation period is for 2 years unless re-authorized or extended by enabling legislation.

Capital Projects Funds

Under the Laws of 2009, Chapter 125, the Department was appropriated \$1,450,000 from the State Road Fund for D3 hilltop building roof replacement. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2010 Special Session, Chapter 4, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2011 Special Session, Chapter 5, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, Chapter 64, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

As of June 30, 2013

	Fund Number		Bank Balance	Book Balance	Book Total
Cash					
State Road Fund	Petty Cash	20100	\$ 2,100	\$ 2,100	
Total Cash					<u>\$ 2,100</u>
(Restricted)					
2001A CHAT Bond Project Fund	00600		\$ 4,734,419	\$ 4,734,419	
2001A CHAT Bond Debt Service Fund	00700		234,583	234,583	
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600		8,926,294	8,926,294	
State Road Fund(s)	10040 and 20100		159,172,462	159,172,462	
Capital Projects Fund	10050		1,366,565	1,366,565	
General Fund Appropriations	10070		598,144	598,144	
2006A GRIP Bond Project Fund	10210		582,089	582,089	
2006B GRIP Bond Project Fund	10230		49,671	49,671	
2002D CHAT Bond Project Fund	11500		639,261	639,261	
2002D CHAT Bond Debt Service Fund	18700		12,852	12,852	
HIF Bond Fund	20200		10,345,011	10,345,011	
Local Government Road Fund	20300		19,508,256	19,508,256	
2004A GRIP Bond Project Fund	20400		112,078	112,078	
State Aviation Fund	20500		16,786,869	16,786,869	
2002C HIF Bond Project Fund	36100		1,308,522	1,308,522	
2002C HIF Bond Debt Service Fund	36300		62,453	62,453	
1993 Bond Project Fund	39400		1,600,121	1,600,121	
1999A CHAT Bond Project Fund	43000		2,125,051	2,125,051	
WIPP Bond Project Fund	43100		1,980,339	1,980,339	
2000 CHAT Bond Debt Service Fund	43200		204,785	204,785	
1999 CHAT Bond Debt Service Fund	43400		267,125	267,125	
2002A CHAT Bond Debt Service Fund	54700		83,859	83,859	
1998A CHAT Bond Debt Service Fund	54800		142,073	142,073	
2002B WIPP Bond Debt Service Fund	75000		111,299	111,299	
GF Capital Outlay	93100		188,094	188,094	
1998A WIPP Bond Debt Service Fund	97200		14,559	14,559	
Total Restricted					<u>\$ 231,156,834</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

	SHARE Account Number	Bank Balance	Book Balance	Book Total
Managed by NMFA:				
Bank of Albuquerque, trustee account				
State Road Fund	20100	\$ 65,032	\$ 65,032	
2004A GRIP Bond Debt Service Fund	10080	1,085,041	1,085,041	
2004B GRIP Bond Debt Service Fund	10090	33,607,671	33,607,671	
2006A GRIP Bond Project Fund	10210	162,255	162,255	
2006A GRIP Bond Debt Service Fund	10220	1,683,172	1,683,172	
2006B GRIP Bond Project Fund	10230	10,384	10,384	
2006B GRIP Bond Debt Service Fund	10240	662,981	662,981	
2006C GRIP Bond Project Fund	10250	179,118	179,118	
2008A GRIP Bond Debt Service Fund	10410	8,615,188	8,615,188	
2008B GRIP Bond Debt Service Fund	10420	23,730,932	23,730,932	
2008C GRIP Bond Debt Service Fund	10430	4,366,472	4,366,472	
2008D GRIP Bond Debt Service Fund	10440	1,874,928	1,874,928	
2010A Bond Project Fund	10450	44,760,160	44,760,160	
2009A Bond Debt Service Fund	11130	49,143	49,143	
2010A/LOC Bond Debt Service Fund	11140	41,501	41,501	
2010B GRIP Bond Debt Service Fund	20450	202,746	202,746	
2012A Refunding Revenue Bond Debt Service Fund	30850	65,348	65,348	
				121,162,072
Total Managed by NMFA				\$ 121,162,072

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Pledged State Revenues

As of June 30, 2013

Pledged State Revenues

Pledged User & Fuel Taxes

Gasoline Excise	\$ 111,795,357
Motor Vehicle Registrations	74,135,116
Special Fuel	92,549,347
Vehicle Transaction	4,863,654
Drivers License	3,628,082
Trip (Mileage) Tax	5,044,948
Tire recycling fees	1,806,822
Weight/Distance Tax	78,293,968
Total pledged user & fuel taxes	<u>372,117,294</u>

Other Pledged Revenue

Road fund interest income	240,118
HIF interest income	25,360
Leased Vehicles gross receipts tax	5,214,495
PRC fees	3,212,890
Total other pledged revenue	<u>8,692,863</u>

Total Pledged State Revenues	<u><u>\$ 380,810,157</u></u>
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2013

	2002C-HIF (SHARE 36300)	2002D-CHAT (SHARE 18700)	2004A-GRIP (SHARE 10080)	2004B-GRIP (SHARE 10090)	2006A-GRIP (SHARE 10220)
Gasoline Excise Taxes	\$ 7,985,382	\$ 7,985,382	\$ 7,985,382	\$ 7,985,382	\$ 7,985,382
Motor Vehicle Registration Fees	5,295,366	5,295,366	5,295,366	5,295,366	5,295,366
Special Fuel Excise Taxes	6,610,667	6,610,667	6,610,667	6,610,667	6,610,667
Vehicle Transaction Fees	347,403	347,403	347,404	347,404	347,404
Driver's License Fees	259,148	259,148	259,148	259,148	259,149
Oversize/Oversight Permit Fees	343,193	343,193	343,193	343,193	343,193
Public Regulation Commission Fees	229,493	229,493	229,492	229,492	229,492
Trip (Mileage) Tax	360,354	360,354	360,354	360,354	360,354
Weight/Distance Taxes	5,249,232	5,249,232	5,249,232	5,249,233	5,249,233
Leased Vehicle Gross Receipts Taxes	401,115	-	401,115	401,115	401,115
Tire Recycling Fees	138,986		138,987	138,987	138,987
FHWA Revenues	-	-	34,397,956	34,397,955	34,397,955
	27,220,339	26,680,238	61,618,296	61,618,296	61,618,297
Interest on Cash Balances*	19,102	17,152	19,102	19,102	19,102
Total Pledged Revenues					
Received	\$ 27,239,441	\$ 26,697,390	\$ 61,637,398	\$ 61,637,398	\$ 61,637,399

	2002C-HIF	2002D-CHAT	2004A-GRIP	2004B-GRIP	2006A-GRIP
Debt Service Principal Expenditures	\$ 2,749,091	\$ 859,091	\$ -	\$ 34,120,000	\$ 195,000
Debt Service Interest Expenditures	148,090	30,713	8,424,804	3,186,800	5,813,298
Total Debt Service	\$ 2,897,181	\$ 889,804	\$ 8,424,804	\$ 37,306,800	\$ 6,008,298
Debt Service Coverage	9.40%	30.00%	7.32%	1.65%	10.26%

*NOTE: In addition to state road fund revenues, pledged revenues on the 2002C HIF and 2004A GRIP include interest earned in the HIF fund.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

2006B-GRIP	2008A-GRIP	2008B-GRIP	2008C-GRIP	2008D-GRIP
(SHARE 10240)	(SHARE 10410)	(SHARE 10420)	(SHARE 10430)	(SHARE 10440)
\$ 7,985,383	\$ 7,985,383	\$ 7,985,383	\$ 7,985,383	\$ 7,985,383
5,295,366	5,295,365	5,295,365	5,295,365	5,295,365
6,610,668	6,610,668	6,610,668	6,610,668	6,610,668
347,404	347,404	347,404	347,404	347,404
259,149	259,149	259,149	259,149	259,149
343,193	343,193	343,194	343,194	343,194
229,492	229,492	229,492	229,492	229,492
360,354	360,353	360,353	360,353	360,353
5,249,233	5,249,233	5,249,233	5,249,233	5,249,233
401,115	401,115	401,115	401,115	401,115
138,987	138,986	138,986	138,986	138,986
34,397,955	34,397,955	34,397,955	34,397,955	34,397,955
61,618,299	61,618,296	61,618,297	61,618,297	61,618,297
19,102	19,102	19,102	19,102	19,102
\$ 61,637,401	\$ 61,637,398	\$ 61,637,399	\$ 61,637,399	\$ 61,637,399

2006B-GRIP	2008A-GRIP	2008B-GRIP	2008C-GRIP	2008D-GRIP
\$ 1,270,000	\$ -	\$ -	\$ -	-
1,237,288	5,276,384	12,455,765	4,059,314	94,570
\$ 2,507,288	\$ 5,276,384	\$ 12,455,765	\$ 4,059,314	\$ 94,570
24.58%	11.68%	4.95%	15.18%	651.76%

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2013

	2009A Refunding (SHARE 11130)	2010A-GRIP (SHARE 11140)	2010B-GRIP (SHARE 20450)	2012 Refunding (SHARE 30850)	TOTAL
Gasoline Excise Taxes	\$ 7,985,383	\$ 7,985,383	\$ 7,985,383	\$ 7,985,383	\$ 111,795,357
Motor Vehicle Registration Fees	5,295,365	5,295,365	5,295,365	5,295,365	74,135,116
Special Fuel Excise Taxes	6,610,668	6,610,668	6,610,668	6,610,668	92,549,347
Vehicle Transaction Fees	347,404	347,404	347,404	347,404	4,863,654
Driver's License Fees	259,149	259,149	259,149	259,149	3,628,082
Oversize/Oversight Permit Fees	343,194	343,194	343,194	343,194	4,804,709
Public Regulation Commission Fees	229,492	229,492	229,492	229,492	3,212,890
Trip (Mileage) Tax	360,353	360,353	360,353	360,353	5,044,948
Weight/Distance Taxes	5,249,233	5,249,233	5,249,233	5,249,233	73,489,259
Leased Vehicle Gross Receipts Taxes	401,115	401,115	401,115	401,115	5,214,495
Tire Recycling Fees	138,986	138,986	138,986	138,986	1,806,822
FHWA Revenues	34,397,955	34,397,955	34,397,955	34,397,955	412,775,461
Subtotal	61,618,297	61,618,297	61,618,297	61,618,297	793,320,140
Interest on Cash Balances*	19,102	19,102	19,102	19,102	265,478
Total Pledged Revenues					
Received	\$ 61,637,399	\$ 61,637,399	\$ 61,637,399	\$ 61,637,399	\$ 793,585,618

	2009A Refunding	2010A-GRIP	2010B-GRIP	2010B-GRIP	
Debt Service Principal Expenditures	23,190,000	23,120,000	-	2,945,000	\$ 88,448,182
Debt Service Interest Expenditures	2,253,900	7,382,700	22,067,500	4,130,262	76,561,388
Total Debt Service	\$ 25,443,900	\$ 30,502,700	\$ 22,067,500	\$ 7,075,262	\$ 165,009,570
Debt Service Coverage	2.42%	2.02%	2.79%	8.71%	4.81%

*NOTE: In addition to state road fund revenues, pledged revenues on the 2002C HIF and 2004A GRIP include interest earned in the HIF fund.

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

The State Legislature and the State Highway Commission have approved certain agreements between the Department and various counties, municipalities and other agencies to construct or improve public highways, school grounds, parking areas, and for the purpose of litter control. The Department's funding responsibility varies from zero to 100%. When related to Public Transportation Services, the Department's funding responsibility is 50% operating and 80% capital. None of these cooperative and joint powers agreements have created legally separate organizations that need to be included as component units or joint ventures in the Department's financial statements.

Contract Number	Contractor	Description	Expended in 2013
J00131	City of Albuquerque	Provide for a bicycle/pedestrian safety program and ensure elements of the program are in compliance with State and Federal Regulations.	\$ 56,369
J00671	City of Albuquerque	Bicycle Travel Demand Management Program	218,666
J00778	Office of Cultural Affairs	The Department and HPD-ARMS will develop and maintain a comprehensive inventory of cultural properties within the State of New Mexico.	25,000
J00769	Navajo Nation	Plan, design and construct a public access road for the Mariano Lake Chapter of the Navajo Nation in McKinley county.	100,000
J00775	Pueblo of Zuni	Gallup Cut-Off Bridge widening (184 feet) Z-4(3)1, 2&4 (ARRA).	199,960
J00782	Office of Cultural Affairs	Provide a Consultant Design Program to assist the State Historic Preservation Officer in the review of NMDOT Cultural Resources documentation.	100,000

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements**

Date of Agreement		Total Estimated Amt of Project	Portion Applicable	Party Responsible	Audit	Fiscal Agent	Agency Where Revenues/Expenditures are Reported
Beginning	Ending		To Agency	for Operations	Responsibility	(if applicable)	
5/4/1995	9/30/2014	\$ 466,666	75%	Contractor	Department		Department
8/6/2001	9/30/2014	2,723,469	85%	Contractor			
11/19/2009	6/30/2013	75,000	75%	Contractor	Department Department		Department Department
5/15/2009	6/30/2013	736,582	100%	Contractor			
9/10/2009	6/30/2012	736,582	100%	Contractor	Department Department		Department Department
1/28/2010	12/31/2012	225,000	100%	Contractor			
					Department		Department

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract			Expended
Number	Contractor	Description	in 2013
M00009	Highway & Transportation Dept	Equipment Waiver Program	\$ 254,487
M00369	Mid-Region Council Of Governments	1(41) CN7692	42,381
M00468A	Mid-Region Council Of Governments	Facility & Maintenance Of Tmc-	59,900
M00532	Las Cruces, City Of	125, CNLC115, MP115	49,955
M00616	Mid-Region Council Of Governments	Commuter Rail-Abq/Sf Corridor	2,165,094
M00716	Department Of Cultural Affairs	Van Of Enchantment	109,039
M00734	New Mexico Institute Of Mining & Tech	Flh-Hpp-7553(7) CN L1017	210,270
M00751	Albuquerque Metropolitan Arroyo Flood	Embudo Arroyo Maintenance	150,000
M00775	Las Cruces Public Schools	Safe Routes To School	3,618
M00837	North Central Regional Transit District	Funding For Transit Facility	16,276
M00841	Cimarron, Village Of	Srsf-7700(152) CN W400010	155
M00854	Rio Rancho Public Schools	Srsf-7700(163) CN A300092	2,119
M00857	Albuquerque Public Schools	Srsf-7700(162) CN A300091	5,820
M00869	Clovis, City Of	Public Transportation Svcs	144,609
M00881	Zuni Entrepreneurial Ent Inc	Public Transportation Svcs	16,932
M00885	Riometro Regional Transit District	Public Transportation Svcs	129,005
M00887	Laguna, Pueblo Of	Public Transportation Svcs	31,824
M00895	Taos, Town Of	Public Transportation Svcs	53,681
M00899	Ruidoso Downs, City Of	Public Transportation Svcs	16,650
M00900	Albuquerque, City Of	Construction Management	200,000
M00901	North Central Regional Transit District	Public Transportation Svcs	20,569
M00940	Riometro Regional Transit District	Commuter Rail Service	4,336,091
M00948	Museum Of Indian Arts/Culture	Tpe-7649(5) CN 7834	4,681
M00956	Tw Telecom	Rail Runner Network Maintenanc	22,604
M00958	Good Shepherd Lutheran Church	Use Of Parking Lot	500
M00960	New Mexico Passenger Transportation Assc	Statewide Transit Conference	21,257
M00961	Zia Therapy Ctr Inc	Public Transportation Svcs	6,833
M00966	South Central Council Of Governments	Public Transportation Svcs	1,479
M00967	North Central Regional Transit District	Public Transportation Svc	50,061
M00968	Ben Archer Health Center	Public Transportation Svc	42,412
M00969	Carlsbad, City Of	Public Transportation Svc	8,975
M00970	Riometro Regional Transit District	Public Transportation Svc	67,414
M00971	Milan, Village Of	Public Transportation Svc	9,365
M00972	Nm Municipal League	Nm State Aviation Conference	1,231
M00974	Los Alamos, County Of	Public Transportation Svc	48,214
M00975	Us Geological Survey	Investigation /Analysis Floods	69,456

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
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Date of Agreement		Total Estimated	Portion Applicable	Party Responsible	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	To Agency	for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
5/15/1998	9/30/2015	\$ 3,255,430	100%	Contractor	Department		Department
7/21/2004	12/31/2010	8,973,166	80%	Contractor	Department		Department
7/17/2008	12/31/2015	1,062,760	100%	Contractor	Department		Department
1/11/2006	12/31/2010	1,267,323	85%	Contractor	Department		Department
8/31/2006	12/31/2012	128,457,158	100%	Contractor	Department		Department
8/24/2007	9/30/2011	885,240	100%	Contractor	Department		Department
11/28/2007	12/31/2013	2,969,741	80%	Contractor	Department		Department
5/21/2008	11/30/2013	720,000	75%	Contractor	Department		Department
7/16/2008	12/30/2010	15,000	100%	Contractor	Department		Department
4/20/2009	9/30/2011	74,800	80%	Contractor	Department		Department
7/1/2009	6/30/2012	15,000	100%	Contractor	Department		Department
7/2/2009	6/30/2011	15,000	100%	Contractor	Department		Department
7/3/2009	6/30/2011	15,000	100%	Contractor	Department		Department
7/17/2009	6/30/2011	399,848	80%/50%	Contractor	Department		Department
7/17/2009	12/31/2010	160,044	80%/50%	Contractor	Department		Department
7/17/2009	8/31/2011	623,081	80%/50%	Contractor	Department		Department
7/17/2009	6/30/2011	116,250	80%/50%	Contractor	Department		Department
7/29/2009	3/31/2011	507,500	80%/50%	Contractor	Department		Department
7/29/2009	3/31/2011	148,923	80%/50%	Contractor	Department		Department
10/1/2009	9/30/2010	200,000	100%	Contractor	Department		Department
8/15/2009	8/31/2011	2,000,000	80%/50%	Contractor	Department		Department
10/20/2009	10/20/2019	16,440,000	100%	Contractor	Department		Department
12/23/2009	9/30/2013	323,000	67%	Contractor	Department		Department
1/13/2010	1/13/2014	71,300	100%	Contractor	Department		Department
7/1/2010	6/30/2011	9,000	100%	Contractor	Department		Department
6/25/2010	6/30/2011	108,000	100%	Contractor	Department		Department
6/25/2010	9/30/2011	24,750	80%/50%	Contractor	Department		Department
7/22/2010	6/30/2011	62,500	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	175,744	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	133,318	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	39,610	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	189,831	80%/50%	Contractor	Department		Department
7/30/2010	9/30/2011	43,750	80%/50%	Contractor	Department		Department
6/16/2010	6/30/2013	1,231	100%	Contractor	Department		Department
8/9/2010	9/30/2011	185,969	80%/50%	Contractor	Department		Department
10/1/2010	9/30/2011	138,912	50%	Contractor	Department		Department

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract Number	Contractor	Description	Expended in 2013
M00978	National Atomic Museum Foundation	CN A300490 Multi-Use Path	\$ 99,891
M00979	Albuquerque, City Of	Ridesharing/Transportation	790,700
M00980	Las Cruces, City Of	Ridesharing/Transportation	138
M00981	North Central Regional Transit District	Public Transportation Svcs	509,152
M00982	Zia Therapy Ctr Inc	Public Transportation Svcs	135,943
M00983	Golden Spread Rural Frontier	Public Transportation Svcs	30,819
M00984	Roswell, City Of	Public Transportation Svcs	217,501
M00985	Las Vegas, City Of	Public Transportation Svcs	52,790
M00987	Southwest Regional Transit District	Public Transportation Svcs	167,594
M00988	Portales, City Of	Public Transportation Svcs	53,549
M00989	Red River, Town Of	Public Transportation Svcs	31,405
M00992	Milan, Village Of	Public Transportation Svcs	48,182
M00996	Adelante Development Center	Public Transportation Svcs	12,187
M00997	Riometro Regional Transit District	Public Transportation Svcs	334,448
M00998	Zia Therapy Ctr Inc	Public Transportation Svcs	27,375
M01000	Clovis, City Of	Public Transportation Svcs	208,177
M01001	Laguna, Pueblo Of	Public Transportation Svcs	21,665
M01008	Pay N Save Inc	Parking Lot Agreement	3,000
M01009	Carlsbad, City Of	Public Transportation Svcs	5,598
M01010	Carlsbad, City Of	Public Transportation Svcs	145,062
M01011	Ruidoso Downs, City Of	Public Transportation Svcs	72,427
M01012	Hobbs, City Of	Public Transportation Svcs	123,458
M01013	Socorro, City Of	Public Transportation Svcs	52,203
M01014	Nanizhoozhi Center Inc	Public Transportation Svcs	57,610
M01015	Taos, Town Of	Public Transportation Svcs	93,880
M01018	Zuni Entrepreneurial Ent Inc	Public Transportation Svcs	34,355
M01021	Los Alamos, County Of	Public Transportation Svcs	582,855
M01022	Los Alamos, County Of	Public Transportation Svcs	203,200
M01023	Los Alamos, County Of	Public Transportation Svcs	123,686
M01024	Navajo Nation	Public Transportation Svcs	151,681
M01027	The University Of New Mexico	Forecasting Services	2,468
M01028	Mid-Region Council Of Governments	Transportation Plans/Programs	1,353,829
M01029	Northwest New Mexico Council	Transportation Plans/Programs	65,160
M01030	Southwest Nm Cog	Transportation Plans/Programs	69,127
M01031	Southeastern Nm Economic Development Dis	Transportation Plans/Programs	64,183
M01032	El Paso, City Of	Transportation Plans/Programs	36,781

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
8/27/2010	9/30/2014	\$ 100,000	75%	Contractor	Department		Department
9/2/2010	6/30/2011	805,000	80%	Contractor	Department		Department
9/2/2010	6/30/2011	31,000	80%	Contractor	Department		Department
9/13/2010	9/30/2011	1,182,640	80%/50%	Contractor	Department		Department
9/13/2010	9/30/2011	498,432	80%/50%	Contractor	Department		Department
9/13/2010	9/30/2011	173,284	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	687,025	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	145,838	80%/50%	Contractor	Department		Department
9/16/2010	9/30/2011	630,823	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	149,504	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	93,922	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	136,853	80%/50%	Contractor	Department		Department
9/16/2010	9/30/2011	33,043	80%/50%	Contractor	Department		Department
9/15/2010	12/31/2011	1,403,655	80%/50%	Contractor	Department		Department
9/15/2010	9/30/2011	40,492	80%/50%	Contractor	Department		Department
9/20/2010	9/30/2011	539,845	80%/50%	Contractor	Department		Department
9/23/2010	9/30/2011	96,516	80%/50%	Contractor	Department		Department
9/20/2010	8/31/2013	9,000	100%	Contractor	Department		Department
9/24/2010	9/30/2011	16,750	80%/50%	Contractor	Department		Department
9/25/2010	9/30/2011	388,296	80%/50%	Contractor	Department		Department
9/27/2010	9/30/2011	207,845	80%/50%	Contractor	Department		Department
9/27/2010	9/30/2011	318,647	80%/50%	Contractor	Department		Department
9/27/2010	9/30/2011	134,667	80%/50%	Contractor	Department		Department
9/27/2010	9/30/2011	266,891	80%/50%	Contractor	Department		Department
9/28/2010	9/30/2011	302,237	80%/50%	Contractor	Department		Department
9/30/2010	9/30/2011	181,378	80%/50%	Contractor	Department		Department
10/4/2010	9/30/2011	1,011,284	80%/50%	Contractor	Department		Department
10/5/2010	11/30/2011	203,200	80%/50%	Contractor	Department		Department
10/6/2010	11/30/2011	317,632	80%/50%	Contractor	Department		Department
10/12/2010	9/30/2011	641,969	80%/50%	Contractor	Department		Department
7/10/2010	6/30/2011	12,792	13%	Contractor	Department		Department
12/23/2010	6/30/2015	3,626,864	80%	Contractor	Department		Department
12/20/2010	6/30/2015	174,004	80%	Contractor	Department		Department
12/20/2010	6/30/2015	176,121	80%	Contractor	Department		Department
12/20/2010	6/30/2015	189,253	80%	Contractor	Department		Department
12/23/2010	6/30/2015	217,359	80%	Contractor	Department		Department

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract Number	Contractor	Description	Expended in 2013
M01033	Eastern Plains Council Of Governments	Transportation Plans/Programs	\$ 59,780
M01034	Farmington, City Of	Transportation Plans/Programs	194,891
M01035	North Central New Mexico Economic	Transportation Plans/Programs	81,515
M01036	North Central New Mexico Economic	Transportation Plans/Programs	81,042
M01037	Mid-Region Council Of Governments	Transportation Plans/Programs	62,182
M01038	Santa Fe, City Of	Transportation Plans/Program	240,050
M01039	Las Cruces, City Of	Transportation Plans/Programs	267,281
M01040	South Central Council Of Governments	Transportation Plans/Programs	67,962
M01043	Navajo Nation	Public Transportation Svcs	751,334
M01045	Corrales, Village Of	Safe Routes To School Phase Ii	16,189
M01046	Carlsbad, City Of	Safe Routes To Schools Phase 2	10,181
M01047	Santa Fe, City Of	Ridesharing Program	24,979
M01052	North Central Regional Transit District	Public Transportation Services	616,856
M01054	Portales, City Of	Public Transportation Services	40,800
M01057	Milan, Village Of	Public Transportation Services	63,783
M01060	Las Cruces Public Schools	Safe Routes To School	7,088
M01064	Los Alamos, County Of	Public Transportation Services	149,389
M01065	Alamogordo, City Of	Safe Routes To School Phase 2	1,786
M01066	Silver City Consolidated Schools	Safe Routes To Schools Phase 2	8,220
M01068	Regents Of New Mexico State University	5373 Cn 10450 Bins/Bgis Update	11,857
M01071	Good Shepherd Lutheran Church	Use Of Parking Lot Agreement	5,575
M01072	Carlsbad, City Of	Public Transportation Services	27,205
M01074	Socorro, City Of	Public Transportation Services	42,672
M01075	New Mexico Passenger Transportation Assc	Annual Transit Conference	56,031
M01077	Santa Fe, City Of	Promoting Ridesharing	43,121
M01080	Deming Public Schools	Safe Routes To School W100070	2,303
M01082	Farmington, City Of	Safe Routes To School W500011	9,067
M01085	Us Geological Survey	Investigation/Analysis Floods	64,468
M01090	Arca	Public Transportation Services	81,848
M01091	Las Cumbres Community Services Inc	Public Transportation Services	53,718
M01092	North Central Regional Transit District	Public Transportation Services	706,832
M01093	North Central Regional Transit District	Public Transportation Services	105,408
M01096	Golden Spread Rural Frontier	Public Transportation Services	79,343
M01097	Zia Therapy Ctr Inc	Public Transportation Services	9,610
M01098	Zia Therapy Ctr Inc	Public Transportation Services	305,876
M01100	Laguna, Pueblo Of	Public Transportation Services	30,842

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Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
12/23/2010	6/30/2015	\$ 174,004	80%	Contractor	Department		Department
12/23/2010	6/30/2015	759,709	80%	Contractor	Department		Department
12/21/2010	6/30/2015	174,331	80%	Contractor	Department		Department
12/20/2010	6/30/2015	188,805	80%	Contractor	Department		Department
1/20/2010	6/30/2015	750,471	80%	Contractor	Department		Department
12/20/2010	6/30/2015	1,370,441	80%	Contractor	Department		Department
1/20/2010	6/30/2015	1,346,233	80%	Contractor	Department		Department
12/23/2010	6/30/2015	174,004	80%	Contractor	Department		Department
2/14/2011	8/31/2011	767,500	80%/50%	Contractor	Department		Department
3/15/2011	6/30/2013	25,000	100%	Contractor	Department		Department
3/25/2011	6/30/2013	38,277	100%	Contractor	Department		Department
3/25/2011	6/30/2011	67,653	80%	Contractor	Department		Department
4/20/2011	9/30/2012	632,000	80%/50%	Contractor	Department		Department
4/19/2011	9/30/2012	41,884	80%/50%	Contractor	Department		Department
4/19/2011	9/30/2012	64,000	80%/50%	Contractor	Department		Department
5/2/2011	6/30/2013	25,000	100%	Contractor	Department		Department
5/2/2011	12/31/2012	1,191,884	80%/50%	Contractor	Department		Department
5/3/2011	6/30/2013	25,000	100%	Contractor	Department		Department
5/20/2011	6/30/2013	25,000	100%	Contractor	Department		Department
5/27/2011	12/31/2012	23,446	100%	Contractor	Department		Department
7/1/2011	6/30/2012	9,000	100%	Contractor	Department		Department
6/15/2011	9/30/2012	28,800	80%/50%	Contractor	Department		Department
7/19/2011	8/31/2011	194,269	80%/50%	Contractor	Department		Department
7/27/2011	6/30/2012	96,050	100%	Contractor	Department		Department
8/2/2011	6/30/2012	71,773	80%	Contractor	Department		Department
8/26/2011	6/30/2013	25,000	100%	Contractor	Department		Department
8/26/2011	6/30/2013	25,000	100%	Contractor	Department		Department
10/1/2011	9/30/2012	128,935	50%	Contractor	Department		Department
9/20/2011	9/30/2012	106,520	80%/50%	Contractor	Department		Department
9/20/2011	9/30/2012	53,718	80%/50%	Contractor	Department		Department
9/28/2011	9/30/2012	1,151,040	80%/50%	Contractor	Department		Department
9/29/2011	9/30/2012	151,955	80%/50%	Contractor	Department		Department
9/29/2011	9/30/2012	102,482	80%/50%	Contractor	Department		Department
10/3/2011	9/30/2012	19,800	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	504,108	80%/50%	Contractor	Department		Department
9/30/2011	9/30/2012	92,116	80%/50%	Contractor	Department		Department

See Report of Independent Auditors

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract Number	Contractor	Description	Expended in 2013
M01104	Ruidoso Downs, City Of	Public Transportation Services	\$ 80,526
M01105	Las Vegas, City Of	Public Transportation Services	56,008
M01106	Milan, Village Of	Public Transportation Services	90,888
M01107	Adelante Development Center	Public Transportation Services	15,621
M01108	Milan, Village Of	Public Transportation Services	16,742
M01109	Zuni Entrepreneurial Ent Inc	Public Transportation Services	90,109
M01110	Los Alamos, County Of	Public Transportation Services	35,844
M01113	Socorro, City Of	Public Transportation Services	68,371
M01114	Ben Archer Health Center	Public Transportation Services	67,850
M01115	Portales, City Of	Public Transportation Services	57,768
M01116	Roswell, City Of	Public Transportation Services	489,199
M01117	Red River, Town Of	Public Transportation Services	55,973
M01118	Clovis, City Of	Public Transportation Services	345,000
M01119	Southwest Regional Transit District	Public Transportation Services	344,430
M01120	Southwest Regional Transit District	Public Transportation Services	24,809
M01122	Nanizhoozhi Center Inc	Public Transportation Services	92,684
M01124	Riometro Regional Transit District	Public Transportation Services	776,562
M01125	Riometro Regional Transit District	Public Transportation Services	118,453
M01126	Carlsbad, City Of	Public Transportation Services	195,651
M01127	Carlsbad, City Of	Public Transportation Services	28,099
M01128	Carlsbad, City Of	Public Transportation Services	11,121
M01129	Los Alamos, County Of	Public Transportation Services	178,270
M01130	Los Alamos, County Of	Public Transportation Services	668,741
M01131	Los Alamos, County Of	Public Transportation Services	178,099
M01133	Hobbs, City Of	Public Transportation Services	202,014
M01134	Taos, Town Of	Public Transportation Services	190,417
M01136	The University Of New Mexico	State & Regional Forecasting	12,525
M01138	Navajo Nation	Public Transportation Services	219,954
M01139	Albuquerque, City Of	Rideshare / Tdmp	695,075

See Report of Independent Auditors

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
10/4/2011	9/30/2012	\$ 179,785	80%/50%	Contractor	Department		Department
10/3/2011	9/30/2012	143,038	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	140,853	80%/50%	Contractor	Department		Department
10/3/2011	9/30/2012	35,132	80%/50%	Contractor	Department		Department
10/5/2011	9/30/2012	25,000	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	178,679	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	35,844	80%/50%	Contractor	Department		Department
10/5/2011	9/30/2012	104,967	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	110,878	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	85,486	80%/50%	Contractor	Department		Department
10/3/2011	9/30/2012	808,785	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	93,083	80%/50%	Contractor	Department		Department
10/7/2011	12/31/2012	559,845	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	572,718	80%/50%	Contractor	Department		Department
10/5/2011	9/30/2012	51,000	80%/50%	Contractor	Department		Department
10/4/2011	9/30/2012	198,811	80%/50%	Contractor	Department		Department
10/6/2011	9/30/2012	1,257,848	80%/50%	Contractor	Department		Department
10/7/2011	9/30/2012	188,305	80%/50%	Contractor	Department		Department
10/13/2011	9/30/2012	328,608	80%/50%	Contractor	Department		Department
10/14/2011	9/30/2012	35,679	80%/50%	Contractor	Department		Department
10/15/2011	9/30/2012	16,750	80%/50%	Contractor	Department		Department
10/14/2011	9/30/2012	192,856	80%/50%	Contractor	Department		Department
10/15/2011	9/30/2012	987,684	80%/50%	Contractor	Department		Department
10/16/2011	9/30/2012	291,288	80%/50%	Contractor	Department		Department
10/17/2011	9/30/2012	263,927	80%/50%	Contractor	Department		Department
10/31/2011	9/30/2012	333,987	80%/50%	Contractor	Department		Department
7/7/2011	7/9/2012	17,007	13%	Contractor	Department		Department
11/8/2011	9/30/2012	457,769	80%/50%	Contractor	Department		Department
2/21/2012	6/30/2012	1,008,022	80%	Contractor	Department		Department

See Report of Independent Auditors

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SINGLE AUDIT

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2013

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
Direct Assistance Programs:		
U.S. Department of Energy:		
Waste Isolation Pilot Plant 2004	81.106	11,197,644
Total U.S. Department of Energy		11,197,644
U.S. Department of Transportation:		
Federal Highway Administration		
Highway Planning and Construction:		
Highway Planning and Construction	20.205	412,775,461
Highway Planning and Construction - ARRA	20.205	10,230,658
Total Federal Highway Administration		423,006,119
National Highway Traffic Safety Administration (NHTSA):		
Highway Safety Cluster:		
State and Community Highway Safety	20.600	1,951,195
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	1,166,619
Occupant Protection Incentive Grants	20.602	128,394
State Traffic Safety Information System Improvement Grants	20.610	511,120
Incentive Grant Program to Increase Motorcyclist Safety	20.612	81,204
Total Highway Safety Cluster		3,838,532
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	6,116,118
NHTSA Discretionary Safety Grants	20.614	60,678
Total National Highway Traffic Safety Administration (NHTSA):		10,015,328
Federal Transit Administration (FTA):		
Federal Transit Cluster		
Federal Transit Capital Investment Grants	20.500	2,806,115
Transit Services Programs Cluster		
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	383,094
Job Access Reverse Commute Job Access	20.516	1,113,309
New Freedom Program	20.521	299,233
Transit Services Programs Cluster		1,795,636

The accompany notes are an integral part of this schedule.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2013

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
U.S. Department of Transportation (continued):		
Federal Transit Administration (FTA) (continued):		
Federal Transit Metropolitan Planning Grants	20.505	330,763
Formula Grants for Other Than Urbanized Areas	20.509	8,431,822
Total Federal Transit Administration		13,364,336
Total U.S. Department of Transportation		446,385,783
Total Federal Financial Assistance	\$	457,583,427

The accompany notes are an integral part of this schedule.

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the New Mexico Department of Transportation (Department) under programs of the federal government for the year ended June 30, 2013. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Department, it is not intended to and does not present the financial position or changes in net position of the Department.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant revenues collected in advance of the period they are intended to finance expenditures are recorded as deferred revenues, except for the amounts for the State Infrastructure Bank, which are recorded as contributions when they are received. The Department did not receive non-cash assistance from federal sources during the current year.

Note 3 - Reconciliation of Federal Awards

Statement of Revenues, Expenditures and

Changes in Fund Balances:

U.S. Department of Transportation	\$ 441,549,561
U.S. Department of Energy	11,197,644
Deferred U.S. Department of Transportation (2013)	<u>4,836,222</u>

Supplemental Schedule of Expenditures,
of Federal Awards

<u>\$ 457,583,427</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards

National Highway Traffic Safety Administration (NHTSA):

CFDA	Program Name	Sub Recipient Name	Amount
20.600	State and Community Highway Safety		
		Albuquerque, City Of	\$ 68,717
		Artesia, City of	2,950
		Aztec, City Of	1,534
		Bayard, City Of	1,785
		Belen, City Of	2,586
		Bernalillo, County Of	17,125
		Bernalillo, Town Of	4,970
		Bosque Farms, Village Of	1,998
		Capitan, Village Of	2,793
		Carlsbad, City Of	4,612
		Clayton, Town Of	1,492
		Cloudcroft, Village of	286
		Clovis, City Of	4,508
		Eddy County	9,396
		Espanola, City Of	1,148
		Farmington, City Of	15,848
		Gallup, City Of	5,279
		Grant County Clerk	2,985
		Grants, City Of	148
		Hidalgo County	7,383
		Rio Rancho, City Of	22,500
		Roosevelt, County Of	5,073
		Total CFDA 20.600	185,114
20.601	Alcohol Impaired Driving Countermeasures Incentive Grants I		
		Albuquerque, City Of	\$ 253,111
		Bayard, City Of	1,504
		Clovis, City Of	22,683
		Eddy County	72,850
		Espanola, City Of	428
		Farmington, City Of	18,042
		Guadalupe County	395
		Hope, Village Of	3,405
		McKinley, County Of	26,599
		San Juan, County Of	2,733
		Socorro, City Of	6,057
		Torrance County	618
		Truth Or Consequences, City Of	5,883
		Total CFDA 20.601	414,309

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	#REF!		
		Alamogordo, City Of	\$ 19,610
		Albuquerque, City Of	307,009
		Angel Fire, Village Of	1,716
		Artesia, City Of	4,393
		Aztec, City Of	8,630
		Bayard, City Of	11,916
		Belen, City Of	9,709
		Bernalillo, County Of	161,191
		Bernalillo, Town Of	16,923
		Bloomfield, City Of	27,346
		Bosque Farms, Village Of	15,325
		Capitan, Village Of	16,623
		Carlsbad, City Of	11,723
		Carrizozo, Town Of	3,567
		Chaves County	13,383
		Cibola County, Treasurer Of	1,052
		Cimarron, Village Of	3,698
		Clayton, Town Of	4,999
		Cloudcroft, Village Of	680
		Clovis, City Of	12,159
		Colfax County	3,395
		Corrales, Village Of	5,592
		Cuba, Village Of	5,511
		Edgewood, Town Of	1,837
		Espanola, City Of	1,710
		Estancia, Town Of	3,477
		Farmington, City Of	248,749
		Gallup, City Of	43,941

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Grant County Clerk	\$ 17,563
		Grants, City Of	6,173
		Guadalupe County	1,828
		Hidalgo County	7,354
		Hobbs, City Of	14,085
		Hope, Village Of	2,604
		Hurley, Town Of	5,178
		Jemez Springs, Village Of	612
		Jemez, Pueblo Of	3,443
		Jicarilla Apache Nation	520
		Las Cruces, City Of	96,496
		Las Vegas, City Of	14,539
		Lordsburg, City Of	4,176
		Los Alamos, County Of	7,468
		Los Lunas, Village Of	22,120
		Lovington, City Of	3,971
		Luna County (Sheriffs Dept)	17,819
		Mckinley, County Of	565,767
		Moriarity, City Of	7,341
		Ohkay Owingeh	12,620
		Otero County	4,659
		Picuris, Pueblo Of	1,370
		Portales, City Of	3,877
		Pueblo Of Isleta	19,136
		Pueblo Of Nambe	1,384
		Pueblo of Pojoaque	3,078
		Raton, City Of	13,408
		Red River, Town Of	19,674
		Rio Arriba, County Of	199,881
		Rio Rancho, City Of	380,426
		Roosevelt, County Of	6,432
		Ruidoso Downs, City Of	1,817
		Ruidoso, Village Of	2,610
		San Ildefonso, Pueblo De	2,223
		San Juan, County Of	27,625
		San Miguel County	5,176

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Sandia, Pueblo Of	\$ 1,281
		Sandoval, County Of	9,233
		Santa Ana Pueblo	5,758
		Santa Clara Pueblo	1,836
		Santa Clara, Village Of	4,085
		Santa Fe, City Of	169,539
		Santa Fe, County Of	37,716
		Santa Rosa, City Of	8,198
		Sierra County, Treasurer Of	588
		Silver City/Grant County	7,064
		Socorro County	11,692
		Socorro, City Of	7,424
		Springer, Town Of	1,806
		Sunland Park, Treasurer Of	14,309
		Taos, County Of	13,093
		Taos, Town Of	4,765
		Texico, City Of	3,095
		Torrance County	714
		Treasurer Of Loving	1,647
		Truth Or Consequences, City Of	2,066
		Tucumcari, City Of	421
		Tularosa Police Department	459
		Valencia, County Of	23,820
		Village Of Hatch	2,223
		Zuni, Pueblo Of	4,450
		Total CFDA 20.608	2,807,597
20.614	NHTSA Discretionary Safety Grants		
		Farmington, City Of	1,821
		Gallup, City Of	1,399
		Las Cruces, City Of	3,994
		Total CFDA 20.610	7,213
Total Sub-Recipient Funds passed through NHTSA			\$ 3,414,233

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA):

CFDA	Program Name	Sub Recipient Name	Amount
20.500	Federal Transit Capital Investment Grants		
		Carlsbad, City Of	\$ 42,511
		Clovis, City Of	154,836
		Golden Spread Rural Frontier	4,056
		Hobbs, City Of	225,542
		Laguna, Pueblo Of	88,472
		Los Alamos, County Of	694,229
		Navajo Nation	100,391
		North Central Regional Transit District	40,811
		OhKay Owingeh	4,140
		Portales, City Of	4,224
		Riometro Regional Transit District	503,760
		Roswell, City Of	184,529
		Socorro, City Of	80,469
		Southwest Regional Transit District	158,000
		Taos, Town Of	260,474
		Zia Therapy Ctr Inc	3,615
		Total CFDA 20.500	2,550,058
20.505	Federal Transit Metropolitan Planning Grants		
		El Paso, City Of	\$ 23,226
		Farmington, City Of	35,356
		Las Cruces, City Of	24,923
		Mid-Region Council Of Governments	221,773
		Santa Fe, City Of	25,485
		Total CFDA 20.505	330,763
20.509	Formula Grants for Other Than Urbanized Areas		
		Adelante Development Center	\$ 9,101
		Ben Archer Health Center	99,473
		Carlsbad, City Of	259,725
		Clovis, City Of	449,910
		El Paso, City Of	4,924
		Gallup Independent Co.	62
		Golden Spread Rural Frontier	97,025
		Hobbs, City Of	233,864
		Laguna, Pueblo Of	86,250
		Las Vegas, City Of	133,127
		Los Alamos, County Of	714,926
		Milan, Village Of	135,862
		Navajo Nation	318,587

See Report of Independent Auditors

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount	
20.509	Formula Grants for Other Than Urbanized Areas (continued)			
		North Central Regional Transit District	\$ 1,145,992	
		Ohkay Owingeh	134,033	
		Portales, City Of	94,226	
		Pueblo of Iselta	1,350	
		Red River, Town Of	88,348	
		Riometro Regional Transit District	1,014,824	
		Roswell, City Of	596,899	
		Ruidoso Downs, City Of	165,722	
		Santa Fe, City Of	4,800	
		Socorro, City Of	76,974	
		Southwest Regional Transit District	597,991	
		Taos, Town Of	286,615	
		Zia Therapy Ctr Inc	433,431	
		Zuni Entrepreneurial Ent Inc	11,166	
		Total CFDA 20.509		7,195,206
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities			
		Los Alamos, County Of	\$ 24,754	
		Total CFDA 20.513		24,754
20.516	Job Access Reverse Commute Job Access			
		ARCA	\$ 130,824	
		Ben Archer Health Center	32,833	
		Carlsbad, City Of	37,639	
		Los Alamos, County Of	253,946	
		Milan, Village Of	16,402	
		North Central Regional Transit District	208,762	
		OhKay Owingeh	1,432	
		Riometro Regional Transit District	206,442	
		Southwest Regional Transit District	41,597	
		Zia Therapy Ctr Inc	19,711	
		Total CFDA 20.516		949,587
20.521	New Freedom Program			
		Carlsbad, City Of	\$ 15,556	
		Hobbs, City Of	54,485	
		Los Alamos, County Of	229,193	
		Total CFDA 20.521		299,233
Total Sub-Recipient Funds passed through FTA			\$	11,349,602

**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Mr. Tom Church, Cabinet Secretary, Designate
State of New Mexico Department of Transportation
and
Mr. Hector H. Balderas, New Mexico State Auditor
Santa Fe, New Mexico

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the major funds of the State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and the non-major governmental funds and the budgetary comparisons for the non-major funds presented as supplementary information, and have issued our report thereon dated December 13, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Mr. Tom Church, Cabinet Secretary, Designate
State of New Mexico Department of Transportation
and
Mr. Hector H. Balderas, New Mexico State Auditor
Santa Fe, New Mexico

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2013

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR THE
 MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
 OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Mr. Tom Church, Cabinet Secretary, Designate
 State of New Mexico Department of Transportation
 and
 Mr. Hector H. Balderas, New Mexico State Auditor
 Santa Fe, New Mexico

Report on Compliance for the Major Federal Program

We have audited the State of New Mexico Department of Transportation's (Department) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Department's major federal program for the year ended June 30, 2013. The Department's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Department's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Department's compliance.

Opinion on the Major Federal Program

In our opinion, the Department complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2013.

Mr. Tom Church, Cabinet Secretary, Designate
State of New Mexico Department of Transportation
and
Mr. Hector H. Balderas, New Mexico State Auditor
Santa Fe, New Mexico

Report on Internal Control Over Compliance

Management of the Department is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Department's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2013

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Summary of Auditors' Results

For the Year Ended June 30, 2013

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

Unmodified

Internal Control over financial reporting:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☐ Yes ☒ None Reported

Non-compliance material to financials statements noted?

☐ Yes ☒ No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☐ Yes ☒ None Reported

Type of auditors' report issued on compliance for major program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133

☐ Yes ☒ None Reported

Identification of Major Program:

Name of Federal Program or Cluster

CFDA Number

Highway Planning and Construction

20.205

Highway Planning and Construction - ARRA

20.205

Dollar threshold used to distinguish between Types A and B programs

\$3,000,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Findings and Questioned Costs - Major Federal Award Programs Audit**

C. FINDINGS – FEDERAL AWARDS

None

B. Financial Statement Audit

- 07-07 Accounts Payable (Significant Deficiency) - Resolved
- 07-14 Over-Expended Appropriation Units (Non-Compliance in Accordance with the New Mexico State Audit Rule) - Resolved
- 12-01 Retainage Payable Reconciliation (Non-Compliance in Accordance with the New Mexico State Audit Rule) - Resolved
- 12-02 Notification to the Office of State Auditor of Violation of Criminal Statute (Non-Compliance in Accordance with the New Mexico State Audit Rule) - Resolved

C. Federal Awards

- 11-02 Untimely Reporting (Significant Deficiency & Non-Compliance) - Resolved

An exit conference was held with the Department on December 11, 2013. The conference was held at the Department's offices in Santa Fe, New Mexico. In attendance were:

STATE OF NEW MEXICO DEPARTMENT OF TRANSPORTATION

Tom J. Church, Cabinet Secretary, Designate
Ronald L. Schmeits, Commissioner
Larry L. Viarreal, Accounting Services Director
Bridgette Long, Accounting Services Deputy Director
Anthony Lujan, Deputy Secretary
Julie Atencio, Acting Inspector General

MOSS ADAMS LLP

Scott Eliason, Partner
Jason Galloway, Assurance Senior Manager
Sandy Schwank, Assurance Manager
Ashley Bierner, Assurance Senior

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the Department with assistance from Moss Adams LLP and are the responsibility of management.

**New Mexico Department of Transportation
Financial Statements
for the Year Ended
June 30, 2014
and Independent Auditors' Report**

NEW MEXICO DEPARTMENT OF TRANSPORTATION
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Official Roster

Year Ended June 30, 2014

Commission

Pete Rahn	Chairman	District 3
Ronald Schmeits	Vice-Chair	District 4
Dr. Kenneth White	Secretary	District 1
David Sepich	Commissioner	District 2
Butch Mathews	Commissioner	District 5
Jackson Gibson	Commissioner	District 6

Administrative Officers

Tom Church	Cabinet Secretary
Anthony Lujan	Deputy Secretary



Independent Auditors' Report

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Hector H. Balderas, State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2014 and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Department's non-major governmental funds and the budgetary comparisons for the non-major funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting

estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Department as of June 30, 2014, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of each non-major fund of the Department as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the major debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the State of New Mexico Department of Transportation, are intended to present the financial position, the changes in financial position, and where applicable, cash flows of only that portion of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Department that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of State of New Mexico as of June 30, 2014, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the Department's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The schedule of expenditures of federal awards as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and other schedules required by

Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and other schedules required by Section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and other schedules required by Section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2014, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

Albuquerque, New Mexico
December 15, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of New Mexico Department of Transportation (Department), we offer the readers of the Department's financial statement this narrative overview and analysis of the financial activities of the Department for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in footnotes to the basic financial statements, which start on page 41 of this audit report.

This discussion and analysis is intended to serve as an introduction to the Department's basic financial statements. The Department's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) major governmental fund financial statements, and 3) notes to the financial statements. This report also contains other non-major combining and individual governmental fund statements and supplementary information, including the schedule of expenditures of Federal awards, in addition to the basic financial statements themselves.

1. Overview of the Financial Statements

Financial Highlights

The Department's net position decreased by \$250,061,177, and the net position of the Department's governmental activities decreased by \$250,076,092 primarily due to depreciation of infrastructure assets exceeding additions and improvements during the current fiscal year.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Department's finances, in a manner similar to private sector business.

The Statement of Net Position presents information on all of the Department's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating.

The Statement of Activities presents information showing how the Department's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The Department's primary purpose is the construction and maintenance of the infrastructure of the State of New Mexico. Thus, in the government-wide financial statements, the primary function is public works.

The government-wide financial statements start on page 24 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Department uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Department are divided into two categories: governmental funds and proprietary fund.

1. Overview of the Financial Statements - continued

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current resources and use of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Department has 53 governmental funds. Governmental funds are reported as major funds in the accompanying financial statements if they meet both of the following criteria:

- 1) Ten percent criterion - An individual governmental fund reports as least 10 percent of any of the following: a) total governmental fund assets and deferred outflows of resources, b) total governmental fund liabilities and deferred inflows of resources, c) total governmental fund expenditures.
- 2) Five percent criterion - An individual governmental fund reports at least 5 percent of the total for both governmental and enterprise funds of any of the items for which it met the 10 percent criterion.

The Department's major governmental funds are the following:

State Road Fund (Funds #10040 and 20100). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) combine to create the operating fund of the Department and is used to account for substantially all of the Department's financial activities. Section 67-3-59 NMSA establishes that this is a non-reverting fund. This is a general fund. Individual fund data for each fund comprising the State Road Fund(s) are provided in the Schedule of General Fund Components - Balance Sheet, and Statement of Revenues, Expenditures and Changes in Fund Balance.

2014A Bond Project Fund (Fund #11970). The bond project fund was created when the \$70,110,000 NMFA State Transportation Subordinate Lien Revenue Bonds Series 2014A were issued in March 2014. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects and pay expenses incurred to issue the debentures. The fund does not receive state general fund appropriations that are subject to reversions.

1. Overview of the Financial Statements - continued

Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the two major funds. Data from the other 50 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in this report. See pages 106 through 132.

Proprietary Funds

The Department has one type of proprietary fund. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Department uses its enterprise fund to account for the State Infrastructure Bank, since its purpose is to make loans for road projects.

Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the State Infrastructure Bank since it is considered to be a major fund of the Department.

The basic proprietary fund financial statements can be found on pages 34 through 35 and the cash flows statement is on page 36 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 41.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other information including the Schedules of General and Traffic Safety Fund Components - Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance, Supplemental Schedule of Capital Projects, Supplemental Schedule of Severance Tax Bonds, Supplemental Schedule of Special Appropriations, Supplemental Schedule of Special Revenue - Bond Projects, Supplemental Schedule of Individual Bank Accounts, Supplemental Schedule of Pledged State Revenues, Supplemental Schedule of Debt Service and Cover, Supplemental Schedule of Joint Powers Agreements, and the Schedule of Expenditures of Federal Awards.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Department's financial position. At June 30, 2014, the Department's assets exceeded liabilities by \$5,153,641,005.

The largest portion of the Department's net position reflect its investments in capital assets (e.g., land, building, equipment, improvements, and infrastructure) less any debt and unspent bond proceeds used to acquire those assets that are still outstanding. Although the Department's investment in its capital assets is reported net of related debt and unspent bond proceeds, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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1. Overview of the Financial Statements - continued

Net position

As of June 30, 2014 and 2013, the Department has positive balances in two categories of net position, both for the government fund financial statement as a whole, as well as for its separate categories - governmental and business-type activities. Table A-1 summarizes the Department's net position as of June 30, 2014 and 2013.

Table A-1 The Department's net position

	Governmental Activities		Business-type Activities	
	2014	2013	2014	2013
Assets:				
Current and other assets	\$ 492,636,200	\$ 498,230,423	\$ 20,922,448	\$ 20,939,797
Capital assets and other	6,311,249,020	6,623,581,695	-	-
Total Assets	\$ 6,803,885,220	\$ 7,121,812,118	\$ 20,922,448	\$ 20,939,797
Deferred Outflows:				
Deferred loss on refunding	\$ 78,273,770	\$ 85,651,424	\$ -	\$ -
Deferred outflow of resources	56,677,698	58,445,464	-	-
	\$ 134,951,468	\$ 144,096,888	\$ -	\$ -
Liabilities:				
Current liabilities	\$ 226,800,574	\$ 284,794,101	\$ 180,000	\$ 212,264
Long-term liabilities	1,579,137,557	1,598,140,256	-	-
Total Liabilities	\$ 1,805,938,131	\$ 1,882,934,357	\$ 180,000	\$ 212,264
Net Position:				
Net investment in capital assets	\$ 4,618,007,984	\$ 4,884,648,804	\$ -	\$ -
Restricted	514,890,573	498,325,845	20,742,448	20,727,533
Total Net Position	\$ 5,132,898,557	\$ 5,382,974,649	\$ 20,742,448	\$ 20,727,533

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Management's Discussion and Analysis
Year Ended June 30, 2014

Total	
2014	2013
<hr/>	
\$ 513,558,648	\$ 519,170,220
6,311,249,020	6,623,581,695
<hr/>	
\$ 6,824,807,668	\$ 7,142,751,915
<hr/>	
\$ 78,273,770	\$ 85,651,424
56,677,698	58,445,464
<hr/>	
\$ 134,951,468	\$ 144,096,888
<hr/>	
\$ 226,980,574	\$ 285,006,365
1,579,137,557	1,598,140,256
<hr/>	
\$ 1,806,118,131	\$ 1,883,146,621
<hr/>	
\$ 4,618,007,984	\$ 4,884,648,804
535,633,021	519,053,378
<hr/>	
\$ 5,153,641,005	\$ 5,403,702,182
<hr/>	

1. Overview of the Financial Statements - continued

Changes in net position

Table A-2 provides a summary of the Department's operations for the years ended June 30, 2014 and 2013. Governmental activities decreased the Department's net position by \$250,076,092 in 2014 and decreased the Department's net position by \$226,724,922 in 2013. Business-type activities increased the Department's net position by \$14,915 in 2014 and by \$66,525 in 2013, due to interest income earned during the year.

Table A-2 Changes in the Department's net position

	Governmental Activities		Business-type Activities	
	2014	2013	2014	2013
Revenues:				
Program revenues:				
Charges for services	\$ 82,963,659	\$ 45,850,237	\$ -	\$ -
Operating grants	26,251,817	20,880,640	-	-
Capital grants	369,138,852	441,146,787	-	-
General revenues:				
User and fuel taxes	396,375,801	390,149,214	-	-
Interest income	2,143,879	3,804,981	14,915	66,525
Special revenues:				
Gain (loss) on disposal of assets	(199,839)	1,149,083	-	-
Total Revenues	876,674,169	902,980,942	14,915	66,525
Expenses:				
Programs and infrastructure	793,966,118	842,638,581	-	-
Transportation and highway operations	293,555,999	202,343,925	-	-
Program support	50,942,000	92,803,958	-	-
Total Expenses	1,138,464,117	1,137,786,464	-	-
Net Revenues Before Transfers and Reversions	(261,789,948)	(234,805,522)	14,915	66,525
Transfers and Reversions	11,713,856	8,080,600	-	-
(Decrease) Increase in Net Position	(250,076,092)	(226,724,922)	14,915	66,525
Net Position, Beginning of Fiscal Year	5,382,974,649	5,609,699,571	20,727,533	20,661,008
Net Position, End of Fiscal Year	\$ 5,132,898,557	\$ 5,382,974,649	\$ 20,742,448	\$ 20,727,533

1. Overview of the Financial Statements - continued

Total	
2014	2013
<hr/>	
\$ 82,963,659	\$ 45,850,237
26,251,817	20,880,640
369,138,852	441,146,787
396,375,801	390,149,214
2,158,794	3,871,506
(199,839)	1,149,083
<hr/> 876,689,084	<hr/> 903,047,467
793,966,118	842,638,581
293,555,999	202,343,925
50,942,000	92,803,958
<hr/> 1,138,464,117	<hr/> 1,137,786,464
(261,775,033)	(234,738,997)
<hr/> 11,713,856	<hr/> 8,080,600
(250,061,177)	(226,658,397)
5,403,702,182	5,630,360,579
<hr/> \$ 5,153,641,005	<hr/> \$ 5,403,702,182

1. Overview of the Financial Statements - continued

Governmental Funds

The Department's governmental funds are designed to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Department's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2014 fiscal year, the Department's governmental funds reported combined ending fund balances of \$377,865,433 an increase of \$24,744,088 from the prior year. Restricted fund balance indicates amounts available for expenditures in subsequent years for the purposes for which the initial revenues were intended. Non-spendable fund balance indicates amounts which have already been spent and now consist of inventories, long-term assets and prepaid items and other reserved items of \$43,864,320.

The changes in fund balance for the Department's major funds for 2014 are as follows:

State Road Fund(s) (Fund #10040 and 20100)	\$ (39,483,354)
2014A Bond Project Fund (Fund #11970)	<u>80,002,398</u>
Major funds, net change in fund balances	<u><u>\$ 40,519,044</u></u>

The net decrease in the State Road Fund(s) is due to an increase in expenditures resulting from rebudgeting of prior year fund balances.

The net increase in the 2014A Bond Project Fund is due to the receipt of proceeds from the issuance of the NMFA State Transportation Subordinate Lien Revenue Bonds Series 2014A issued in March 2014.

1. Overview of the Financial Statements - continued

Budgetary Highlights

The Department's operating budgets (excludes multi-year funds) are on a modified accrual basis and not all available funds are budgeted in order to provide for a reserve. The Department made subsequent revisions to the original approved budget of \$141,313,324. Overall, these changes were caused by the following significant budget adjustments:

Increase--Mesa PDC warranty reimbursement work on U.S. 550	\$ 880,531
Increase-Rest area improvements, heavy equipment and contract maintenance	20,000,000
Increase-Additional Federal Highway Administration redistribution funds	79,500,000
Increase--Mesa PDC warranty reimbursement work on U.S. 550	5,000,000
Debt Service for 2004B GRIP from liquidation of 2004b bond reserve account	33,000,000
Increase-Debt Service for 2014A HIF Bonds	642,347
Increase-Operating Transfer from State Road Fund to Federal Planning and Development Fund	1,290,446
Increase-Debt Service for Highway Infrastructure Fund Bonds	1,000,000
	\$ 141,313,324

The Department's original operating budget for fiscal year 2014 was \$864,559,800. This budget included \$830,159,800 of new revenues and \$34,400,000 of prior year funds rebudgeted. The final budget for the fiscal year was \$1,331,628,105. The \$467,068,305 increase in budget was due to FY14 budget adjustments discussed above and the Department's authorized practice of rolling forward into FY14 its remaining FY13 unexpended contracts and purchase orders. The appropriation budgetary period for those FY13 unexpended contracts and purchase orders lapses at the end of the FY13 fiscal year and the Department has to re-establish the budget in FY14 to re-appropriate the balance of its unexpended contracts and purchase orders. The Department funds the budget increase by utilizing the balance of the unused FY13 budget revenues that were originally budgeted for the unexpended contracts and purchase orders. The roll forward budget of \$297,973,933 is not included in the above schedule of budget adjustments. In addition, there was a remaining unexpended budget balance of \$27,781,048 included in the FY14 budget left over from a \$35,000,000 special appropriation budgeted in FY13. This remaining budget was funded by prior year funds and is also not included in the above schedule of budget adjustments.

Capital Assets Overview

The Department's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$6,294,312,005 (net of accumulated depreciation). This investment in capital assets includes land, right of way, buildings, equipment, improvement and the infrastructure. Business-type activities have no capital assets.

Major Infrastructure Projects

The Department develops plans to build a transportation system that will better serve the State of New Mexico. Advanced and innovative strategies include building roads using a corridor approach, where an entire route between communities is built. By designing and constructing entire corridors, the Department has been able to realize efficiencies to benefit the state. The Department also employs innovative project development techniques, warranty agreements and highly advanced financing techniques to accomplish the objectives of the Major Investment Program.

1. Overview of the Financial Statements - continued

Capital Assets Overview - continued

Fiscal Year 2013-2014 Active Projects with a contract amount of \$10 million or more:

I-10/NM 292 Interchange for 3.30 miles - Doña Ana County
I-40/US 285 Interchange for 3.394 miles - Torrance County
NM 136, MP 4.000 to MP 5.000 - Doña Ana County
US 82, MP 175.225 to MP 191.450 for 16.222 miles - Lea County
I-10/NM 28, Interchange for 1.700 Miles - Doña Ana County
NM 528, MP 7.110 to MP 8.660 for 1.548 miles - Sandoval County
US 64, MP 60.000 to MP 62.002 for 2.002 Miles - San Juan County
US 54, MP 112.700 to MP 119.000 for 6.345 miles - Lincoln County
US 491, MP 36.962 to MP 42.427 for 5.465 miles - San Juan County
I-25, MP 88.800 to 91.989 for 3.189 miles - Sierra County
US 62/180, MP 35.040 to MP 35.590 and US 285, MP 33.262 to - Eddy County
US 64, MP 62.000 to 64.000 for 2.000 miles - San Juan County
US 64, MP 140.000 to MP 148.560 for 8.560 miles - Rio Arriba County
US 54, MP 163.230 to MP 175.098 for 11.866 miles - Lincoln County
US 54, MP 94.230 to MP 107.100 for 12.870 Miles - Otero County
US 54, MP 130.000 to MP 146.000 for 15.912 miles - Lincoln County
US 491, MP 15.03 to MP 37.00 - McKinley County

1. Overview of the Financial Statements - continued

Automotive and Major Road Fund Equipment

For fiscal year 2014, the Automotive and Major Road Fund Equipment modified accrual basis budget total was approximately \$18,684,514 million. Of this budget, approximately \$18,081,927 was fully expended at June 30, 2014. Automotive and Major Road Fund Equipment purchased includes pickups, dump trucks, rollers, excavators, mowers, tractors, loaders, snowplows, brooms, dozers, motor graders, spreaders, millers, trailers, motor vehicles, etc. All items are approved during the legislative session prior to July of each fiscal year. The Department holds several sales and public auctions during the year to liquidate old and obsolete equipment to public and private entities.

Table A-3
Department's Capital Assets

	2014	2013
Land	\$ 5,177,044	\$ 5,177,044
Construction in Process	174,433,903	193,763,345
Right of Way	497,125,985	488,134,031
Infrastructure	14,797,435,527	14,978,703,392
Equipment and furniture	31,790,530	29,351,499
Library	102,614	102,614
Buildings	48,117,790	48,367,059
Automotive and Major Road Fund Equipment	212,976,302	202,599,261
Accumulated depreciation	(9,472,847,690)	(9,342,742,514)
Total	\$ 6,294,312,005	\$ 6,603,455,731

Additional information on the Department's capital assets can be found in Note 10 of this report.

1. Overview of the Financial Statements - continued

Debt Administration

The Department is authorized to issue bonds by authority of Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA)(1978), as amended. The focus of the Department's bond program is to accelerate transportation construction projects while maintaining strong debt service coverage ratios and minimizing the costs of borrowing.

At June 30, 2014, the Department had a total outstanding debt (bonds) of \$1,443,290,000. Outstanding bond debt is backed by the Department's anticipated state tax revenues and FHWA revenues.

Table A-4
Department's Outstanding Debt

	2014	2013
Bonds (excludes deferred amounts on refunding)	\$ 1,443,290,000	\$ 1,479,790,000

The Department's total bond debt decreased by 2.5%, or (\$36,500,000). Total outstanding bond debt at the end of the 2014 fiscal year was \$1,443,290,000 compared to \$1,479,790,000 at the end of the 2013 fiscal year. The net decrease in debt resulted from \$106,610,000 in principal repayments and a new bond issue in the amount of \$70,110,000. See Note 14 for a detail of all outstanding bonds.

The Department did not pay any arbitrage to the Internal Revenue Service for any excess interest earned on bond proceeds during the fiscal year and did not have any arbitrage liability at the end of the fiscal year.

2. Economic Factors and Revenue Forecasts

Economic and Demographic Characteristics

New Mexico is the 36th largest state by population and the fifth largest in land area. According to the decennial census the State's population as of April 1, 2010 was 2,059,179. Between 2000 and 2010, the State was the fifteenth fastest growing state, as the population increased 13.2 percent from the 2000 population of 1,819,046. Over the same period of time, the national population grew 9.7 percent. Most of this population growth is occurring in or near the larger cities. There are four Metropolitan Statistical Areas (MSAs) in the state. The Albuquerque MSA is comprised of Bernalillo, Sandoval, Torrance and Valencia Counties; the Las Cruces MSA is Dona Ana County; the Santa Fe MSA is Santa Fe County, and the Farmington MSA is San Juan County. The fastest growing counties in the state are Sandoval, Dona Ana, Bernalillo, Valencia and Lea.

Major industries in the State are energy resources, semi-conductor manufacturing, tourism, services, agriculture-agribusiness, government, and mining. In 2011, New Mexico was the 6th largest producing state of natural gas and the 6th largest producing state of onshore crude oil. In 2010 coal, copper and potash production value amounted to \$1.58 billion and the state ranked 12th, 4th and 1st respectively in the US. The mining and logging industry employed more than 22,000 New Mexicans in 2012. Major federally funded scientific research facilities at Los Alamos, Albuquerque and White Sands are also a notable part of the State's economy. The state's major transportation routes include Interstate-25, running north-south from El Paso, Texas through Las Cruces, Albuquerque, Santa Fe, Las Vegas and Raton, New Mexico toward Pueblo and Denver, Colorado. Major east-west routes, especially important to interstate commercial carrier traffic, include Interstate-10 from El Paso, Texas to Tucson and Phoenix, Arizona, and Interstate-40 from Amarillo, Texas through Tucumcari, Albuquerque and Gallup, New Mexico to Flagstaff, Arizona.

Revenue Forecasts and Budgets

Federal Revenue:

Federal Revenue—The amount of federal aid (obligation limitation) available to all states is currently being administered by the Highway and Transportation Funding Act of 2014 known as MAP-21 Extension FFY15. MAP-21 was signed in 2012 and was originally in effect for FFY13 and FFY14. New Mexico received obligation limitation averaging \$320 million for FFY13 and FFY14.

Federal Transit Administration Funds - NMDOT reported revenue of \$12,732,206 in FY 2014 Federal Transit Administration grant funds.

National Highway Traffic Safety Administration Funds - NMDOT reported revenue of \$13,519,611 in FY 2014 of National Highway Traffic Safety Administration grant funds.

2. Economic Factors and Revenue Forecasts - continued

State Revenue:

Revenues for the New Mexico Department of Transportation over the long-term (20 years) are characterized as being steady and growing at rates associated with the Consumer Price Index (CPI). There have been periods of stronger and slower, even declining, rates of growth. From fiscal years 1988 to 2000, the average annual compound growth rate was 2.7% and from 2003 to 2007 it was 7.5%.

Department of Transportation revenues were not immune from the latest recession. However, diversity of revenue sources helped to moderate the impact. State Road Fund revenues are split roughly half and half between passenger car based and interstate trucking sourced. Those revenues associated with trucking (special fuel and weight-distance tax) were negatively influenced by the US economic recession during FY2008 through FY2010 and fell about 15% while passenger cars based revenues (gasoline and vehicle registrations) were comparatively more stable. With recent improvements in the US economy, trucking activity has begun to improve and concurrently trucking related revenues have also begun to improve. FY 2007 was the peak year for Road Fund revenues before the recession; FY 2010 was the low point with revenues falling by over \$35 million or 9%. FY 2018 is forecast to be the year that revenues finally surpass the FY 2007 level, with the peak-to-return cycle lasting 11 years: falling for 3 years by 10% and slowly climbing for 8 years to fully recover.

The latest (July 2014) revenue forecast for the State Road Fund expects a revenue growth of 0.1% in FY2015, followed by growth in the 0.6% to 1.8% range during the subsequent four fiscal years. The revenue forecast for the Department as a whole is flat for FY2015, followed by growth in the 0.3% to 1.8% range during the subsequent four fiscal years.

State Revenue Forecasts - Major Revenue Sources

In the fall of 2003, a special session of the New Mexico Legislature was held and transportation rates and fees were raised on special fuels (primarily diesel), weight/distance trucking rates and motor vehicle registration fees. The basis of these increases was to provide \$40 million annually for the debt service on GRIP, a large, multi-year road construction program. The increases were designed also to add \$20 million for road maintenance. These rate/fee increases, along with the strong economy, added almost \$100 million (36%) from FY 2003 to FY 2007 to the annual State Road Fund revenue levels.

The budget estimate for state tax and fee revenue is prepared in July/August and December/January for each year for the budget year ending 24 months (or 18 months) later. Each fiscal year's revenue estimate is formally assessed six times: twice before the year begins, twice during the fiscal year and twice after the end, with the final numbers being the actual audit.

2. Economic Factors and Revenue Forecasts - continued

Revenues from gasoline, special fuels, weight/distance and vehicle constitute 93% of the state road fund. These revenues were consistent with the forecasts for the periods where taxes were increased and did add the expected \$60 million for GRIP debt service and highway maintenance expenditures. National economic trends impacting the trucking industry provided for strength in revenue growth in FY 2005 through FY 2007 and led the decline in FY 2008 through FY 2010. The interstate-trucking based revenues (special fuel tax and weight distance tax) are now the primary contributors to Road Fund growth. On the other hand, gasoline revenue is expected to plateau in FY2018.

Due to the size and importance of each of these four sources, a look at each individually helps to provide a more complete picture of the Department's revenues.

Gasoline tax is the largest of State's revenue sources, providing about \$108.5 million in revenue in FY 2014. This tax is 17 cents per gallon of gasoline sold, with about three-fourths distributed to the state road fund and the remainder distributed primarily to municipalities and counties. It is the one major tax that was not increased during the special session of 2003. Historically, gasoline gallons sold increased until 1995, remained relatively stable from 1995 to 1999, and decreased in 2001, when they again stabilized. The peak years were 1995 to 1999, with 1998 providing \$117.9 million.

Of much interest and frequent query, is how New Mexico's gasoline usage (gallons) was impacted by the dramatic price increase between 2004 and 2008 and in light of the economic slowdown. Somewhat surprisingly, for New Mexico, there was very little change in gasoline usage. For the past 15 years, between FY 2000 and FY 2014, Road Fund gasoline revenues have averaged \$110 million; gasoline revenues have only varied by more than a few million from that average twice (less than \$5 million above average in FY 2007 and less than \$5 million below average in FY 2012).

Special fuel tax (primarily diesel) is the second largest of the state's revenue sources, providing about \$92.8 million in FY 2014, down from the peak of \$101.5 in FY 2008. The tax per gallon was raised from 18 to 21 cents per gallon effective in FY 2005. Of the 21 cents, the State Road Fund receives 19 cents, with the remainder going to the Local Governments Road Fund. Including the 2003 special legislative session rate increase, special fuels grew by \$27.0 million, or 36%, from FY 2004 to FY 2008. Special fuel, over time, has been a strongly growing revenue source with an average annual compound growth rate of 5.2% from 1988 to 2008. After the collapse of the national housing bubble, special fuel revenue fell to a low \$85.6 million in FY 2009 and has since climbed slowly to \$92.8 million in FY 2014.

Weight/Distance tax is charged on trucks over 26,000 pounds and varies by maximum gross weight of the vehicle and distance traveled in New Mexico. It ranges from a rate of around one cent per mile for vehicles weighing 26,001 to 28,000 pounds to slightly over 4 cents per mile for vehicles weighing over 78,000 pounds. It is historically the third largest revenue producer, with about \$74.8 million in revenue in FY 2014, down from the peak of \$77.4 million in FY 2008. Its rates were also raised in the fall 2003 special legislative session. Prior to the tax rate increase, revenues averaged \$50+ million. After FY 2004, revenue increased from 43% to 50%, primarily due to the 38% tax rate increase. The peak year of FY 2007 also experienced significant non-economic based growth as revenue processing issues shifted prior year revenue into FY 2007.

2. Economic Factors and Revenue Forecasts - continued

During the latest economic recession, declining consumer durable goods expenditures led to a fairly steep and sudden reduction in freight of all types including air, ship, rail and truck. That decline was in the range of 20% and began in December, 2008. Corresponding reductions in State Road Fund trucking related revenues began in March 2009 and, in only four months, dropped the annual revenue by \$2 million in FY2009. The full year impact in FY2010 of this Weight/Distance tax revenue decline was a \$7.8 million decrease relative to FY2008.

Motor vehicle registration fees are now the third largest revenue source at about \$76.7 million in FY 2014. These fees were raised in the 2003 Special Legislative session by about 33%, and revenue increased by about \$20.7 million or 39%, from FY 2004 to FY 2008. The fees are based on three weight classes for passenger vehicles and 14 weight classes for trucks and commercial carriers. The annual registration fees for trucks over 26,000 pounds are low because those vehicles are subject to the weight/distance taxes, discussed above. This revenue, like gasoline, has remained stable during both the economic expansions and recessionary periods.

Two revenue sources have been impacted negatively by recent federal procedure rulings and legislation. One is the Trip Tax and the other is New Mexico Public Regulation Commission common carrier registration fees. Trip Tax is charged on trucks in lieu of the weight/distance tax and vehicle registration fees for those trucks/companies not registered for weight/distance. What was called a cab card and carried in each truck was used for weight/distance registration identification. Federal regulations now prevent states from requiring the showing of state-specific taxpayer documentation cards. Trip tax rose to a peak of \$8.6 million in FY 2006 and provided revenues of about \$4.6 million in FY 2014. New Mexico is one of four states that impose a weight/distance tax and its associated trip tax. There have been strong investments recently in reporting enforcement and an optical scanning computer truck identification interface with the weight/distance tax data base. These have been accompanied by penalty increases for improper weight/distance tax filing, capital improvements at ports of entry and statewide enhanced documentation checks.

The New Mexico Public Regulation Commission previously collected common carrier registration fees. Because of efforts by the trucking industry to centralize registrations (because so many trucks are on the road and prorating registrations in so many states), a new common system and procedures were passed into law in the fall of 2006. In FY 2006, the Department received \$3.7 million in revenue. Under the new national system, the total fees across the country were capped at \$100 million and then apportioned such that the maximum New Mexico can now receive is \$3.2 million. Because of delays in getting the system up and running, revenue for FY 2007 came in at \$377,000, \$866,000 in FY 2008, \$2.3 million in FY 2009, and \$1.4 million in FY 2010. With improvements to this situation, FY 2011 revenue came in at about \$2.7 million; late payments from the national depository in FY 2012 led to a decrease in revenue of only \$881 thousand. Revenue in FY 2013 came in at \$3.2 million and \$2.0 million in FY 2014. Future years are expected at the \$3 million level.

2. Economic Factors and Revenue Forecasts - continued

Background - Gasoline Tax and Tribal Tax Sharing Agreements

The state permits gasoline to be sold at retail by registered Indian tribal distributors on Indian land free of State gasoline tax if the applicable Indian government imposes an equivalent or higher tax (for its own benefit) on retail gasoline sales. The growth in tribal market share initially out-paced the overall growth rate of gasoline sales as a result of competitive pricing, casino traffic, and new tribal travel centers. Over the past nine years tribal sales have been between 55 million and 69 million gallons per year (around 6% or 7% of total gasoline sales). On tribal gasoline sales totaled to 62.9 million gallons in FY 2014.

In 2003 and 2004, legislation allowed the state to enter into "tax sharing agreements" with the two Native American Pueblos that were previously entitled to market a limited amount of state-tax-free gasoline outside reservation boundaries. Under the agreements, a distribution equal to 40% of the tax collected on 30 million gallons of gasoline per year is made to each of the two Pueblos, in exchange for the Pueblos ceasing their wholesale sales activities outside reservation boundaries. The result of these agreements (originally entered into in 2004) was more predictable gasoline revenues. Chapter 15, Laws 2010 (Senate Bill 59 from the 2010 regular legislative session) allowed these agreements to be extended under the same terms for an additional 10 years. The agreements were both renewed in 2014.

3. Contacting the Department's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, legislators and investors and creditors with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact:

Attn: Accounting Services Director
New Mexico Department of Transportation
1120 Cerrillos Road
P.O. Box 1149
Santa Fe, New Mexico 87504-1149
(505) 827-5108

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FINANCIAL STATEMENTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position

As of June 30, 2014

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Assets:			
Cash (Note 2):			
Unrestricted	\$ 2,100	\$ -	\$ 2,100
Cash equivalents (Note 2):			
(Investment in state general fund investment pool)			
Restricted	218,214,965	20,740,869	238,955,834
Managed by NMFA	118,002,049	-	118,002,049
Receivables:			
Accounts receivable, net (Note 3)	6,602,604	-	6,602,604
Interest receivable	1,618	-	1,618
Notes and loans receivable (Note 5)	-	180,000	180,000
Other receivables	18,646	-	18,646
Due from:			
U.S. Department of Transportation (Note 6)	48,107,440	-	48,107,440
Other funds (Note 7)	-	-	-
Other state agencies (Note 8)	74,759,473	1,579	74,761,052
Inventories (Note 9)	14,726,136	-	14,726,136
Prepaid expense - other	4,925	-	4,925
Prepaid expense - NM44 warranty, net	3,189,030	-	3,189,030
Property held for resale, net	9,007,214	-	9,007,214
Total Current Assets	492,636,200	20,922,448	513,558,648
Non-Current Assets:			
Prepaid expense - NM44 warranty, net	16,937,015	-	16,937,015
Capital assets, net (Note 10)	6,294,312,005	-	6,294,312,005
Total Non-Current Assets	6,311,249,020	-	6,311,249,020
Total Assets	6,803,885,220	20,922,448	6,824,807,668
Deferred Outflows of Resources:			
Deferred loss on refunding (Note 14)	78,273,770	-	78,273,770
Deferred outflow of resources (Note 14)	56,677,698	-	56,677,698
Total Deferred Outflows of Resources	134,951,468	-	134,951,468
Total Assets and Deferred Outflows of Resources	\$ 6,938,836,688	\$ 20,922,448	\$ 6,959,759,136

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position

As of June 30, 2014

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Liabilities:			
Accounts payable and contracts payable, including retainage of \$6,698,088	\$ 103,805,002	\$ -	\$ 103,805,002
Due to:			
Other state agencies (Note 12)	15,501,738	-	15,501,738
State general fund	203,534	-	203,534
Local governments (Note 13)	68,084	180,000	248,084
Other accrued expenses	3,000,354	-	3,000,354
Other liabilities	1,095,280	-	1,095,280
Current portion of long-term obligations (Note 14):			
Compensated absences	5,960,118	-	5,960,118
Debentures payable	84,080,000	-	84,080,000
Capitalized bond premium	13,086,464	-	13,086,464
Total Current Liabilities	226,800,574	180,000	226,980,574
Long-Term Liabilities:			
Long-term obligations (Note 14):			
Derivative instruments interest rate swap	96,042,322	-	96,042,322
Debentures payable	1,359,210,000	-	1,359,210,000
Capitalized bond premium, net	123,885,235	-	123,885,235
Total Long-Term Liabilities	1,579,137,557	-	1,579,137,557
Total Liabilities	1,805,938,131	180,000	1,806,118,131
Net Position:			
Net investment in capital assets	4,618,007,984	-	4,618,007,984
Restricted for:			
Unspent bond proceeds	105,155,260	-	105,155,260
Loans	-	20,742,448	20,742,448
Specific purposes	409,735,313	-	409,735,313
Total Net Position	5,132,898,557	20,742,448	5,153,641,005
Total Liabilities and Net Position	\$ 6,938,836,688	\$ 20,922,448	\$ 6,959,759,136

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities

For the Year Ended June 30, 2014

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Program Expenses:			
Programs and infrastructure	\$ 793,966,118	\$ -	\$ 793,966,118
Transportation and highway operations	293,555,999	-	293,555,999
Program support	50,942,000	-	50,942,000
Total Program Expenses	1,138,464,117	-	1,138,464,117
Program Revenues:			
Charges for services	82,963,659	-	82,963,659
Operating grants	26,251,817	-	26,251,817
Capital grants	369,138,852	-	369,138,852
Total Program Revenues	478,354,328	-	478,354,328
Net Program Revenue (Expense)	(660,109,789)	-	(660,109,789)
General Revenues (Losses):			
User and fuel taxes	396,375,801	-	396,375,801
Interest income	2,143,879	14,915	2,158,794
Gain (loss) on disposal of assets and adjustments	(199,839)	-	(199,839)
Total General Revenues (Losses)	398,319,841	14,915	398,334,756
Transfers:			
Reversions to state general fund (Note 16)	(98,813)	-	(98,813)
Transfers from: severance tax bond appropriation (Note 4)	17,602,500	-	17,602,500
Transfers from (to) other state agencies and local governments, net (Note 11)	(5,789,831)	-	(5,789,831)
Total Transfers	11,713,856	-	11,713,856
Net General Revenues and Transfers	410,033,697	14,915	410,048,612
Change in Net Position/Operating Income	(250,076,092)	14,915	(250,061,177)
Net Position, Beginning of Fiscal Year	5,382,974,649	20,727,533	5,403,702,182
Net Position, End of Fiscal Year	\$ 5,132,898,557	\$ 20,742,448	\$ 5,153,641,005

See Independent Auditors' Report and Notes to Financial Statements

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds

As of June 30, 2014

	Major Funds		Non Major	Total
	State Road	2014A Bond	Governmental	Governmental
	Fund(s)	Project Fund	Funds	Funds
	(SHARE 10040	(SHARE 11970)		
	and 20100)			
Assets:				
Cash: (Note 2)				
Unrestricted	\$ 2,100	\$ -	\$ -	\$ 2,100
Cash Equivalents: (investment in state general fund investment pool) (Note 2)				
Restricted	121,762,395	-	96,452,570	218,214,965
Managed by NMFA	65,032	80,001,750	37,935,267	118,002,049
Receivables:				
Accounts receivable, net (Note 3)	1,596,154	-	5,006,450	6,602,604
Interest receivable	-	648	970	1,618
Other receivables	18,646	-	-	18,646
Due from:				
U.S. Department of Transportation (Note 6)	39,833,098	-	8,274,342	48,107,440
Other funds (Note 7)	7,955,572	-	7,740,885	15,696,457
Other state agencies (Note 8)	63,407,737	-	11,351,736	74,759,473
Inventories (Note 9)	14,726,136	-	-	14,726,136
Prepaid expenses - other	4,925	-	-	4,925
Prepaid expense - NM44 warranty	20,126,045	-	-	20,126,045
Property held for resale	9,007,214	-	-	9,007,214
Total Assets	\$ 278,505,054	\$ 80,002,398	\$ 166,762,220	\$ 525,269,672
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ 78,778,393	\$ -	\$ 25,026,609	\$ 103,805,002
Due to:				
Other funds	3,071,595	-	12,624,862	15,696,457
Other state agencies	11,344,160	-	4,157,578	15,501,738
State general fund	101,301	-	102,233	203,534
Local governments	68,084	-	-	68,084
Other accrued expenses	2,944,063	-	56,291	3,000,354
Other liabilities	1,095,280	-	-	1,095,280
Total Liabilities	97,402,876	-	41,967,573	139,370,449
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	4,689,291	-	3,344,499	8,033,790
Total Deferred Inflows of Resources:	4,689,291	-	3,344,499	8,033,790
Fund Balance:				
Non-spendable	43,864,320	-	-	43,864,320
Restricted	-	80,002,398	61,249,175	141,251,573
Committed	144,179,662	-	60,685,593	204,865,255
Assigned	-	-	-	-
Unassigned	(11,631,095)	-	(484,620)	(12,115,715)
Total Fund Balance	176,412,887	80,002,398	121,450,148	377,865,433
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 278,505,054	\$ 80,002,398	\$ 166,762,220	\$ 525,269,672

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Position

As of June 30, 2014

Total Fund Balance - Governmental Funds
(Governmental Fund Balance Sheet)

\$ 377,865,433

Amounts reported for governmental activities in the Statement of
Net Position are different because:

Amounts recorded as deferred inflows of resources in the governmental funds
that were not received within the period of availability - 60 days
after year end; recorded as revenue in the Statement of Activities:

Balance Sheet - Governmental Funds 8,033,790

Statement of Net Position -

Balance in deferred inflows of resources 8,033,790

Capital assets used in governmental activities are not financial
resources and, therefore, not reported in the funds:

The cost of capital assets is 15,767,159,694

Accumulated depreciation is (9,472,847,689)

Total capital assets 6,294,312,005

Long-term debt not recorded as liabilities in the governmental
funds, but recorded as long-term liabilities in the Statement of
net position:

Debentures payable (bonds only) (1,443,290,000)

Deferred loss on refunding (net of current period amortization) 78,273,770

Compensated absences (5,960,118)

Ineffective swaps (39,364,624)

Capitalized bond premiums not recorded in the governmental
funds as a liability, net of amortization:

(136,971,699)

Net Position of Governmental Activities (Statement of Net Position)

\$ 5,132,898,557

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues, Expenditures and Changes in Fund Balance- Governmental Funds

For the Year Ended June 30, 2014

	Major Funds		Non Major	Total
	State Road	2014A Bond	Governmental	Governmental
	Fund(s)	Project Fund	Funds	Funds
	(SHARE 10040	(SHARE 11970)		
	and 20100)			
Revenues:				
User and fuel taxes	\$ 365,802,345	\$ -	\$ 25,752,443	\$ 391,554,788
U.S. Department of Transportation	372,869,099	-	26,251,817	399,120,916
Fees and fines	-	-	68,882	68,882
Licenses and permits	7,040,346	-	11,977,164	19,017,510
Charges for services	2,768,245	-	-	2,768,245
Other revenue	10,570,949	-	50,538,077	61,109,026
Interest earnings	80,924	2,398	2,060,557	2,143,879
Total Revenues	759,131,908	2,398	116,648,940	875,783,246
Expenditures:				
Current:				
Operating costs	10,886,437	-	41,217	10,927,654
Personal services	94,641,551	-	1,175,285	95,816,836
Out-of-state travel	109,972	-	7,179	117,151
Grants and services	2,376,164	-	50,010,775	52,386,939
Travel	20,703,893	-	4,876	20,708,769
Maintenance and repairs	9,900,307	-	10,253	9,910,560
Supplies	38,747,913	-	57,459	38,805,372
Contractual services	120,426,876	-	33,394,195	153,821,071
Other costs	4,261,748	-	1,055,939	5,317,687
Employee benefits	47,504,223	-	420,401	47,924,624
Capital outlay	298,692,981	-	31,082,037	329,775,018
Debt service:				
Principal	71,800,700	-	34,809,300	106,610,000
Interest	66,667,466	-	4,385,103	71,052,569
Debt issuance costs	-	-	221,111	221,111
Total Expenditures	786,720,231	-	156,675,130	943,395,361
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(27,588,323)	2,398	(40,026,190)	(67,612,115)
Other Financing Sources (Uses):				
Appropriations, net of reversions (Note 16)	-	-	(98,813)	(98,813)
Transfers: severance				
tax bond appropriation	-	-	17,602,500	17,602,500
Transfers from (to) other agencies (Note 11)	(5,839,953)	-	50,122	(5,789,831)
Transfers: intra-agency (Note 11)	(6,055,078)	-	6,055,078	-
Face value of debentures payable (Note 11)	-	70,110,000	-	70,110,000
Premiums of debentures payable (Note 11)	-	9,890,000	642,347	10,532,347
Total Other Financing Sources (Uses)	(11,895,031)	80,000,000	24,251,234	92,356,203
Net Changes in Fund Balance	(39,483,354)	80,002,398	(15,774,956)	24,744,088
Fund Balance, June 30, 2013	215,896,241	-	137,225,104	353,121,345
Fund Balance, June 30, 2014	\$ 176,412,887	\$ 80,002,398	\$ 121,450,148	\$ 377,865,433

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues, Expenditures and Changes in Fund Balance- Governmental Funds

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NEW MEXICO DEPARTMENT OF TRANSPORTATION

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental
Funds to the Statement of Activities**

For the Year Ended June 30, 2014

Net Changes in Fund Balance - Total Governmental Funds

(Statement of Revenues, Expenditures, and Changes in Fund Balance) \$ 24,744,088

Amounts reported for governmental activities in the Statement of Activities are

different because:

Net change in deferred inflows of resources related to unavailable revenue from prior to
current year 1,090,767

In the Statement of Activities, certain operating expenses - compensated absences
(sick and annual leave) - are measured by the amounts earned during the year to the
Governmental Funds, however, expenditure for these items are measured by the
amounts of financial resources used (essentially, the amounts actually paid). The
increase (decrease) in the compensated absences liabilities for the fiscal year was: (75,877)

The Statement of Revenues, Expenditures and Changes in Fund Balances report
capital outlays as expenditures. In the Statement of Activities, the cost of those assets
is allocated over their estimated useful lives and reported as depreciation expense. In
the current period these amounts were:

Capital outlay	329,775,018	
Depreciation expense	(638,718,906)	
Sale of capital assets, adjustments and retirements, net book value	(199,838)	
Excess of depreciation expense over capital outlay		(309,143,726)

(Issuance) repayment of debentures recorded as a (source of revenue) principal
expenditure in the Statement of Revenues, Expenditures and Changes in Fund
Balances recorded as an (increase) reduction in long-term debentures payable in the
Statement of Net Position:

Bond proceeds	(70,110,000)	
Principal payments	106,610,000	
		36,500,000

Change in value of Ineffective swaps recorded in Statement of Activities 566,537

Net change in deferred loss on refunding (including write off of unamortized balance of
premiums and issuance costs associated with the refunded bonds), which is recorded
as deferred outflow of resources in the Statement of Net Position: (7,377,654)

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental
Funds to the Statement of Activities**

Additional bond premiums recorded as an other financing source in the Statement of Revenues, Expenditures and Changes in Fund Balance, recorded as a liability of \$136,971,699 in the Statement of Net Position, net of \$14,152,120 of amortization, recorded as a decrease to interest expense in the Statement of Net Position:

Amortization of bond premium	14,152,120	
Premium of new bonds issued	<u>(10,532,347)</u>	
		<u>3,619,773</u>

Change in Net Position of Governmental Activities (Statement of Activities)	\$ <u>(250,076,092)</u>
--	--------------------------------

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position-Proprietary Fund

As of June 30, 2014

State Infrastructure Bank

(SHARE 89300)

Assets:

Current Assets:

Cash: (Note 2)

Unrestricted

\$ -

Restricted

-

Cash equivalents: (Note 2)

(Investment in state general fund investment pool)

Unrestricted

-

Restricted

20,740,869

Receivables:

Interest receivable

-

Notes and loans receivable (Note 5)

180,000

Due from:

Other state agencies (Note 8)

1,579

Total Current Assets

20,922,448

Total Assets

\$ 20,922,448

Liabilities and Net Position:

Liabilities:

Current Liabilities:

Accounts payable

\$ -

Due to:

Other state agencies

-

Local governments

180,000

Total Current Liabilities

180,000

Total Liabilities

180,000

Net Position:

Restricted for:

Loans

20,742,448

Total Net Position

20,742,448

Total Liabilities and Net Position

\$ 20,922,448

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities-Proprietary Fund

For the Year Ended June 30, 2014

State Infrastructure Bank

(SHARE 89300)

Operating Revenues (Expenses):

Interest income	\$	-
-----------------	----	---

Total Operating Revenues (Expenses)		-
--	--	---

Non-Operating Revenues (Expenses):

Interest income		14,915
-----------------	--	--------

Interest expense		-
------------------	--	---

Total Non-Operating Revenues (Expenses)		14,915
--	--	--------

Change in Net Position/Operating Income		14,915
--	--	--------

Net Position, Beginning of Fiscal Year		20,727,533
---	--	------------

Net Position, End of Fiscal Year	\$	20,742,448
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See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Cash Flows-Proprietary Fund

For the Year Ended June 30, 2014

State Infrastructure Bank

(SHARE 89300)

Cash flows provided from operating activities:

Cash received from interest	\$ 15,464	
Cash payments for intra-agency payables	(212,264)	
		\$ (196,800)

Net increase in cash and cash equivalents (196,800)

Cash and cash equivalents at June 30, 2013 20,937,669

Cash and cash equivalents at June 30, 2014 \$ 20,740,869

**Reconciliation of operating income to net cash
provided from operating activities:**

Operating income	\$ 14,915
------------------	-----------

**Adjustment to reconcile operating income to net
cash by operating activities:**

Increase in notes and loans receivable	\$ (180,000)	
Decrease in due from other agency	549	
Decrease in due to other funds	(212,264)	
Increase in due to local governments	180,000	-
Total adjustments		(211,715)

Cash flows provided by operating activities: \$ (196,800)

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Cash Flows-Proprietary Fund

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2014

STATE ROAD FUND(S) (SHARE 10040 and 20100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 375,571,700	\$ 444,571,700	\$ 372,869,099	\$ (71,702,601)
Other state funds	384,500,000	384,500,000	386,181,885	1,681,885
Interest revenue	192,000	192,000	80,924	(111,076)
Total Revenues:	<u>760,263,700</u>	<u>833,006,658</u>	<u>759,131,908</u>	<u>\$ (73,874,750)</u>
Prior Year Funds Rebudgeted	<u>309,673,909</u>	<u>343,601,928</u>		
	<u>\$ 1,069,937,609</u>	<u>\$ 1,176,608,586</u>		
 Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 23,877,300	\$ 23,389,800	\$ 22,511,802	\$ 877,998
Contractual services	584,405,645	668,905,645	323,489,533	345,416,112
Other	158,060,891	158,060,891	143,722,744	14,338,147
Transfers (in) out	-	1,290,446	3,959,812	(2,669,366)
Reversions	-	-	-	-
	<u>766,343,836</u>	<u>851,646,782</u>	<u>493,683,891</u>	<u>357,962,891</u>
Transportation and Highway Ops:				
Personal services/employee benefits	95,524,400	96,625,897	96,634,298	(8,401)
Contractual services	74,851,404	87,041,734	72,592,116	14,449,618
Other	84,611,969	93,302,170	90,003,109	3,299,061
	<u>254,987,773</u>	<u>276,969,801</u>	<u>259,229,523</u>	<u>17,740,278</u>
Program Support				
Personal services/employee benefits	23,793,000	23,179,003	22,999,674	179,329
Contractual services	5,115,400	5,115,400	2,577,351	2,538,049
Other	13,853,300	13,853,300	12,189,605	1,663,695
Transfers (in) out	5,844,300	5,844,300	7,935,218	(2,090,918)
	<u>48,606,000</u>	<u>47,992,003</u>	<u>45,701,848</u>	<u>2,290,155</u>
Total Annual Budgeted Expenditures	<u>\$ 1,069,937,609</u>	<u>\$ 1,176,608,586</u>	<u>798,615,262</u>	<u>\$ 377,993,324</u>
 Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ (39,483,354)</u>	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2014

	2014A BOND PROJECT FUND (SHARE 11970)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues/Other Financing Sources:				
Other state funds	\$ -	\$ -	-	-
Interest revenue	-	-	2,398	2,398
Bond proceeds	-	80,000,000	80,000,000	-
Total Revenues:	-	80,000,000	80,002,398	\$ 2,398
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ 80,000,000		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	80,000,000	-	80,000,000
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	80,000,000	-	80,000,000
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ 80,000,000	-	\$ 80,000,000
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 80,002,398	

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

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NATURE OF ORGANIZATION

A primary government is any state or general purpose local government consisting of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government. The Department, therefore, is part of the primary government of the State of New Mexico and its financial data should be included in the financial data of the State.

The New Mexico Department of Transportation (Department), formerly known as the New Mexico State Highway and Transportation Department, within the State of New Mexico is responsible for planning, organizing and directing a comprehensive transportation network. The Department was created by the Constitution of New Mexico, Article V, Section 14; and Sections 67-3-1 through 67-3-70, New Mexico Statutes Annotated, 1978 Compilation. The Highway & Transportation Department Reorganization Bill (House Bill 210) created the Department as of July 1, 1987. Under this reorganization act, portions of the Transportation Department were merged into the Department to create the Department's Aviation and Transportation Divisions. On April 4, 2003, the Governor signed a bill changing the Department's name to the New Mexico Department of Transportation.

The governing body of the Department is a six person State Highway Commission. Commissioners are appointed by the Governor, with the advice and consent of the Senate, and each serves for staggered six-year terms.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The Department is responsible for the fair presentation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America. The Department has prepared required supplementary information entitled, *Management's Discussion and Analysis*, which precedes the basic financial statements.

Financial Reporting Entity

The accompanying financial statements of the Department include all funds and activities over which the Department has oversight responsibility. The Department is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Even though the Governor appoints the Commission, the Commission has decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The Department has no blended or discretely presented component units during the year ended June 30, 2014.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Reporting Entity - continued

The Department, the New Mexico Finance Authority (NMFA) and the Federal Highway Administration (FHWA) established a State Infrastructure Bank (SIB) on September 30, 1997. The SIB is a revolving loan program accounted for as a business-type operation - enterprise fund and is administered by the Department to finance highway projects. The initial capitalization for the SIB came from the Highway Department's allotment of federal funds. The Department matched the federal funds based on the required matching percentage from state funds.

Government-wide and Fund Financial Statements

The government-wide financial statements (the Statement of net position and the Statement of Activities) report information of all of the activities, except for fiduciary and component units, of the Department. The effect of material interfund activity has been removed from these government-wide statements. Governmental activities, primarily the construction and maintenance of the State's road system, which normally is supported by taxes and intergovernmental revenues, are reported separately from the business-type activities of the SIB, which to a significant extent acts as a business, loaning funds to other entities and charging interest on the loans. Operating income for the SIB is interest income earned on the funds loaned to other entities. All other income, including interest earned on funds on hand, is non-operating income to the SIB.

Basis of Presentation

The Statement of Activities demonstrates the degree to which the direct expenses of a function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific department function of building and maintaining the State's road system (public works). Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a department. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements for public works. Taxes and other items not properly included among program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenues rather than as program revenues. The Department does not allocate general government expenses to other functions except for depreciation (Note 10).

Net position is restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, it is generally the Department's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental funds are reported as major funds in the accompanying financial statements if they meet **both** of the following criteria:

Ten percent criterion- An individual governmental fund reports at least ten percent of *any* of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of Presentation - continued

Five percent criterion- An individual governmental fund reports at least five percent of the total for both governmental and enterprise funds of any of the items for which it met the ten percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040 and 20100). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) combine to create the operating fund of the Department and is used to account for substantially all of the Department's financial activities. Section 67-3-59 NMSA establishes that this is a non-reverting fund. This is a general fund. Individual fund data for each fund comprising the State Road Fund(s) are provided in the Schedule of General Fund Components - Balance Sheet, and Statement of Revenues, Expenditures and Changes in Fund Balance.

2014A Bond Project Fund (Fund #11970). The bond project fund was created when the \$70,110,000 NMFA State Transportation Subordinate Lien Revenue Bonds Series 2014A were issued in March 2014. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects and pay expenses incurred to issue the debentures. The fund does not receive state general fund appropriations that are subject to reversions.

Government-Wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Business Type - Proprietary Fund - State Infrastructure Bank (SIB) Financial Statements. The financial statements of the proprietary fund are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements described above.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Governmental Fund Financial Statements. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department considers revenues to be available if they are collected within 60 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

Employees' vested compensated absences are recorded as an expenditure when utilized. The amount of accumulated compensated absences unpaid at June 30, 2014, has been reported only in the government-wide financial statements.

Interest and principal payments on general long-term obligations is recognized as expenditures when paid.

Executory purchase orders and contracts are recorded as a restriction of fund balance in the Capital Project Funds and Special Revenue Funds.

The financial activities of the Department are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Department uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The measurement focus is on the flow of expendable financial resources, rather than on net income determination. All governmental funds are accounted for using the modified accrual basis of accounting. The funds' revenues are recognized in the period in which they become susceptible to accrual (i.e., when they are both measurable and available to pay liabilities in the current period). "Available" is defined as collectible within the current period or soon enough thereafter, within 60 days after year-end, to be used to pay liabilities of the current period. Intergovernmental revenues, including Federal allotments and grants, are recorded in accordance with their legal or contractual requirements if collected in the current period or if collectability is assured subsequent to year-end. Grant revenues are collected in advance of the period intended to finance expenditures. If the eligibility requirements are not met, they are recorded as unearned revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

The following are the governmental fund types used:

General Funds - The General Funds (Funds #10040 and 20100) are used to account for the proceeds of specific revenue sources that are not otherwise required to be reported in a special revenue fund. The State Road Fund(s) are the operating and general funds of the Department and are used to account for substantially all of the Department's financial activities. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

Traffic Safety Fund(s): a group and/or cluster of programs that are closely related programs and share common compliance requirements. The group consists of the following funds; the Federal Traffic Safety Fund (#10010), the Driver Improvement Program Fund (#10020), Motorcycle Training Fund (#20600), the DWI Prevention and Education Fund (#20700), the Traffic Safety Fund (#20800), and the Ignition Interlock Fund (#82600).

Federal Traffic Safety Fund (#10010). The Federal Traffic Safety Fund is the fund through which federal funds are received for various traffic safety programs. This is a non-reverting fund.

Driver Improvement Fund (#10020). The Driver Improvement Program Fund was created by Executive Order 87-20. This fund is used to account for the operation of a driver improvement program. Financing is provided from fees collected for drivers' manuals and admissions to driver training courses. This is a non-reverting fund.

Motorcycle Training Fund (#20600). The Motorcycle Training Fund was created by Section 66-10-10, NMSA 1978. This fund is used to account for the operation of a motorcycle safety training program. Financing is provided from motorcycle registration fees and student training fees. All money in the motorcycle training fund in excess of amounts budgeted revert to the State Road Fund.

DWI Prevention and Education Fund (#20700). The DWI Prevention and Education Fund was created by Section 66-5-35, NMSA 1978. This fund is used to account for the operation of a DWI (Driving While Intoxicated) prevention and education program for elementary and secondary school students. Financing is provided from limited license and permit fees. This is a non-reverting fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Traffic Safety Fund (#20800). The Traffic Safety Fund was created by Section 66-7-512, NMSA 1978. The fund is used for the state match for the federal traffic safety fund programs. This is a non-reverting fund.

Ignition Interlock Fund (#82600). The Ignition Interlock Fund was created by Section 66-8-102.3, NMSA 1978 for the administration of the Ignition Interlock program. This is a non-reverting fund.

Federal Planning and Development Fund (#10030). This fund is authorized by the Commission to account for the planning and administration of federal grant monies and state matching funds for mass transportation and railroad improvements. The Highway Safety Act of 1966, as amended, 23 U.S.C. 401 Et. Seq. and 23 U.S.C. 410, authorizes the establishment of this fund. The fund does not receive state general fund appropriations that are subject to reversion.

HIF Bond Fund (#20200). The Highway Infrastructure (HIF) Fund was created under Laws 1998, chapters 84 and 85. This fund is used to account for acquisition for right of ways, planning, design, engineering, construction or improvement of state highway projects. This is a non-reverting fund. The governmental fund types used by the Department were evaluated based on the provisions of GASB Statement No. 54.

Local Government Road Fund (#20300). The Local Government Road Fund was created by Section 67-3-28.2, NMSA 1978. This fund is used to account for monies received for (1) cooperative agreements program for construction and improvement of public highways and streets, and public school parking lots; (2) a municipal arterial program for construction for reconstruction of highways and streets not on the state highway systems; (3) a school bus route program for maintaining, repairing, improving and paving school bus routes, and public school parking lots; and (4) a county arterial program for construction, reconstruction, improvement and maintenance of county roads. Funding is received from state excise taxes. The fund does not receive state general fund appropriations that are subject to reversion.

State Aviation Fund (#20500). The State Aviation Fund was created by Section 64-1-15, NMSA 1978. This fund is used to account for planning, construction and maintenance of a system of airports, navigation aids and related facilities serving New Mexico. Financing is provided from all unrefunded taxes collected on the sale of motor fuel sold for use in aircraft. This is a non-reverting fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

1993 Bond Project Fund (#39400). The bond project fund was created due to the issuance of the December 1993 \$50,000,000 State of New Mexico Highway debentures. The funds from the sale of all of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations held by the State Treasurer with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1999A CHAT Bond Project Fund (#43000). The bond project fund was created due to the issuance of the October 1998 \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A and the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 issued in November 1999. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Also, proceeds can be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

WIPP Bond Project Fund (#43100). The Waste Isolation Pilot Plant (WIPP) Bond Project Fund was created under US congress Public Laws Waste Isolation Pilot Plant Withdrawal Act Public Law 102-579 of 1992 and National Defense Act Public Law 104-201 of 1997. The funds provided under these acts become state funds under the purposes specified under the acts. These funds are required to be used for road projects related to the Waste Isolation Pilot Plant in Carlsbad, New Mexico. This is a non-reverting fund. The WIPP funds were completely exhausted at the end of FY 2013. The fund has no balances in FY14 and will be closed in FY15.

2001A CHAT Bond Project Fund (#00600). The bond project fund was created due to the issuance of the March 2001 \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2002C HIF Bond Project Fund (#36100). The bond project fund was created due to the issuance of the May 2002 \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Highway Bonds Series 2002C. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2002D CHAT Bond Project Fund #11500). The bond project fund was created due to the issuance of the December 2002 \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2004A GRIP Bond Project Fund (#20400). The bond project fund was created when \$700,000,000 New Mexico State Transportation Senior Lien Revenue Bonds Series 2004A were issued through the New Mexico Finance Authority in May 2004. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversions.

2006A GRIP Bond Project Fund (#10210). The bond project fund was created due to the issuance of the September 2006 \$150,000,000 Revenue Bond Series 2006A. The 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has deemed necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

2006B GRIP Bond Project Fund (#10230). The bond project fund was created due to the issuance of the September 2006 \$40,085,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2006C GRIP Bond Project Fund (#10250). The bond project fund was created due to the issuance of the September 2006 \$220,000,000 of State Transportation, Series 2006C Revenue Bonds. The series 2006C Bonds were issued as adjustable rate securities and were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

2006D GRIP Bond Project Fund (#10270). The bond project fund was created due to the issuance of the September 2006 \$50,400,000 of State Transportation, Series 2006D Revenue Bonds. The series 2006D Bonds were issued to provide funds for an escrow account required to be maintained by the Department pursuant to a Joint Use Agreement between the Department and the BNSF Contingent Liability Fund. The fund does not receive state general fund appropriations that are subject to reversion.

2010A Bond Project Fund (#10450). The 2010A Bond Project Fund was created by the engagement of \$200,000,000 Line of Credit June 2008. The Line of Credit was engaged in with an adjustable rate and to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion. In September 2010, the Department refunded the Line of Credit with the NMFA State Transportation Revenue and Refunding Revenue Bonds Series 2010A.

ARRA Project Fund (#89000). The ARRA Project Fund was created under the American Recovery and Reinvestment Act of 2009, a federal economic stimulus program. This fund tracks the expenditure and reimbursement of projects which qualify under the terms of the Act. This is a non-reverting fund. This is a special revenue fund. This fund was closed in 2014 by the Department and is pending closure at the state level therefore not reflected in the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Capital Project Funds - Capital Project Funds are used to account for the purchase or construction of facilities used in the operation of the Department or other long term Department projects specifically appropriated by the state. Expenditures are incurred to build and improve the transportation system within the State of New Mexico.

Capital Projects Fund (#10050). The Capital Projects Fund is used to account for the purchase or construction of facilities used in the operation of the Department. It is a non-major fund. This fund reverts to the State Road Fund upon completion of the appropriation project or appropriation period.

Severance Tax Bond Appropriations Fund (#10060). The Severance Tax Bond Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable. This is a capital projects fund. Fund 10060 is being phased out to Fund 89200.

STB Capital Outlay Fund (#89200). This fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable. This is a capital projects fund.

General Fund Appropriations Fund (#10070). The General Fund Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund. The existing fund 10070 is being phased out to fund 93100.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Capital Project Funds - continued

GF Capital Outlay Fund (#93100). This fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Debt service requirements are met through the monthly transfer of vehicle and gasoline tax revenues from the State Road Fund. The Department may transfer interest earned on the other bond issues to their respective debt service funds. These funds do not receive state general fund appropriations that are subject to reversion.

1998A WIPP Bond Debt Service Fund (#97200). The fund was created when the \$100,000,000 New Mexico State Highway Commission Subordinate Lien Tax Revenue Highway Bond Series 1998B were issued in October 1998.

1998A CHAT Bond Debt Service Fund (#54800). The fund was created when the \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A were issued in October 1998.

1999 CHAT Bond Debt Service Fund (#43400). The fund was created when the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 were issued in November 1999.

2000 CHAT Bond Debt Service Fund (#43200). The fund was created when the \$201,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2000A were issued in May 2001.

2001A CHAT Bond Debt Service Fund (#00700). The fund was created when the \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A were issued in March 2001.

2002A CHAT Bond Debt Service Fund (#54700). The fund was created when the \$95,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002A were issued in January 2002.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2002B WIPP Bond Debt Service Fund (#75000). The fund was created when the \$79,920,000 New Mexico State Highway Commission Lien Tax Revenue Bonds Series 2002B were issued in January 2002.

2002C HIF Bond Debt Service Fund (#36300). The fund was created when the \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Bonds Series 2002C were issued in May 2002.

2002D CHAT Bond Debt Service Fund (#18700). The fund was created when the \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D were issued in December 2002.

2004A GRIP Bond Debt Service Fund (Fund #10080). The fund was created when the \$700,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bond Series 2004A were issued through the New Mexico Finance Authority in 2004.

2004B GRIP Bond Debt Service Fund (#10090). The fund was created when the \$237,950,000 and \$200,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bonds Series 2004B and Series 2004C were issued through the New Mexico Finance Authority in May 2004. The 2004C Revenue Bond was refunded in 2008 by the 2008A and 2008C Refunding Revenue Bonds.

2006A GRIP Bond Debt Service Fund (#10220). The fund was created when the \$150,000,000 New Mexico State Highway Commission Revenue Bonds Series 2006A were issued in September 2006.

2006B GRIP Bond Debt Service Fund (#10240). The fund was created when the \$40,085,000 New Mexico State Highway Commission Revenue Bonds Series 2006B were issued in September 2006.

2008A GRIP Bond Debt Service Fund (#10410). The fund was created when the \$115,200,000 New Mexico State Transportation Commission Revenue Bonds Series 2008A were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008B GRIP Bond Debt Service Fund (#10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2008C GRIP Bond Debt Service Fund (#10430). The fund was created when the \$84,800,000 New Mexico State Transportation Commission Revenue Bonds Series 2008C were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008D GRIP Bond Debt Service Fund (#10440). The fund was created when the \$50,400,000 New Mexico State Transportation Commission Revenue Bonds Series 2008D were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2009A Bond Debt Service Fund (#11130). The fund was created when the \$112,345,000 NMFA's State Transportation Senior Lien Refunding Revenue Bonds, Series 2009A were issued in November 2009 to refund portions of series 1998A, 1998B, 2001A, 2002A and 2002C.

2010A Bond Debt Service Fund (#11140). The fund was created when the \$174,625,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010A were issued in October 2010 to refund a portion of a borrowing under a tax-exempt line of credit with Bank of America N.A. and finance the costs of certain State Transportation Projects for the Department.

2010B Bond Debt Service Fund (#20450). The fund was created when the \$461,075,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010B were issued in October 2010 to refund portions of series 2002A, 2002C, 2002D and 2004A GRIP.

2012A Bond Debt Service Fund (#30850). The fund was created when the \$220,400,000 NMFA State Transportation Refunding Revenue Bonds Series 2012 were issued in December of 2012 to refund certain outstanding bonds of the State Transportation Commission and of the Finance Authority which were issued for the purpose of financing or refinancing projects administered by the New Mexico Department of Transportation.

2014A Bond Debt Service Fund (#11960). The fund was created when the \$70,110,000 NMFA State Transportation Subordinate Lien Revenue Bonds Series 2014A were issued in March 2014.

Enterprise Fund

State Infrastructure Bank (SIB) Fund (#89300). This fund is used to track the activities of the State Infrastructure Bank, which include funding, loans, and repayment of loans. The State Infrastructure Bank is a revolving loan fund program authorized by the NHS Act of 1997 and was originally funded with Federal Highway funds and a 25% State match.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Budgets and Budgetary Accounting

Per the General Appropriations Act of 2013, Section 3M, "For the purpose of administering the General Appropriation Act of 2013, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at year end. Appropriation periods are sometimes for periods in excess of twelve months (multiple-year appropriations). When multiple-year appropriation periods lapse, the authority for the budget also lapses, and encumbrances can no longer be charged to that budget.

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

Interfund and Interagency Transactions

Transfers which, because of budgetary or legal restrictions, must be expended by funds other than the fund initially receiving the revenue, are recorded as operating transfers in (out) under the other financing sources (uses) category (Note 11) in the governmental fund financial statements.

Restricted Cash and Cash Equivalents

The funds deposited in the debt service funds are restricted to pay future principal and interest payments. The remaining balance of the proceeds from the sale of the debentures, bonds and the NMFA loan are also classified as restricted cash because of the limited use of these funds. Proceeds of the various bond issues are also invested through the State Treasurer's Office in securities repurchase agreements with financial institutions and a money market mutual fund that invests in U.S. Treasury securities. Cash received from the Department of Energy (for the WIPP Project fund) in advance of incurring the eligible expenditures is also reflected as restricted cash because the cash can only be used on specified road projects. Cash held in the State Infrastructure Bank is restricted for use in funding loans (Note 2).

Cash and cash equivalents, for the purpose of the cash flows, has interest in the State General Fund Investment Pool of the State Treasurer's Office.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Taxes Receivable (Included as a component of Due From Other State Agencies)

Taxes receivable represent the amounts due from the New Mexico Taxation and Revenue Department for the Department's June 30 fiscal year user and fuel taxes that are received by the Department after year-end. Accordingly, no allowance for uncollectible amounts is necessary. The revenue related to taxes is recorded when the underlying transaction occurs.

Accounts Receivable

Accounts receivable consists of amounts due from various entities: individuals and other state and local agencies located within the State of New Mexico for the sale of maps, brochures and other materials; and for other services performed by the Department. It is the policy of the Department to actively pursue collections of all valid accounts receivable and to comply with Article IV, Section 32 of the New Mexico Constitution that mandates that no amounts owed to the State can be exchanged, transferred, remitted, released or postponed. As a result of this policy, the Department does not write off any receivable balances and, instead, provides an allowance for uncollectible accounts. The Department has specific procedures in place for the treatment and collection of invoices past 30, 60, 90, and 120 days and, any receivables older than 120 days are moved to the allowance account at year end. A detail listing of all uncollectible accounts is maintained and uncollectible accounts are referred to the Department's legal department for possible legal collection actions. The balance of receivables deemed uncollectible through the end of FY14 was \$4,650,124 and a net total of \$485,808 was moved to the uncollectible account during the current fiscal year. A total of \$433,829 was recovered from the uncollectible account during the current fiscal year. (Note 3)

Severance Tax Bonds Proceeds Receivable

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents expenditures incurred by the Department, but not yet reimbursed by the Board of Finance (Note 4).

Loans receivable represent:

Loans to other governmental entities made by the State Infrastructure Bank. Loans are stated at their principal amount. Interest on loans is accrued based on the daily principal balance outstanding, except when a loan has been past due for 90 days. All loans are to governmental entities and secured by certain pledged revenues. The loans are being repaid in accordance with their loan agreements. Management's evaluation of the loan portfolio has determined that no allowance for uncollectible loans is required at June 30, 2014. There are no loans past due for more than 90 days as of the end of the fiscal year which require placement on non-accrual status (Note 5).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Notes and Loans Receivable

Due From the U.S. Department of Transportation

Due from the U.S. Department of Transportation represents amounts billed and unbilled in accordance with the various grant agreements. The “billed” portion represents contract expenditures incurred and billed by the Department. The “unbilled” portion represents expenditures included in accounts payable that will be billed when paid by the Department. The “excess project costs” represents costs actually incurred on a project in excess of approved amounts. The Department provides for an allowance for uncollectible accounts in excess of project costs classification. The allowance is based on an analysis of amounts that are reasonably assured of collection (Note 6). There was no allowance for FY 2014.

Due From/To Other Funds

Due from/to other funds represent amounts due from and to other funds within the Department (Note 7) and are included in the governmental fund financial statements. Inter-fund transactions are eliminated in the accrual basis governmental-wide financial statements.

Due to State Treasurer's Office

The amount of negative cash balances are reported in the Due to State Treasurer's Office by fund.

Due to State General Fund (Reversions)

Reversions to the State General Fund by the Department are based on the definitions of both reverting and non-reverting funds. Reversions are calculated by applying the percentage of reverting fund (to total budget for the category) to the amount unexpended for the category at fiscal year-end.

Due to Local Entities

The amount due back to the locals for unearned revenue for cooperative agreement and State Infrastructure loan.

Inventory

Inventory is valued at cost using the first-in, first-out method. Special Revenue Fund inventory consists of materials used in the Department's operations.

The inventory costs are recorded as expenditures when consumed rather than when purchased. Reported inventories are equally offset in the nonspendable fund balance, which indicates that it does not constitute “available spendable resources” (Note 9) even though they are a component of current assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Prepaid Expense - NM 44 Warranty

The warranty represents the no-fault portion of 3 categories of costs that will meet performance criteria: The pavement, which originally cost \$36,100,000, is being amortized over 20 years. At the end of the fiscal year 2014 the unamortized value was \$18,050,000. The structures, which originally cost \$15,916,345 is being amortized over 11 1/2 years. At the end of the fiscal year 2014 the unamortized value was \$2,076,045. The remaining amount which originally cost \$13,564,126, is fully amortized and has no net book value after fiscal year ending June 30, 2006 when it became fully amortized. Total prepaid expense at June 30, 2014 was \$20,126,045.

Property Held for Resale

Property held for resale represents excess land acquired through condemnation and is recorded at the lower of its cost, or estimated fair value. Reported property held for resale is equally offset by the non-spendable fund balance designation, which indicates that they do not constitute "available spendable resources" even though they are a component of assets.

Capital Assets

Capital assets, which include property, plant, equipment, software in the equipment category, and infrastructure assets (which is normally immovable and of value only to the state, such as roads, streets, tunnels and similar infrastructure items), are reported in the governmental activities columns in the government-wide financial statements. The Department has no internally developed software that requires capitalization. As a result of House Bill 1074, effective date June 17, 2005, and Section 12-6-10 NMSA 1978 the State's capitalization policy threshold was changed from \$1,000 to \$5,000, requiring agencies to capitalize acquisitions greater than \$5,000. Assets purchased prior to June 17, 2005 were not removed and will continue to be depreciated. Purchased and constructed capital assets are valued at historical or estimated historical cost. The Department has not capitalized any construction period interest expense. Donated capital assets are recorded at their estimated fair value at the date of donation.

The Department records as capital assets the specific roads, tunnels and other infrastructure it owns or over which it has primary responsibility for maintenance. According to the GASB, if the Department has the primary responsibility for the asset's maintenance, then the capital asset would be recorded on its books.

An estimated historical cost of the entire infrastructure on the Department's government-wide financial statements was determined as of June 2001. The Department calculated the replacement cost as of June 30, 2001 for its entire infrastructure and then deflated the cost by use of a construction price level index maintained by the Federal Highway Administration. Accumulated depreciation at June 30, 2001 was calculated based on the estimated historical cost of the infrastructure, estimated use of the assets and using a 25 to 30-year life of the infrastructure. Current year activity is shown in Note 10 to the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets - continued

The Department follows the depreciation method to record infrastructure assets. This method requires the Department to allocate the cost of infrastructure assets over their useful lives as depreciation expense.

The Department records its other capital assets (buildings and machinery and equipment) at historical cost and depreciates the assets over their estimated useful lives. Capital assets acquired in the current year in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements.

Capital assets of the Department are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and right-of-way land. Generally, estimated useful lives are as follows:

Machinery and Equipment	7 - 14 years
Buildings and Other Improvements	40 years
Infrastructure	25 - 30 years

Compensated Absences

The Department accounts for the accumulated vacation and sick leave on the accrual basis in accordance with GASB 16. Accrued vacation up to 240 hours is recorded in the Statement of net position at 100% of the employee's hourly wage. In addition, accrued sick leave over 600 up to 720 hours less the amount classified as current is recorded in the Statement of net position at 50% of the employee's hourly wage. Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each overtime hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2013, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Long-Term Obligations

Premiums, Discounts and Issuance Costs - In the government-wide financial statements, long-term debt and other long-term obligations are presented in the column for governmental and business-type activities. The same is presented in the proprietary fund financial statements. Bond and note premiums and discounts are deferred and amortized straight line over the life of the debt. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the governmental fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as other expenditures.

Arbitrage Rebate Liability - Any arbitrage rebate is recorded as a liability when it is determined to be owed to the Internal Revenue Service.

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Net Investment in Capital Assets - is intended to reflect the portion of net position which is associated with non-liquid capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Assets - are liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory or granting agency) limitation on their use. When there is an option, the Department spends restricted resources first.

Unrestricted Assets - are all other net position that do not meet the definition of "restricted assets" or "net investment in capital assets".

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Encumbrances

With the General Appropriations Act of 2013, Section 3M establishing the modified accrual basis of accounting for governmental funds as the budgetary basis of accounting for the state of New Mexico, encumbrances related to single year appropriations lapse at fiscal year end. Appropriation periods for periods in excess of twelve months (multiple-year appropriations) lapse at the end of the appropriation period, the budget also lapses, and encumbrances can no longer be charged to that budget. Outstanding encumbrance balances for the Department's Severance Tax Bonds and Special Appropriations are shown in separate supplementary schedules. Significant unexpended encumbrance balances at 06/30/14 for other multiple year appropriation periods are as follows:

STB Capital Outlay Fund	89200	\$	16,675,075
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Nonspendable Fund Balance

The nonspendable category of fund balance consists of the net financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable categories of fund balances are summarized below:

Inventory - This category was created to represent the portion of fund balance that are noncash assets available for expenditures in future periods.

Property Held for Resale - This category was created to represent the portion of fund balance that are long-term noncash assets available for sale.

Prepaid Expenses - This category was created to represent disbursements made that cannot be reported as expenditures in the current period for GAAP purposes.

Restricted Fund Balance

The restricted category of fund balance consists of the net financial resources that are restricted by either (a) external imposition by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposition by law through constitutional provisions or enabling legislation.

Committed Fund Balance

The committed category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose as established by the highest level of decision-making authority. This fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying these contractual requirements. The Department's highest level of decision-making authority is the Legislative and Executive branches of the State of New Mexico.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Assigned Fund Balance

The assigned category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose by the Department's intent but the constraint imposed does not satisfy the criteria to be classified as restricted or committed.

Unassigned Fund Balance

The unassigned category of fund balance consists of the net financial resources that are the least constrained. In the general fund, these are amounts that have not been restricted, committed or assigned to specific purposes. In other funds, they are negative fund balances that represent shortfalls which are covered by fund balances not restricted, committed or assigned to other specific purposes.

Pledged Revenue

The Department has pledged future gasoline excise taxes, motor vehicle registration fees, special fuel excise taxes, vehicle transactions fees, driver's license fees, oversize/overweight permit fees, trip (mileage) taxes, weight distance taxes, leased vehicle gross receipts taxes, tire recycling fees and FHWA revenues, to repay \$1.44 billion in State Transportation Revenue and Refunding Bonds issued between 2004 and 2014. Proceeds from the bonds provided funding for various transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable, as well as to provide funds to refund and restructure certain outstanding bonds. The bonds are payable through 2032. Annual principal and interest payments on the bonds are expected to require less than 25% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$1.96 billion. Principal and interest paid for the current year and total pledged revenues were \$177,662,569 and \$757,912,440, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Eliminations

Total columns in the governmental fund financial statements are captioned "Total (Governmental Funds)" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operation or changes in financial position of the Department as a whole in conformity with generally accepted accounting principles. Eliminations of intra-fund transfers have not been made in the aggregation in the governmental fund financial statements. Due from/to other funds and intra-fund transfers have been eliminated in the government-wide financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The Department has two items that qualify for reporting in this category. They are the deferred loss on refunding and the fair value of the SWAP agreements deemed effective per GASB 53.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.

The Department reports Deferred Inflows of Resources in the fund financial statements. Deferred Inflows of Resources arise when potential revenue does not meet both the “measureable” and “available” criteria for recognition in the current period (fund financial statements). Deferred Inflows of Resources also arise when resources are unearned by the Department and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures (fund financial statements and government-wide financial statements). In subsequent periods, when both revenue recognition criteria are met, or when the Department has a legal claim to the resources, the liability for Deferred Inflows of Resources is removed from the applicable financial statement and revenue is recognized.

2. CASH AND CASH EQUIVALENTS

The Department has two types of cash equivalents--those that are deposited with the State Treasurer's Office and those that are held with trustees that are managed by NMFA.

Cash equivalents on deposit with State Treasurer's Office

For cash management and investment purposes, funds of various state agencies are deposited in the State General Fund Investment Pool (the Pool), which is managed by the Office of the New Mexico State Treasurer. Claims on the Pool are reported as assets by the various agencies investing in the Pool.

In June 2012, an independent diagnostic report revealed that Pool balances had not been reconciled at a "business unit by fund" level since the inception of the Statewide Human Resources, Accounting, and Management Reporting System (SHARE) system in July 2006. This report, entitled "Current State Diagnostic of Cash Control," also described a difference between Pool bank balances and the corresponding general ledger balances and indicated that the effect of reconciling items were unknown. The report, dated June 20, 2012, is available on the website of the New Mexico Department of Finance & Administration at: http://www.nmdfa.state.nm.us/Cash_Control.aspx.

By state statute, the New Mexico Department of Finance and Administration (DFA) is responsible for the performance of monthly reconciliations with the balances and accounts kept by the State Treasurer. Therefore, under the direction of the State Controller / Financial Control Division Director, the Financial Control Division (FCD) of the New Mexico Department of Finance & Administration undertook action to address the situation. DFA/FCD initiated the Cash Management Remediation Project (Remediation Project) in partnership with the Office of the New Mexico State Treasurer, the New Mexico Department of Information Technology, and a contracted third party with expertise in the Enterprise System Software used by the State.

The Remediation Project objective was to design and implement changes necessary to ensure ongoing completion of timely, accurate and comprehensive reconciliation of the Pool. DFA has or is in the process of implementing all the recommendations resulting for the Remediation Project and has made changes to the State's SHARE system configuration, cash accounting policies and procedures, business practices, and banking structure. This has enabled DFA to complete timely and accurate reconciliation of bank to book balances at the State and Business Unit level on a post-implementation basis, however it did not resolve historical reconciling items. Additional changes recommended by the Project continue to be cascaded through DFA and state agencies to support the Business Unit by Fund accounting requirements.

The Department is aware that the General Fund Investment Pool balances have not been reconciled at the Agency and Fund level by the Department of Finance and Administration. However, the Department has established its own internal reconciliation policies and procedures to mitigate the risk that our cash balances would be misstated as of June 30, 2014. The Department is confident that our reconciliation process ensures all incoming and outgoing cash transactions are properly identified and that they are timely and accurately recorded in the financial system. Recording is not final until approved by the State Treasurers Office who compares the recorded transactions against validated bank deposit slips provided to them by the State's Fiscal Agent Bank. Our agency then compares all deposits to financial system cash transaction and general ledger reports to ensure they have been properly and thoroughly recorded.

2. CASH AND CASH EQUIVALENTS (continued)

Cash equivalents on deposit with State Treasurer's Office (continued)

Similarly, incoming wire transfers and operating cash transfers originating outside our agency and received by the State's Fiscal Agent Bank are identified, reviewed and verified to ensure they are properly authorized, recorded, reported and reconciled to source documents. All outgoing cash transactions are pre-audited for compliance, accuracy and authority before they are approved, paid and recorded in the financial system. These transactions are then verified and reconciled to financial system cash transaction and general ledger reports to ensure they have been properly and thoroughly recorded. Finally, cash management is vital to the Department's daily operations and our agency's CFO monitors cash on an ongoing basis and performs analytical reviews for reasonableness, expected results and trends. Unusual balances and activities are researched and resolved to ensure the accuracy and integrity of our cash balances.

A plan to address historical reconciling items is being assessed and a separate initiative will need to be undertaken to resolve the historical reconciling items. Management considers it unlikely that this separate initiative will be successful in allocating any of the historical reconciling items to the State entities invested in the Pool. As a result, any remaining differences will be reported in the State General Fund.

At June 30, 2014 the Department had the following invested in the General Fund Investment Pool:

General Fund Investment Pool	<u>\$ 238,955,834</u>
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Interest Rate Risk. The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk. The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2014.

Concentration of Credit Risk. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk.

2. CASH AND CASH EQUIVALENTS (continued)

Cash equivalents on deposit with State Treasurer's Office (continued)

The reconciled balances at June 30, 2014, are as follows:

	Fund Number	Amount (+)	Amount (-)
Cash:			
<i>Unrestricted</i>	20100	\$ 2,100	
Balance Sheet - Governmental Funds Cash, Unrestricted and Statement of net position Cash, Unrestricted		<u>\$ 2,100</u>	

	Fund Number	Amount (+)	Amount (-)
Cash Equivalents:			
<i>Restricted:</i>			
2001A CHAT Bond Project Fund	00600	\$ 4,737,841	\$ -
2001A CHAT Bond Debt Service Fund	00700	234,752	
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	9,783,431	
Federal Planning and Development	10030	-	652,390
State Road Fund(s)	10040, 10140, 20100, 82000	121,762,395	11,341,624
Capital Projects Fund	10050	22,847,198	
STB Appropriations Fund	10060	-	2,091,146
General Fund Appropriations	10070	466,257	
2006A GRIP Bond Project Fund	10210	324,974	
2006B GRIP Bond Project Fund	10230	49,671	
2010A Bond Project Fund	10450	-	1,196,171
2002D CHAT Bond Project Fund	11500	639,723	
2002D CHAT Bond Debt Service Fund	18700	12,862	
HIF Bond Fund	20200	10,075,346	
Local Government Road Fund	20300	22,250,610	
2004A GRIP Bond Project Fund	20400	112,078	
State Aviation Fund	20500	17,007,619	
2002C HIF Bond Project Fund	36100	1,309,468	
2002C HIF Bond Debt Service Fund	36300	62,499	
1993 Bond Project Fund	39400	1,601,278	

2. CASH AND CASH EQUIVALENTS (continued)

Cash equivalents on deposit with State Treasurer's Office (continued)

1999A CHAT Bond Project Fund	43000	2,126,588	
WIPP Bond Project Fund	43100	1,887,265	
2000 CHAT Bond Debt Service Fund	43200	204,933	
1999 CHAT Bond Debt Service Fund	43400	267,318	
2002A CHAT Bond Debt Service Fund	54700	83,920	
1998A CHAT Bond Debt Service Fund	54800	142,176	
2002B WIPP Bond Debt Service Fund	75000	111,379	
STB Capital Outlay Fund	89200	-	196,819
GF Capital Outlay	93100	98,814	
1998A WIPP Bond Debt Service Fund	97200	14,570	
Balance Sheet - Governmental Funds Cash Equivalents, Restricted		<u>218,214,965</u>	

State Infrastructure Bank:

Restricted Cash Equivalents	89300	<u>20,740,869</u>	
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Statement of net position Cash Equivalents, Restricted

\$ 238,955,834

Balance Sheet-Governmental Funds and Statement of net position included in Due to Other Agencies (See Note 12)

\$ 15,478,150

State law requires that repurchase agreements be secured by collateral with a market value greater than 102% of the value of the agreement. The securities are held by a third party in the Department's name. The fair value of the repurchase agreement approximates the cost at June 30, 2014.

Cash equivalents managed by New Mexico Finance Authority

Money market funds are managed by New Mexico Finance Authority (fiscal agent) and held by State Treasurer authorized bank accounts at Bank of Albuquerque and Bank of New York as trustees and paying agents for Department. The sources of funds are bond proceeds and other debt service requirements. These funds are invested in short-term money market accounts that invest in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations in accordance with state law. The trustees are also permitted to purchase U.S. Treasury obligations.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of failure of the counterparty, the Department will not be able to recover the value of its collateral securities that are in the possession of an outside party. All are fully collateralized and the collateral is held in the Department's name.

2. CASH AND CASH EQUIVALENTS (continued)

Credit Risk. The Authority's investments shall be in accordance with State Law, 6-10-10 and 6-10-10.1 NMSA 1978, including but not limited to the following: Treasury Bills, Notes, Bonds, Strips and U.S. Government.

Concentration of Credit Risk. Concentration of credit risk is defined as investments of more than 5% in any one issuer. The Department is not susceptible to concentration of credit risk.

Interest Rate Risk. Interest rate risk is the risk that interest rate fluctuations may adversely affect an investment's fair value. The prices of securities fluctuate with market interest rates and the value of securities held in a collateral portfolio will decline if market interest rates rise. In this event, the financial institution is required to provide additional collateral necessary to comply with New Mexico State Statute. Therefore, funds are not susceptible to interest rate risk as they are all fully collateralized.

	Fund Number	Amount
Cash Equivalents:		
<i>Managed by NMFA:</i>		
State Road Fund(s)	10040 and 20100	\$ 65,032
2004A GRIP Bond Debt Service Fund	10080	511,801
2004B GRIP Bond Debt Service Fund	10090	3,247,843
2006A GRIP Bond Project Fund	10210	162,283
2006A GRIP Bond Debt Service Fund	10220	34,335
2006B GRIP Bond Project Fund	10230	10,386
2006B GRIP Bond Debt Service Fund	10240	6,957
2006C GRIP Bond Project Fund	10250	179,148
2008A GRIP Bond Debt Service Fund	10410	5,011,289
2008B GRIP Bond Debt Service Fund	10420	6,804,596
2008C GRIP Bond Debt Service Fund	10430	1,735,646
2008D GRIP Bond Debt Service Fund	10440	1,782,221
2010A Bond Project Fund	10450	17,780,385
2009A Bond Debt Service Fund	11130	50,116
2010A/LOC Bond Debt Service Fund	11140	177,102
2014A Bond Debt Service Fund	11960	171,368
2014A Bond Project Fund	11970	80,001,750
2010B GRIP Bond Debt Service Fund	20450	204,070
2012A Bond Debt Service Fund	30850	65,721

**Balance Sheet - Governmental Funds and Statement
of net position Cash Equivalents, Managed by NMFA**

\$ 118,002,049

3. ACCOUNTS RECEIVABLE

The aging of accounts receivable as of June 30, 2014 is as follows:

<u>Number of Days Outstanding</u>	
0 - 30	\$ 174,280
31 - 60	128,952
61 - 120	1,102,161
Beyond 120	9,847,335
	<u>11,252,728</u>
Allowance for uncollectible accounts	<u>(4,650,124)</u>
	<u><u>\$ 6,602,604</u></u>

4. SEVERANCE TAX BOND PROCEEDS RECEIVABLE

Severance tax bonds proceeds receivable as of June 30, 2014, appropriated to the Department, were held by the State Board of Finance to reimburse expenditures incurred by the Department. The activity of this account is as follows:

Balance, beginning of year	\$ 45,049,690
Sale and reauthorization of severance tax bonds	25,206,457
Funding from the State Board of Finance	(13,769,709)
Reversion to the State Board of Finance	<u>(1,824,038)</u>
Balance, end of year	<u><u>\$ 54,662,400</u></u>

The funding for the year ended June 30, 2014 was received under the Laws of 2007, Chapter 3; Laws of 2008, Chapter 9; Laws of 2009, Chapter 7; Laws of 2010, Chapter 105; Laws of 2011, Chapter 183; and Laws of 2012, Chapters 63 and 64 for projects completed ; Laws of 2013, Chapters 92 and 226.

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs and are recorded as revenues by the Department. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents the amounts due and available from the State Board of Finance as of year-end.

Receivable at year end (Note 8)	<u><u>\$ 5,412,590</u></u>
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5. NOTES AND LOANS RECEIVABLE

Loans receivable funded by the SIB consist of the following:

A three (3) year State Infrastructure Bank note receivable from Silver City at 1% interest secured by water and sewer funds.

\$ 180,000

6. DUE FROM U.S. DEPARTMENT OF TRANSPORTATION

Due from U.S. Department of Transportation (USDOT) consists of the following at June 30, 2014:

Agency

Federal Highway Administration	\$ 39,833,098
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Less allowance for uncollectible amounts	<u>-</u>
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Total Federal Highway Administration	39,833,098
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Other USDOT Agencies	<u>8,274,342</u>
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Total USDOT	<u><u>\$ 48,107,440</u></u>
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS

These amounts represent interfund receivables and payables arising from the interfund transactions within the Department. Due from/to other funds occur for the following reasons:

- 1) One Fund pays expenditures on behalf of other funds.
- 2) One Fund receives revenue on behalf of other funds.

Interfund receivables and payables as of June 30, 2014 consist of the following:

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
General Funds:				
State Road Fund(s)	10040 and 20100	\$ 7,955,572	\$ 3,071,595	\$ 4,883,977
Total General Funds		<u>7,955,572</u>	<u>3,071,595</u>	<u>4,883,977</u>
Special Revenue Funds:				
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	\$ 45,377	\$ 150,609	
Federal Planning and Development	10030	-	1,100	
HIF Bond Fund	20200	1	-	
WIPP Bond Project Fund	43100	-	1,887,265	
Total Special Revenue Funds		<u>45,378</u>	<u>2,038,974</u>	<u>(1,993,596)</u>
Debt Service Funds:				
2001A CHAT Bond Debt Service Fun	00700	1,651,520	-	
2006B GRIP Bond Debt Service Func	10240	-	2,045	
2008AGRIP Bond Debt Service Fund	10410	2,045	1,371,193	
2008B GRIP Bond Debt Service Func	10420	250	6,409,295	
2008C GRIP Bond Debt Service Func	10430	-	1,009,166	
2008D GRIP Bond Debt Service Func	10440	-	1,267,688	
2010A Bond Debt Service Fund	11140	-	133,843	
2014A Bond Debt Service Fund	11960	-	1	
2012A Bond Debt Service Fund	30850	-	611	
2000 CHAT Bond Debt Service Fund	43200	1,184,452	-	
1999 CHAT Bond Debt Service Fund	43400	750,144	-	
2002A CHAT Bond Debt Service Fun	54700	690,434	-	
1998A CHAT Bond Debt Service Fun	54800	86,180	-	
2002B WIPP Bond Debt Service Fun	75000	702,644	-	
1998 WIPP Bond Debt Service Fund	97200	199,253	-	
Total Debt Service Funds		<u>5,266,922</u>	<u>10,193,842</u>	<u>(4,926,920)</u>
Capital Projects Funds:				
STB Appropriations Fund	10060	2,428,585	1,455	
STB Capital Outlay Fund	89200	-	390,591	
Total Capital Projects Funds		<u>2,428,585</u>	<u>392,046</u>	<u>2,036,539</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS - continued

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
Enterprise Funds:				
Total Enterprise Funds		-	-	-
Total Interfund Receivables and Payables		\$ 15,696,457	\$ 15,696,457	\$ -
Summary				
Total General Fund(s) - net				\$ 4,883,977
Total Special Revenue Funds - net				(1,993,596)
Total Debt Service Funds - net				(4,926,920)
Total Capital Projects Funds – net				2,036,539
Total Governmental – net				-
Total Enterprise Funds – net				-
Total All Funds				\$ -

8. DUE FROM OTHER AGENCIES

Fund Description	Fund Number	Sub-total	Total	Due From
State Road Fund	20100	\$ 4,348		Department of Public Safety
Total reversions due			4,348	
State Road Fund	20100	63,394,599		Taxation and Revenue Department
HIF Bond Fund	20200	1,160,398		Taxation and Revenue Department
Local Government Road Fund	20300	3,648,645		Taxation and Revenue Department
State Aviation Fund	20500	1,005,324		Taxation and Revenue Department
Motorcycle Training Fund	20600	16,080		Taxation and Revenue Department
DWI Prevention and Education Fund	20700	44,030		Taxation and Revenue Department
Traffic Safety Fund	20800	18,024		Taxation and Revenue Department
Ignition Interlock Fund	82600	42,000		Taxation and Revenue Department
Total taxes due			69,329,100	
2001A CHAT Bond Project Fund	00600	361		State Treasurer's Office
2001A CHAT Bond Debt Service Fund	00700	18		State Treasurer's Office
2002D CHAT Bond Project Fund	11500	49		State Treasurer's Office
2002D CHAT Bond Debt Service Fund	18700	1		State Treasurer's Office
State Road Fund	20100	8,249		State Treasurer's Office
HIF Bond Fund	20200	737		State Treasurer's Office
Local Government Road Fund	20300	1,675		State Treasurer's Office
State Aviation Fund	20500	1,299		State Treasurer's Office

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

8. DUE FROM OTHER AGENCIES - continued

Fund Description	Fund Number	Sub-total	Total	Due From
Motorcycle Training Fund	20600	4		State Treasurer's Office
Traffic Safety Fund	20800	49		State Treasurer's Office
2002C HIF Bond Project Fund	36100	100		State Treasurer's Office
2002C HIF Bond Debt Service Fund	36300	5		State Treasurer's Office
1993 Bond Project Fund	39400	122		State Treasurer's Office
1999A CHAT Bond Project Fund	43000	162		State Treasurer's Office
2000 CHAT Bond Debt Service Fund	43200	16		State Treasurer's Office
1999 CHAT Bond Debt Service Fund	43400	20		State Treasurer's Office
2002A CHAT Bond Debt Service Fund	54700	6		State Treasurer's Office
1998A CHAT Bond Debt Service Fund	54800	11		State Treasurer's Office
2002B WIPP Bond Debt Service Fund	75000	8		State Treasurer's Office
1998A WIPP Bond Debt Service Fund	97200	1		State Treasurer's Office
Total accrued interest due			12,893	
STB Appropriations Fund	10060	511,456		DFA Board of Finance
STB Capital Outlay Fund	89200	4,901,134		DFA Board of Finance
Total reimbursement due			5,412,590	
State Road Fund	20100	27		Human Services Department
State Road Fund	20100	488		Department of Health
State Road Fund	20100	27		Higher Education Department
Total reimbursement due			542	
Total due from other agencies--government funds only			74,759,473	
SIB Interest accrued from Local Gov't Investment Pool			1,579	
Total due from other agencies--government wide only			<u>\$ 74,761,052</u>	

9. INVENTORY

Inventory as of June 30, 2014 consists of the following:

Highway maintenance materials stockpiled	\$ 8,351,701
Repair Parts and expendable supplies	5,473,392
Fuel, oil and lubricants	901,043
	<u>\$ 14,726,136</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

10. CAPITAL ASSETS

A summary of changes in capital assets for fiscal year ended June 30, 2014 follows:

	Beginning Balance		Adjustments &	
	June 30, 2013	Additions	Transfers	Retirements
Non-depreciable assets:				
Construction in Progress	193,763,345	\$ 309,002,498	\$ -	\$ -
Rail System Infrastructure - Right of Way	77,252,100	-	-	-
Land	5,177,044	-	-	-
Right of Way	410,881,931	-	(22,464)	-
Total non-depreciable assets	687,074,420	309,002,498	(22,464)	-
Depreciable assets:				
Infrastructure	14,610,934,713	-	-	(500,585,387)
Automotive and Major Road Fund Equipment	202,599,261	18,081,927	97,038	(7,801,924)
Rail System Infrastructure	367,768,679	-	-	-
Buildings	48,367,059	494,683	(737,101)	(6,851)
Equipment and furniture	29,351,499	2,195,910	815,112	(571,992)
Library	102,614	-	-	-
Total depreciable assets	15,259,123,825	20,772,520	175,049	(508,966,154)
Total Assets	15,946,198,245	329,775,018	152,585	(508,966,154)
Less Accumulated Depreciation:				
Infrastructure	(9,068,236,026)	(610,908,662)	-	500,585,387
Automotive and Major Road Fund Equipment	(146,919,029)	(10,464,927)	10,590	7,599,593
Rail System Infrastructure	(76,190,674)	(14,710,748)	-	-
Buildings	(27,881,826)	(797,603)	-	1,616
Equipment and furniture	(23,412,345)	(1,836,966)	5,160	411,385
Library	(102,614)	-	-	-
Total Accumulated Depreciation	(9,342,742,514)	(638,718,906)	15,750	508,597,981
Net Total	\$ 6,603,455,731	\$ (308,943,888)	\$ 168,335	\$ (368,173)

There were no software costs to capitalize as of year-end. Depreciation and amortization was allocated to the following functions:

Depreciation:

Programs and infrastructure	\$ 610,908,662
Transportation and highway operations	14,710,748
Program support	13,099,496
	<u>638,718,906</u>

Amortization

Total depreciation and amortization	<u><u>\$ 641,907,936</u></u>
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10. CAPITAL ASSETS (continued)

CIP Reclassifications	Ending Balance June 30, 2014
\$ (328,331,940)	\$ 174,433,903
-	77,252,100
-	5,177,044
9,014,418	419,873,885
(319,317,522)	676,736,932
319,317,522	14,429,666,848
-	212,976,302
-	367,768,679
-	48,117,790
-	31,790,529
-	102,614
319,317,522	15,090,422,762
-	15,767,159,694
-	(9,178,559,301)
-	(149,773,773)
-	(90,901,422)
-	(28,677,813)
-	(24,832,766)
-	(102,614)
-	(9,472,847,689)
\$ -	\$ 6,294,312,005

11. OPERATING TRANSFERS

Transfers within the Agency:

	State Road Fund(s) (Multi)	Federal Planning & Development Fund (SHARE 10030)	STB Appropriations Fund (SHARE 10060)	Motorcycle Training Fund (SHARE 20600)	STB Capital Outlay Fund (SHARE 89200)
(1)	\$ (2,098,794)	\$ -	\$ 2,098,794	\$ -	\$ -
(2)	(1,290,446)	1,290,446	-	-	-
(3)	-	-	120,200	-	(120,200)
(4)	3,529	-	-	(3,529)	-
(5)	(2,669,367)				
	<u>\$ (6,055,078)</u>	<u>\$ 1,290,446</u>	<u>\$ 2,218,994</u>	<u>\$ (3,529)</u>	<u>\$ (120,200)</u>

- (1) Transfer from State Road Fund to Severance Tax Bond Fund
- (2) Transfer from State Road Fund to Federal Planning and Development Fund
- (3) Transfer retainage from expiring Severance Tax Bond Fund to STB Capital Outlay Fund
- (4) Transfer excess money from the Motorcycle Training Fund to the State Road Fund per Section 6-10-10 NMSA 1978
- (5) Transfer from State Road Fund to the WIPP Bond Project Fund

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

WIPP Bond Project Fund (SHARE 43100)	Total all Intra-agency Transfers
	\$ -
	-
	-
	-
2,669,367	-
<u>\$ 2,669,367</u>	<u>\$ -</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

Transfers outside of Agency:

	State Road Fund(s) (Multi)	2014A Bond Debt Service Fund (SHARE 11960)	2014A Bond Project Fund (SHARE 11970)	Ignition Interlock (SHARE 82600)	GF Capital Outlay (SHARE 93100)	Total all Inter-agency Transfers
(5)	\$ -	\$ -	\$ -	\$ 300,000	\$ -	\$ 300,000
(6)	-	-	70,110,000	-	-	70,110,000
(7)	-	642,347	9,890,000	-	-	10,532,347
(8)	-	(249,878)	-	-	-	(249,878)
(9)	(5,839,953)	-	-	-	-	(5,839,953)
(10)	-	-	-	-	(98,813)	(98,813)
	<u>\$ (5,839,953)</u>	<u>\$ 392,469</u>	<u>\$ 80,000,000</u>	<u>\$ 300,000</u>	<u>\$ (98,813)</u>	<u>\$ 74,753,703</u>

- (5) Annual Transfer in From Department of Finance
(6) Receipt of Principal Amount of 2014A Bonds
(7) Receipt of Premium on 2014A Bonds
(8) Transfer of Cash for Cost of Issuance for 2014A Bonds
(9) Transfers made to Department of Public Safety (less reversions)
(10) Due to DFA - State General Fund for Unexpended Appropriations

Governmental Funds - Reconciling Items (Bond Proceeds) (80,642,347)

Net transfers to (from) other state agencies \$ (5,888,644)

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

12. DUE TO OTHER AGENCIES

Fund Description	Fund Number	Due To	Total
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	Bernalillo County Metro Court	\$ 15,209
Federal Planning and Development	10030	Due to State Treasurer's Office	652,390
STB Appropriations Fund	10060	Due to State Treasurer's Office	2,091,146
		Board of Finance	5,843
2010A Bond Project Fund	10450	Due to State Treasurer's Office	1,196,171
State Road Fund(s)	10040 and 20100	Department of Finance	2,536
		Due to State Treasurer's Office	11,341,624
STB Capital Outlay Fund	89200	Due to State Treasurer's Office	196,819
Total due to other agencies			<u><u>\$ 15,501,738</u></u>
		Due to State Treasurer's Office	\$ 15,478,150
		Bernalillo County Metro Court	15,209
		Department of Finance	2,536
		Board of Finance	5,843
			<u><u>\$ 15,501,738</u></u>

13. DUE TO LOCAL GOVERNMENTS

Fund Description	Fund Number	Due To	Total
General Funds:			
State Road Fund(s)	10040 and 20100	City of Las Cruces	\$ 68,084
Total General Fund			<u>68,084</u>
Enterprise Funds:			
State Infrastructure Fund	89300	Silver City	180,000
Total Enterprise Funds			<u>180,000</u>
Total Due to Local Governments			<u><u>\$ 248,084</u></u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

14. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2014:

Governmental Activities	Balance at June 30, 2013	Increase	Decrease	Ending Balance June 30, 2014	Amounts due within one year
2004A GRIP Bonds	\$ 80,615,000	\$ -	\$ (19,360,000)	\$ 61,255,000	\$ 61,255,000
2004B GRIP Bonds	29,740,000	-	(29,740,000)	-	-
2006A GRIP Bonds	83,525,000	-	(255,000)	83,270,000	3,715,000
2006B GRIP Bonds	25,405,000	-	(1,320,000)	24,085,000	1,375,000
2008A GRIP Bonds	115,200,000	-	-	115,200,000	-
2008B GRIP Bonds	220,000,000	-	-	220,000,000	-
2008C GRIP Bonds	84,800,000	-	-	84,800,000	-
2009A Refunding Bonds	26,155,000	-	(11,075,000)	15,080,000	4,820,000
2010A Refunding Bonds	145,460,000	-	(38,225,000)	107,235,000	12,015,000
2010B Refunding Bonds	451,435,000	-	(6,635,000)	444,800,000	-
2012 Refunding Bonds	217,455,000	-	-	217,455,000	900,000
2014A Revenue Bonds	-	70,110,000	-	70,110,000	-
Debentures	1,479,790,000	70,110,000	(106,610,000)	1,443,290,000	84,080,000
Compensated absences payable	5,884,241	5,338,910	(5,263,033)	5,960,118	5,960,118
Total obligations	1,485,674,241	\$ 75,448,910	\$ (111,873,033)	1,449,250,118	\$ 90,040,118
Less current portion	(112,494,241)			(90,040,118)	
Net long-term obligations	<u>\$ 1,373,180,000</u>			<u>\$ 1,359,210,000</u>	
Unamortized bond premium	\$ 140,591,472	\$ 10,532,347	\$ (14,152,120)	\$ 136,971,699	\$ 13,086,464

As discussed in Note 1, Deferred amount on refunding is presented as a deferred outflow of resources on the financial statements and is not presented net of related debentures.

Governmental Activities	Balance at June 30, 2013	Increase	Decrease	Ending Balance June 30, 2014	Amounts due within one year
Deferred outflow of resources	\$ 85,651,424	-	(7,377,654)	\$ 78,273,770	7,377,654

14. LONG-TERM OBLIGATIONS - continued

The State Road Fund (#20100) is used to liquidate other long-term liabilities, such as compensated absences and capital leases. The Department is authorized to issue bonds from time to time, payable from the proceeds of the collection of gasoline excise taxes, motor vehicle registration fees, and other fees that are required by law to be paid into the State Road Fund and not otherwise pledged solely to the payment of outstanding bonds and debentures. The total aggregate outstanding bonds issued are in accordance with the authorizing legislation for the bonds and other debt with the approval of the State Board of Finance, which includes Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA) (1978), as amended; and the Supplemental Public Securities Act constituting Sections 6-15-8 through 6-14-11 of the NMSA (1978), as amended.

Series 2004A GRIP

The Department issued \$700,000,000 through the New Mexico Finance Authority's (NMFA) State Transportation Revenue Bonds (Senior Lien), Series 2004A, in May 2004. The gross proceeds to the Department were \$738,787,815, including \$43,556,815 of an original issue premium. The cost of issuance including underwriter fees was \$6,368,367. The Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Series 2004A Bonds were issued to provide funds for certain transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable.

The Department is responsible for the NMFA issuance costs and must annually pay the NMFA 25 basis points on the outstanding principal balance. Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.80% to 5.25% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

In October 2010, \$451,690,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

In December 2012, \$167,695,000 was refunded by the 2012 Refunding Revenue Bonds.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$3,215,888, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2004A GRIP:			
2015	\$ 61,255,000	\$ 3,215,888	\$ 64,470,888
Total	<u>\$ 61,255,000</u>	<u>\$ 3,215,888</u>	<u>\$ 64,470,888</u>

14. LONG-TERM OBLIGATIONS - continued

Series 2004B GRIP

The Department issued \$237,950,000 of bonds through the New Mexico Finance Authority's (NMFA) State Transportation Refunding Revenue Bonds (Subordinate Lien), Series 2004B, in May 2004. The gross proceeds to the Department were \$254,297,187, including \$16,347,187 of an original issue premium. The cost of issuance including underwriter fees was \$2,196,442.

The Series 2004B Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund and restructure certain outstanding bonds of the NMFA and the Commission.

On June 16, 2014, the Series 2004B GRIP Bonds were retired with the \$29,740,000 principal payment.

14. LONG-TERM OBLIGATIONS - continued

Refundings

NMFA, on behalf of the Department, has issued multiple series of refunding bonds in prior years to advance refund certain older debt issues of the Department. The net proceeds of those issuances less any new amounts borrowed plus, at times, additional funds provided by the Department, were used to purchase U. S. Governmental securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the older debt issues. As a result, the advance refundings of the older debt are considered to be defeased and the liability for those bonds has been removed from long-term obligations. The bonds outstanding of \$66,040,000 were considered defeased in substance as of June 30, 2014.

The cumulative deferred amount on the refundings of \$78,273,770, recorded, as a deferred outflow, is the difference between the reacquisition price (funds required to refund the old debt including call provisions) and the net carrying amount of the old debt. The deferred amount on the refunding is recorded to the government-wide financial statements and is required to be amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Derivative Instruments

At the time of the 2004 GRIP bond issuance, NMFA, on behalf of the Department, entered into interest rate exchange agreements ("swaps") with respect both to the adjustable rate bonds then issued and the adjustable rate bonds anticipated to be issued in 2006. All of the 2004 adjustable rate bonds were hedged at issuance with immediately-starting swaps and approximately one-half of the anticipated total 2006 issuance was hedged with forward-starting swaps that became effective in 2006.

In all of the swaps, NMFA, on behalf of the Department, receives a variable-interest rate payment based on an index, and makes a fixed-rate interest payment. This arrangement has the effect of converting the variable rate bonds to "synthetic fixed-rate" issues.

As in the case of the GRIP bonds, NMFA has entered into the swaps as an agent for the Department. These swap agreements remained in effect following the 2008 refunding and reissuance of the 2004 and 2006 adjustable rate bonds as Variable Rate Demand Notes (the 2008A through D series).

Objectives of the Swaps

The objective in entering into the swap agreements was to obtain a lower interest cost for the 2004 bonds than could have been obtained at the time had they been issued as fixed-rate bonds. With respect to the planned 2006 issuance, NMFA believed in 2004 that it would be desirable to "lock in" a synthetic fixed rate of 5% or less for a portion of the bonds anticipated to be issued in 2006.

14. LONG-TERM OBLIGATIONS - continued

Significant Terms

2004 Swaps:

<u>Counterparty</u>	<u>Royal Bank of Canada</u>	<u>Goldman Sachs</u>	<u>Deutsche Bank</u>
Notional Amount	\$100,000,000	\$50,000,000	\$50,000,000
Receipt Rate	68 % of 1 month LIBOR	68 % of 1 month LIBOR	68 % of 1 month LIBOR
Payment Rate (Synthetic Fixed Rate)	3.934%	3.934%	3.934%
Embedded Option(s)	None	None	None
Effective Date	May 20, 2004	May 20, 2004	May 20, 2004
Termination Date:	June 15, 2024	June 15, 2024	June 15, 2024

2006 Forward Starting Swaps:

<u>Counterparty</u>	<u>JP Morgan Chase Bank</u>	<u>UBS AG</u>
Notional Amount	\$110,000,000	\$110,000,000
Receipt Rate	SIFMA Municipal Swap Index	SIFMA Municipal Swap Index
Payment Rate	5.072%	5.072%
Embedded Option(s)	"Knockout" option – Counterparty may cancel if the index remains above 7% for more than 180 days	"Knockout" option – Counterparty may cancel if the index remains above 7% for more than 180 days
Option premium to NMFA	0.34%	0.34%
Net payment rate ("Synthetic Fixed Rate"), equals the payment rate less option premium	4.732%	4.732%
Effective Date	December 15, 2006	December 15, 2006
Termination Date:	December 15, 2026	December 15, 2026

No cash was paid or received at the initiation of any of the above swaps.

14. LONG-TERM OBLIGATIONS - continued

Fair Value

The estimated fair value of the swaps at June 30, 2014 was as follows:

Counterparty	Notional Value	Fair Value *
Goldman Sachs	\$ 50,000,000	\$ (9,841,156)
Deutsche	50,000,000	(9,841,156)
Royal Bank of Canada	100,000,000	(19,682,312)
JPMorgan Chase Bank	110,000,000	(28,338,849)
UBS AG	110,000,000	(28,338,849)
	<u>\$ 420,000,000</u>	<u>\$ (96,042,322)</u>

* The Fair Value is the estimated amount that would have been received by or paid by the Department if the agreements had been terminated at June 30, 2014 under the terms of the agreement. This value is the net present value of the receipts and payments anticipated to be made pursuant to the agreements. The net present values are calculated based on discount rates indicated by actual swap transactions that occurred on or around June 30, 2014. Negative amounts indicate payments that would have been made by the Department to the counterparties.

The SWAPs Fair Value are disclosed as a liability for the year ended June 30, 2014 in the amount of \$96,042,322.

Management evaluated the effectiveness of the SWAP agreements and found Goldman Sachs, Deutsche and Royal Bank of Canada to be ineffective in the prior year. As a result, the change in Fair Value of the ineffective SWAPs are reported as income in the amount of \$566,537. The remaining effective SWAPs are deemed a hedge and reported as a deferred outflow of resources in the amount of \$56,677,698, which consists of the JP Morgan Chase Bank and UBS AG SWAP agreements.

Associated Debt

Variable Rate Debt*	2014 Debt Service				Net Variable Made (Received)	Total Net Interest Paid	Effective Interest Rate
	Par Value	Principal	Fixed Interest				
Series 2008A and C	\$ 200,000,000	\$ -	\$ 7,846,144		\$ 1,058,264	\$ 8,904,408	4.452%
Series 2008B	220,000,000	-	11,127,404		97,776	11,225,180	5.102%

* The interest and swap payments for these bonds include the payments for the 2004 and 2006 Series bonds that the 2008 series bonds replaced during the prior fiscal year.

The interest includes amounts paid within the fiscal year without regard to the costs associated with the swap collateral (Taxable) Line of Credit.

14. LONG-TERM OBLIGATIONS - continued

Risks

Credit Risk. Credit risk is the possibility that a counterparty will not fulfill its obligations.

The credit ratings of the counterparties, at June 30, 2014, were:

	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
Royal Bank of Canada	Aa3	AA-	AA
Goldman Sachs	Aa2	AAA	N/A
Deutsche Bank	A2	A	A+
JP Morgan Chase	Aa3	A+	A+
UBS AG	A2	A	A

Presently, the Department has no exposure to loss with respect to the counterparties, as the termination values of the swaps are negative. That is, no amounts would be owed to the Department if any swaps were terminated at present. Each swap agreement contains provisions requiring the posting of collateral in the event that termination values exceed certain amounts. Termination values currently exceeded these limits, and, accordingly, collateral was posted for \$2,710,000 as of 6/30/2014 at UBS. The swap agreements permit the netting of amounts owed between the Department and a counterparty, mitigating, to some extent, the level of credit risk. The Department believes it has an adequate degree of diversification with regard to counterparties.

Swap Collateral Requirements – Taxable Line of Credit

Negative balances at the end of the fiscal year were such that collateral needed to be posted. For that purpose a short-term Taxable Line of Credit was established. There were no outstanding amounts on the line of credit at the end of the fiscal year, with \$23,000,000 beginning balance, no amounts borrowed and \$23,000,000 repaid during the year.

Interest Rate Risk.

The knock-out option in the 2006 swaps leaves the Department open to interest rate risk. If the SIFMA municipal swap index averages above 7% for 180 consecutive days, then, as provided by the terms of the knockout option, swap agreements could be cancelled by the counterparties and the Department would have outstanding unhedged variable rate debt in a 7% interest rate environment.

14. LONG-TERM OBLIGATIONS - continued

Basis Risk

Basis risk is the possibility that the variable rate paid on the bonds may not be adequately offset by the variable index payment received under the swap agreement. The Department has little or no such risk with respect to the 2006 bonds as the 2006 swaps pay a variable rate equal to the SIFMA Municipal Swap index which has very closely approximated, historically, to the rates paid on variable rate municipal debt. The Department has basis risk, however, with respect to the 2004 swaps. The variable rate the Department receives with respect to the 2004 swaps is 68% of one-month LIBOR. While this rate has closely tracked the SIFMA Municipal Swap Index for a long period of time, there has recently been some divergence between the two indices. There is no guarantee that the two indices will remain as closely correlated in the future as they were in the past. There is a possibility, therefore, of a mismatch between actual variable rate bond debt service payments and the variable rate receipts under the 2004 swap agreements, resulting in a failure to achieve the synthetic fixed rate expected when the swaps initiated.

One event that would cause a divergence between the indices would be a significant change in U.S. income tax rates. This might result in 68% of LIBOR no longer approximating the tax-exempt rate set by the market for the Department's variable rate debt.

Termination Risk

The unplanned termination of one or more of the swaps exposes the Department to the possibility that the synthetic fixed rate expected to be obtained on the variable rate debt will not, in fact, be achieved. The swap agreements contain the standard ISDA provisions for termination, including events such as bankruptcy, ratings downgrades, and failure to post collateral when required. In addition, the Department, but not the counterparties, can terminate the swaps at any time with 30-day notice.

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA

The following bonds were issued by the New Mexico Finance Authority (Authority) in an agency capacity on behalf of the Department of Transportation during the fiscal year:

Series 2006A GRIP

On September 19, 2006, the Authority issued \$150,000,000 of State Transportation, Series 2006A Revenue Bonds. The Series 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of GRIP transportation projects. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.6% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

In December 2012, \$66,040,000 was refunded by the 2012 Refunding Revenue Bonds.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$44,251,395, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006A GRIP:			
2015	\$ 3,715,000	\$ 4,053,163	\$ 7,768,163
2016	3,535,000	3,871,913	7,406,913
2017	3,550,000	3,699,888	7,249,888
2018	3,570,000	3,527,275	7,097,275
2019	150,000	3,435,406	3,585,406
2020-2024	500,000	17,132,500	17,632,500
2025-2029	68,250,000	8,531,250	76,781,250
Total	<u>\$ 83,270,000</u>	<u>\$ 44,251,395</u>	<u>\$ 127,521,395</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2006B GRIP

On September 19, 2006, the Authority issued \$39,005,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The Series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$8,535,826, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006B GRIP:			
2015	\$ 1,375,000	\$ 1,135,288	\$ 2,510,288
2016	1,435,000	1,073,744	2,508,744
2017	1,500,000	1,010,044	2,510,044
2018	1,565,000	942,875	2,507,875
2019	1,645,000	864,125	2,509,125
2020-2024	9,570,000	2,973,375	12,543,375
2025-2029	6,995,000	536,375	7,531,375
Total	<u>\$ 24,085,000</u>	<u>\$ 8,535,826</u>	<u>\$ 32,620,826</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008A GRIP

The Department issued \$115,200,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008A in April of 2008. There was no original issue premium. The cost of issuance was \$457,260.

The \$115,200,000 Series 2008A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$44,918,286, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008A GRIP:			
2015	\$ -	\$ 5,051,968	\$ 5,051,968
2016	-	5,051,968	5,051,968
2017	-	4,549,301	4,549,301
2018	-	4,531,968	4,531,968
2019	-	4,531,968	4,531,968
2020-2024	115,200,000	21,201,113	136,401,113
Total	<u>\$ 115,200,000</u>	<u>\$ 44,918,286</u>	<u>\$ 160,118,286</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008B GRIP

The Department issued \$220,000,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008B in April of 2008. There was no original issue premium. The cost of issuance was \$873,240.

The \$220,000,000 Series 2008B Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$120,685,708, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008B GRIP:			
2015	\$ -	\$ 11,190,400	\$ 11,190,400
2016	-	11,190,400	11,190,400
2017	-	10,436,400	10,436,400
2018	-	10,410,400	10,410,400
2019	-	10,410,400	10,410,400
2020-2024	11,200,000	51,522,016	62,722,016
2025-2029	208,800,000	15,525,692	224,325,692
Total	<u>\$ 220,000,000</u>	<u>\$ 120,685,708</u>	<u>\$ 340,685,708</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008C GRIP

The Department issued \$84,800,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008C in May of 2008. There was no original issue premium. The cost of issuance was \$448,194.

The \$84,800,000 Series 2008C Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$33,407,308, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008C GRIP:			
2015	\$ -	3,887,232	\$ 3,887,232
2016	-	3,887,232	3,887,232
2017	-	3,354,405	3,354,405
2018	-	3,336,032	3,336,032
2019	-	3,336,032	3,336,032
2020-2024	84,800,000	15,606,375	100,406,375
Total	<u>\$ 84,800,000</u>	<u>\$ 33,407,308</u>	<u>\$ 118,207,308</u>

14. LONG-TERM OBLIGATIONS - continued

Series 2009A Refunding

The Department issued \$112,345,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2009A in November 2009. The gross proceeds to the Department were \$120,756,035, including \$8,411,035 of an original issue premium. The cost of issuance, including the underwriter's discount, was \$899,329.

The Series 2009A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2017.

The Department's future estimated scheduled annual requirement to amortize the Bonds, including interest payments of \$1,264,400, based on interest rates from 2.0% to 5.0%, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2009A Refunding:			
2015	\$ 4,820,000	\$ 651,400	\$ 5,471,400
2016	5,195,000	410,400	5,605,400
2017	<u>5,065,000</u>	<u>202,600</u>	<u>5,267,600</u>
Total	<u>\$ 15,080,000</u>	<u>\$ 1,264,400</u>	<u>\$ 16,344,400</u>

14. LONG-TERM OBLIGATIONS - continued

2010A Revenue and Refundings

The Department issued \$174,625,000 NMFA State Transportation Revenue and Refunding Revenue Bonds (Subordinate and Senior Lien) Series 2010A in September 2010. The gross proceeds to the Department were \$200,494,152 including an original issuance premium of \$26,745,858. The cost of issuance, including the underwriters' discount, was \$1,320,666.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 1.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2025.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$25,012,525, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010A Refunding:			
2015	\$ 12,015,000	\$ 4,764,650	\$ 16,779,650
2016	12,595,000	4,202,600	16,797,600
2017	13,265,000	3,585,375	16,850,375
2018	8,770,000	3,060,625	11,830,625
2019	8,990,000	2,674,625	11,664,625
2020-2024	44,715,000	6,558,625	51,273,625
2025-2029	6,885,000	166,025	7,051,025
Total	<u>\$ 107,235,000</u>	<u>\$ 25,012,525</u>	<u>\$ 132,247,525</u>

14. LONG-TERM OBLIGATIONS - continued

2010B Revenue and Refundings

The Department issued \$461,075,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2010B in October 2010. The gross proceeds to the Department were \$543,315,911 including an original issuance premium of \$84,632,805. The cost of issuance, including the underwriters' discount, was \$3,096,740.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$119,698,700, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010B Refunding:			
2015	\$ -	\$ 21,832,100	\$ 21,832,100
2016	395,000	21,832,100	22,227,100
2017	69,180,000	21,820,250	91,000,250
2018	78,075,000	18,361,250	96,436,250
2019	82,385,000	14,457,500	96,842,500
2020-2024	214,765,000	21,395,500	236,160,500
Total	<u>\$ 444,800,000</u>	<u>\$ 119,698,700</u>	<u>\$ 564,498,700</u>

14. LONG-TERM OBLIGATIONS - continued

2012A Revenue and Refundings

The Department issued \$220,400,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2012 in December 2012. The gross proceeds to the Department were \$261,769,370 including an original issuance premium of \$42,693,105. The cost of issuance, including the underwriters' discount, was \$1,259,026.

Proceeds from the sale of the Series 2012 Bonds, together with other legally available funds from current year principal set asides, were used to refund (i) all of the New Mexico State Highway Commission Highway Infrastructure Fund Revenue Bonds, in the current outstanding amount of \$5,930,000 (The "Series 2002C Bonds"), (ii) all of the New Mexico State Transportation Commission Senior Subordinate Lien Tax Revenue Highway Bonds, in the current outstanding amount of \$1,575,000 (The "Series 2002D Bonds"), (iii) a portion of the Finance Authority State Transportation Revenue Bonds totaling \$167,695,000 currently outstanding in the aggregate amount of \$248,310,000 (The "Series 2004A Bonds"), and (iv) a portion of the Finance Authority State Transportation Revenue Bonds totaling \$66,040,000 currently outstanding in the aggregate amount of \$149,760,000 (The "Series 2006A Bonds"). Proceeds from the Series 2012 Bonds were also be used to pay costs of issuing the Series 2012 Bonds.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 1.25% to 5.00% per annum, is payable semi-annually on June 15 and December 15 through the year 2026.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$67,502,952, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2012A Refunding:			
2015	900,000	8,791,663	\$ 9,691,663
2016	45,485,000	8,764,663	54,249,663
2017	1,095,000	7,454,963	8,549,963
2018	1,305,000	7,411,163	8,716,163
2019	4,640,000	7,394,850	12,034,850
2020-2024	120,045,000	25,037,450	145,082,450
2025-2029	43,985,000	2,648,200	46,633,200
Total	<u>\$ 217,455,000</u>	<u>\$ 67,502,952</u>	<u>\$ 284,957,952</u>

14. LONG-TERM OBLIGATIONS - continued

2014A Revenue

The Department issued \$70,110,000 NMFA State Transportation Highway Revenue Bonds (Subordinate Lien) Series 2014A in March 2014. The gross proceeds to the Department were \$80,001,236 including an original issuance premium of \$10,532,347. The cost of issuance, including the underwriters' discount, was \$470,989.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the financing plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails. Proceeds from the Series 2014A Bonds were also used to pay costs of issuing the Series 2014A Bonds.

Principal of the Bonds is payable as follows on June 15. Interest, with a rate of 5.00% per annum, is payable semi-annually on June 15 and December 15 through the year 2032.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$44,812,250, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2014A:			
2015	\$ -	\$ 3,505,500	\$ 3,505,500
2016	-	3,505,500	3,505,500
2017	-	3,505,500	3,505,500
2018	3,775,000	3,505,500	7,280,500
2019	3,855,000	3,316,750	7,171,750
2020-2024	6,905,000	14,376,500	21,281,500
2025-2029	32,565,000	10,847,250	43,412,250
2030-2032	23,010,000	2,249,750	25,259,750
Total	<u>\$ 70,110,000</u>	<u>\$ 44,812,250</u>	<u>\$ 114,922,250</u>

14. LONG-TERM OBLIGATIONS - continued

Total future principal and interest obligation repayments for all long-term payables are as follows:

<u>Year Ended June 30,</u>	<u>Total</u>
2015	\$ 152,159,252
2016	132,430,520
2017	153,273,726
2018	152,147,088
2019	152,086,656
2020-2024	783,503,454
2025-2029	405,734,792
2030-2032	25,259,750
Total	\$ 1,956,595,238

Long-Term Debt Interest Expense

The total amount of interest expense included in direct expenses in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds is \$71,052,569 for the year-ended June 30, 2014

Capital Leases

There are no future minimum lease obligations to report as of June 30, 2014.

Compensated Absences

An obligation amounting to \$5,960,118 at June 30, 2014 has been recorded to the government-wide financial statements representing the Department's commitment for accrued vacation, sick leave and other compensated absences.

15. NEGATIVE FUND BALANCES

The Department had negative fund balances at the end of the fiscal year as follows:

Fund 10030: Federal Planning and Development Fund \$425,220

This amount represents deferred revenue that will be billed and received in the subsequent fiscal year.

Fund 89200: STB Capital Outlay Fund \$59,400

This amount represents unreimbursed expenditures held as retainage.

16. REVERSIONS

Reversions are calculated based on an original appropriation amount less total expenditures until the appropriation is expired or closed by the capital projects division.

Current year reversions due to the State General Fund as of June 30, 2014 were as follows:

Fund 93100	<u>\$ 98,813</u>
Total of all reversions	<u>\$ 98,813</u>

17. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy

Plan members who earn over \$20,000 are required to contribute 8.92% of their gross salary, those who earn up to \$20,000 are required to contribute 7.42% of their gross salary.

The Department was required to contribute 16.59% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the years ending June 30, 2014, 2013, and 2012 were \$14,365,606, \$12,635,831, and \$11,046,477, respectively, equal to the amount of the required contribution for each year.

18. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Plan Description

The Department contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

18. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN - continued

Plan Description - continued

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy

The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service-based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

18. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN - continued

Funding Policy - continued

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were member of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage 3, 4, or 5; municipal fire member coverage plan 3, 4, or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June, 2014, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(g) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislation shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Department's contributions to the RHCA for the years ended June 30, 2014, 2013, 2012 were \$1,743,824, \$1,676,656, and \$1,505,141, respectively, which equal the required contributions for each year.

19. RISK MANAGEMENT

The Department, as a state agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the state of New Mexico. The Department pays annual premiums to the Risk Management Division for coverage provided in the following areas:

1. Liability and civil rights protection for claims made by others against the state of New Mexico.
2. Coverage to protect the state of New Mexico's property and assets.
3. Fringe benefit coverage's for state of New Mexico employees.

During the 2011-2012 fiscal year, the Department paid Risk Management \$4,283,653 in insurance premiums. During the 2012-2013 fiscal year, the Department paid Risk Management \$3,122,902 in insurance premiums. During the 2013-2014 fiscal year, the Department paid Risk Management \$7,381,657 in insurance premiums. The Department's exposure is limited to \$1,000 per any first-party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

After conferring with legal counsel concerning pending litigation and claims, the Department believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the Department. In addition, for the years ended June 30, 2012, 2013 and 2014, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department.

20. LITIGATION

The Department is subject to various legal proceedings, claims and liabilities, including right-of-way condemnation proceedings, contractor claims and employee claims, which arise in the ordinary course of the Department's operations. There are various contractor lawsuits and claims against the Department for various reasons. The Department contests these claims and if a likelihood of a loss is probable and can be reasonably estimated, the Department accrues the loss in the accompanying financial statements. In the opinion of the Department's management and legal counsel, the ultimate resolution of the above matters will not have a material adverse impact on the financial position or results of operations of the Department.

21. OPERATING LEASE COMMITMENT

The Department leases certain equipment and premises under numerous operating leases. Leases are subject to future appropriations and as such are cancelable by the Department at the end of a fiscal year. Rental expense for the year ended June 30, 2014 was \$1,076,244.

The future minimum lease payments under operating leases as of June 30, 2014 are as follows:

Years ending June 30:	<u>Lease Amounts</u>
2014	\$ 188,022
2015	79,615
2016	79,615
2017	79,615
2018-2022	<u>159,230</u>
	<u><u>\$ 586,097</u></u>

22. COMMITMENTS AND CONTINGENCIES

Grant Revenue

The Department participates in numerous federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Department has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2014 may be impaired. In the opinion of the Department, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

23. BUDGETED VS. ACTUAL EXPENDITURES

Transfers, which are shown in the expenditure portion of the Budget and Actual presentation, are the intra-agency transfers only and these net to zero across the entire agency. Any one fund presentation will show a variance over or under budget since in general transfers are not budgeted. See Note 11 for the Transfers Schedule Footnote.

Expenditures related to debt which was incurred during or after 2004 are budgeted and expensed primarily in the fund which generates the revenue for the payments, specifically State Road Fund (#20100) and the HIF Bond Fund (#20200). This is for several reasons, not the least of which, it is needed in order to capture the costs for billing entities when the debt costs are reimbursable. If actual debt costs, paid out of the debt trustee accounts, exceed the cash transferred from the primary fund, the debt service fund which records the trustee cash that was used in addition to the cash transferred, then records the debt expenditures.

24. SUBSEQUENT EVENTS

Updated Fair Value of Swaps

The estimated fair value of the swaps at November 25, 2014 was as follows:

Counterparty	Notional Value	Fair Value	Collateral Posted
Goldman Sachs	\$ 50,000,000	\$ (11,120,221)	\$ -
Deutsche	50,000,000	(11,120,221)	-
Royal Bank of Canada	100,000,000	(22,240,442)	3,030,000
JPMorgan Chase Bank	110,000,000	(33,026,187)	4,380,000
UBS AG	110,000,000	(33,026,187)	4,380,000
Total	\$ 420,000,000	\$ (110,533,258)	\$ 11,790,000

24. SUBSEQUENT EVENTS - continued

Bond Issuance

In November of 2014, the State Transportation Commission approved a resolution authorizing and approving the issuance by the New Mexico Finance Authority of one or more series of State Transportation Revenue Refunding Bonds in an aggregate principal amount not to exceed \$100,000,000 on or before March 31, 2015. The refunding bonds will be used to refund all or a portion of the previously issued Series 2006A GRIP Revenue Bonds of which \$83,270,000 are currently outstanding and the Series 2006B GRIP Refunding Revenue Bonds of which \$24,085,000 are currently outstanding. The refunding revenue bonds will be issued for the purposes of achieving net present value debt service savings of at least three percent and the Commission anticipates that the refunding revenue bonds will be issued as fixed rates bonds, will be issued in two series reflecting the respective senior and subordinate lines of the obligations, and the specific amounts and maturities will be determined based on market conditions on the date of pricing.

25. INSURANCE COVERAGE

The Department obtains coverage through Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of the Department are covered by blanket fidelity bond up to \$5,000,000 with a \$1,000 deductible per occurrence by the State of New Mexico for the period July 1, 2013, through June 30, 2014.

26. RECENT ACCOUNTING PRONOUNCEMENTS

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement will be effective for the Department in fiscal year 2015, and will require the Department to record its proportionate share of the unfunded pension plan liabilities in the New Mexico State Retirement System and other plans. Although the amount of the liability is unknown, it is presumed to be material.

26. RECENT ACCOUNTING PRONOUNCEMENTS - continued

In January 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement will be effective for the Department in fiscal year 2015. The Department is in the process of evaluating the impact of this pronouncement on its financial statements.

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combination includes* a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement will be effective for the Department in fiscal year 2015. The Department is in the process of evaluating the impact (if any) of this pronouncement on its financial statements.

SUPPLEMENTARY INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Traffic Safety Fund Components - Balance Sheet

As of June 30, 2014

	Federal Traffic Safety Fund	Driver Improvement Fund	Motorcycle Training Fund	DWI Prevention and Education Fund
	(SHARE 10010)	(SHARE 10020)	(SHARE 20600)	(SHARE 20700)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash Equivalents: (investment in state general fund investment pool)				
Restricted	3,279,040	563,789	63,616	1,469,188
Managed by NMFA	-	-	-	-
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	-
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	4,361,123	-	-	-
Other funds	45,377	-	-	-
Other state agencies	-	-	16,084	44,030
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	<u>\$ 7,685,540</u>	<u>\$ 563,789</u>	<u>\$ 79,700</u>	<u>\$ 1,513,218</u>
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ 1,896,200	\$ 57,440	\$ 42,495	\$ 82,830
Due to:				
Other funds	147,080	-	3,529	-
Other state agencies	15,209	-	-	-
State general fund	3,069	-	-	-
Local governments	-	-	-	-
Unearned revenue	-	-	-	-
Other accrued expenses	12,464	-	-	-
Other liabilities	-	-	-	-
Total Liabilities	<u>2,074,022</u>	<u>57,440</u>	<u>46,024</u>	<u>82,830</u>
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	2,367,487	-	-	-
Total Deferred Inflows of Resources:	<u>2,367,487</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	3,244,031	-	33,676	1,430,388
Committed	-	506,349	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	<u>3,244,031</u>	<u>506,349</u>	<u>33,676</u>	<u>1,430,388</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 7,685,540</u>	<u>\$ 563,789</u>	<u>\$ 79,700</u>	<u>\$ 1,513,218</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Traffic Safety Fund Components - Balance Sheet

Traffic Safety Fund (SHARE 20800)	Ignition Interlock Fund (SHARE 82600)	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
\$ -	\$ -	\$ -
675,063	3,732,735	9,783,431
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	4,361,123
-	-	45,377
18,073	42,000	120,187
-	-	-
-	-	-
-	-	-
<u>\$ 693,136</u>	<u>\$ 3,774,735</u>	<u>\$ 14,310,118</u>
\$ 294,138	\$ 32,138	\$ 2,405,241
-	-	150,609
-	-	15,209
-	-	3,069
-	-	-
-	-	-
-	1,323	13,787
-	-	-
<u>294,138</u>	<u>33,461</u>	<u>2,587,915</u>
-	-	2,367,487
<u>-</u>	<u>-</u>	<u>2,367,487</u>
-	-	-
398,998	3,741,274	8,848,367
-	-	506,349
-	-	-
-	-	-
<u>398,998</u>	<u>3,741,274</u>	<u>9,354,716</u>
<u>\$ 693,136</u>	<u>\$ 3,774,735</u>	<u>\$ 14,310,118</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Traffic Safety Fund Components - Statement of Revenues,
Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2014

	Federal Traffic Safety Fund	Driver Improvement Fund	Motorcycle Training Fund	DWI Prevention and Education Fund
	(SHARE 10010)	(SHARE 10020)	(SHARE 20600)	(SHARE 20700)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	13,519,611	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	268,953	133,444	517,046
Charges for services	-	-	-	-
Other revenue	32,552	-	-	-
Interest earnings	-	-	82	-
Total Revenues	<u>13,552,163</u>	<u>268,953</u>	<u>133,526</u>	<u>517,046</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	495,131	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	10,826,612	338,672	96,326	470,020
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	5,797	-	-	-
Employee benefits	165,176	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>11,492,716</u>	<u>338,672</u>	<u>96,326</u>	<u>470,020</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,059,447</u>	<u>(69,719)</u>	<u>37,200</u>	<u>47,026</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers: intra-agency	-	-	(3,529)	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(3,529)</u>	<u>-</u>
Net Changes in Fund Balance	<u>2,059,447</u>	<u>(69,719)</u>	<u>33,671</u>	<u>47,026</u>
Fund Balance, June 30, 2013	<u>1,184,584</u>	<u>576,068</u>	<u>5</u>	<u>1,383,362</u>
Fund Balance, June 30, 2014	<u>\$ 3,244,031</u>	<u>\$ 506,349</u>	<u>\$ 33,676</u>	<u>\$ 1,430,388</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Traffic Safety Fund Components - Statement of Revenues,
Expenditures and Changes in Fund Balance

Traffic Safety Fund	Ignition Interlock Fund	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
(SHARE 20800)	(SHARE 82600)	
\$ -	\$ -	\$ -
-	-	13,519,611
-	-	-
1,046,485	511,016	2,476,944
-	-	-
-	400	32,952
505	-	587
<u>1,046,990</u>	<u>511,416</u>	<u>16,030,094</u>
-	-	-
-	32,673	527,804
-	-	-
1,157,063	423,137	13,311,830
-	-	-
-	-	-
-	-	-
206,963	-	212,760
-	23,461	188,637
-	-	-
-	-	-
-	-	-
<u>1,364,026</u>	<u>479,271</u>	<u>14,241,031</u>
(317,036)	32,145	1,789,063
-	-	-
-	-	-
-	300,000	300,000
-	-	(3,529)
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	300,000	296,471
(317,036)	332,145	2,085,534
716,034	3,409,129	7,269,182
<u>\$ 398,998</u>	<u>\$ 3,741,274</u>	<u>\$ 9,354,716</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2014

	Traffic Safety Fund(s) (SHARE 10010, 10020,20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Bond Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash Equivalents: (investment in state general fund investment pool)				
Restricted	9,783,431	-	10,075,346	22,250,610
Managed by NMFA	-	-	-	-
Receivables:				
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	4,361,123	3,913,219	-	-
Other funds	45,377	-	1	-
Other state agencies	120,187	-	1,161,135	3,650,321
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 14,310,118	\$ 3,913,219	\$ 11,236,482	\$ 25,900,931
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ 2,405,241	\$ 2,807,480	\$ -	\$ 3,618,244
Due to:				
Other funds	150,609	1,100	-	-
Other state agencies	15,209	652,390	-	-
State general fund	3,069	-	-	-
Local governments	-	-	-	-
Other accrued expenses	13,787	32,180	-	-
Other liabilities	-	-	-	-
Total Liabilities	2,587,915	3,493,150	-	3,618,244
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	2,367,487	845,289	-	130,739
Total Deferred Inflows of Resources:	2,367,487	845,289	-	130,739
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	8,848,367	-	11,236,482	-
Committed	506,349	-	-	22,151,948
Assigned	-	-	-	-
Unassigned	-	(425,220)	-	-
Total Fund Balance	9,354,716	(425,220)	11,236,482	22,151,948
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 14,310,118	\$ 3,913,219	\$ 11,236,482	\$ 25,900,931

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

State Aviation Fund	1993 Bond Project Fund	1999A CHAT Bond Project Fund	WIPP Bond Project Fund	2001A CHAT Bond Project Fund	2002C HIF Bond Project Fund
(SHARE 20500)	(SHARE 39400)	(SHARE 43000)	(SHARE 43100)	(SHARE 00600)	(SHARE 36100)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17,007,619	1,601,278	2,126,588	1,887,265	4,737,841	1,309,468
-	-	-	-	-	-
6,450	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,006,623	122	162	-	361	100
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 18,020,692</u>	<u>\$ 1,601,400</u>	<u>\$ 2,126,750</u>	<u>\$ 1,887,265</u>	<u>\$ 4,738,202</u>	<u>\$ 1,309,568</u>
\$ 897,187	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	1,887,265	-	-
-	-	-	-	-	-
-	-	-	-	-	-
10,324	-	-	-	-	-
-	-	-	-	-	-
<u>907,511</u>	<u>-</u>	<u>-</u>	<u>1,887,265</u>	<u>-</u>	<u>-</u>
984	-	-	-	-	-
<u>984</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	1,601,400	2,126,750	-	4,738,202	1,309,568
17,112,197	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>17,112,197</u>	<u>1,601,400</u>	<u>2,126,750</u>	<u>-</u>	<u>4,738,202</u>	<u>1,309,568</u>
<u>\$ 18,020,692</u>	<u>\$ 1,601,400</u>	<u>\$ 2,126,750</u>	<u>\$ 1,887,265</u>	<u>\$ 4,738,202</u>	<u>\$ 1,309,568</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2014

	2002D CHAT Bond Project Fund	2004A GRIP Bond Project Fund	2006A GRIP Bond Project Fund	2006B GRIP Bond Project Fund
	(SHARE 11500)	(SHARE 20400)	(SHARE 10210)	SHARE (10230)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash Equivalents: (investment in state general fund investment pool)				
Restricted	639,723	112,078	324,974	49,671
Managed by NMFA	-	-	162,283	10,386
Receivables:				
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	1	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	-
Other state agencies	49	-	-	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 639,772	\$ 112,078	\$ 487,258	\$ 60,057
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to:				
Other funds	-	-	-	-
Other state agencies	-	-	-	-
State general fund	-	-	-	-
Local governments	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	-	-	-	-
Total Deferred Inflows of Resources:	-	-	-	-
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	639,772	112,078	487,258	60,057
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	639,772	112,078	487,258	60,057
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 639,772	\$ 112,078	\$ 487,258	\$ 60,057

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2006C GRIP Bond Project Fund	2006D GRIP Bond Project Fund	2010A Bond Project Fund	Total Special Revenue Funds
(SHARE 10250)	(SHARE 10270)	(SHARE 10450)	
\$ -	\$ -	\$ -	\$ -
-	-	-	71,905,892
179,148	-	17,780,385	18,132,202
-	-	-	6,450
1	-	144	146
-	-	-	-
-	-	-	8,274,342
-	-	-	45,378
-	-	-	5,939,060
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 179,149</u>	<u>\$ -</u>	<u>\$ 17,780,529</u>	<u>\$ 104,303,470</u>
\$ -	\$ -	\$ 2,685,730	\$ 12,413,882
-	-	-	2,038,974
-	-	1,196,171	1,863,770
-	-	-	3,069
-	-	-	-
-	-	-	56,291
-	-	-	-
<u>-</u>	<u>-</u>	<u>3,881,901</u>	<u>16,375,986</u>
-	-	-	3,344,499
<u>-</u>	<u>-</u>	<u>-</u>	<u>3,344,499</u>
-	-	-	-
179,149	-	13,898,628	45,237,711
-	-	-	39,770,494
-	-	-	-
-	-	-	(425,220)
<u>179,149</u>	<u>-</u>	<u>13,898,628</u>	<u>84,582,985</u>
<u>\$ 179,149</u>	<u>\$ -</u>	<u>\$ 17,780,529</u>	<u>\$ 104,303,470</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2014

	Capital Projects Fund	Severance Tax Bond Appropriations Fund	STB Capital Outlay Fund
	(SHARE 10050)	(SHARE 10060)	(SHARE 89200)
Assets:			
Cash:			
Unrestricted	\$ -	\$ -	\$ -
Cash Equivalents: (investment in state general fund investment pool)			
Restricted	22,847,198	-	-
Managed by NMFA	-	-	-
Receivables:			
Accounts receivable, net	5,000,000	-	-
Interest receivable	-	-	-
Other receivables	-	-	-
Due from:			
U.S. Department of Transportation	-	-	-
Other funds	-	2,428,585	-
Other state agencies	-	511,456	4,901,134
Inventories	-	-	-
Prepaid expenses - other	-	-	-
Prepaid expense - NM44 warranty	-	-	-
Property held for resale	-	-	-
Total Assets	<u>\$ 27,847,198</u>	<u>\$ 2,940,041</u>	<u>\$ 4,901,134</u>
Liabilities, Deferred Inflows of Resources and Fund Balance:			
Liabilities:			
Accounts payable	\$ 7,190,831	\$ 841,247	\$ 4,373,124
Due to:			
Other funds	-	1,455	390,591
Other state agencies	-	2,096,989	196,819
State general fund	-	350	-
Local governments	-	-	-
Other accrued expenses	-	-	-
Other liabilities	-	-	-
Total Liabilities	<u>7,190,831</u>	<u>2,940,041</u>	<u>4,960,534</u>
Deferred Inflows of Resources:			
Amounts unavailable (not received within period of availability)	-	-	-
Total Deferred Inflows of Resources:	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Non-spendable	-	-	-
Restricted	-	-	-
Committed	20,656,367	-	-
Assigned	-	-	-
Unassigned	-	-	(59,400)
Total Fund Balance	<u>20,656,367</u>	<u>-</u>	<u>(59,400)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 27,847,198</u>	<u>\$ 2,940,041</u>	<u>\$ 4,901,134</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

General Fund Appropriations Fund	GF Capital Outlay Fund	Total Capital Projects Funds
(SHARE 10070)	(SHARE 93100)	
\$ -	\$ -	\$ -
466,257	98,814	23,412,269
-	-	-
-	-	5,000,000
-	-	-
-	-	-
-	-	-
-	-	2,428,585
-	-	5,412,590
-	-	-
-	-	-
-	-	-
<u>466,257</u>	<u>98,814</u>	<u>36,253,444</u>
\$ 207,525	\$ -	\$ 12,612,727
-	-	392,046
-	-	2,293,808
-	98,814	99,164
-	-	-
-	-	-
<u>207,525</u>	<u>98,814</u>	<u>15,397,745</u>
-	-	-
-	-	-
-	-	-
-	-	-
258,732	-	20,915,099
-	-	-
-	-	(59,400)
<u>258,732</u>	<u>-</u>	<u>20,855,699</u>
\$ 466,257	\$ 98,814	\$ 36,253,444

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2014

	1998A WIPP Bond Debt Service Fund	1998A CHAT Bond Debt Service Fund	1999 CHAT Bond Debt Service Fund	2000 CHAT Bond Debt Service Fund
	(SHARE 97200)	(SHARE 54800)	(SHARE 43400)	(SHARE 43200)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash Equivalents: (investment in state general fund investment pool)				
Restricted	14,570	142,176	267,318	204,933
Managed by NMFA	-	-	-	-
Receivables:				
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	199,253	86,180	750,144	1,184,452
Other state agencies	1	11	20	16
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 213,824	\$ 228,367	\$ 1,017,482	\$ 1,389,401
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to:				
Other funds	-	-	-	-
Other state agencies	-	-	-	-
State general fund	-	-	-	-
Local governments	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	-	-	-	-
Total Deferred Inflows of Resources:	-	-	-	-
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	213,824	228,367	1,017,482	1,389,401
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	213,824	228,367	1,017,482	1,389,401
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 213,824	\$ 228,367	\$ 1,017,482	\$ 1,389,401

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2001A CHAT Bond Debt Service Fund	2002A CHAT Bond Debt Service Fund	2002B WIPP Bond Debt Service Fund	2002C HIF Bond Debt Service Fund	2002D CHAT Bond Debt Service Fund	2004A GRIP Bond Debt Service Fund
(SHARE 00700)	(SHARE 54700)	(SHARE 75000)	(SHARE 36300)	(SHARE 18700)	(SHARE 10080)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
234,752	83,920	111,379	62,499	12,862	-
-	-	-	-	-	511,801
-	-	-	-	-	-
-	-	-	-	-	91
-	-	-	-	-	-
1,651,520	690,434	702,644	-	-	-
18	6	8	5	1	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 1,886,290	\$ 774,360	\$ 814,031	\$ 62,504	\$ 12,863	\$ 511,892
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,886,290	774,360	814,031	62,504	12,863	511,892
-	-	-	-	-	-
-	-	-	-	-	-
1,886,290	774,360	814,031	62,504	12,863	511,892
\$ 1,886,290	\$ 774,360	\$ 814,031	\$ 62,504	\$ 12,863	\$ 511,892

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2014

	2004B GRIP Bond Debt Service Fund	2006A GRIP Bond Debt Service Fund	2006B GRIP Bond Debt Service Fund	2008A GRIP Bond Debt Service Fund
	(SHARE 10090)	(SHARE 10220)	(SHARE 10240)	(SHARE 10410)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash Equivalents: (investment in state general fund investment pool)				
Restricted	-	-	-	-
Managed by NMFA	3,247,843	34,335	6,957	5,011,289
Receivables:				
Accounts receivable, net	-	-	-	-
Interest receivable	13	9	2	166
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	2,045
Other state agencies	-	-	-	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 3,247,856	\$ 34,344	\$ 6,959	\$ 5,013,500
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to:				
Other funds	-	-	2,045	1,371,193
Other state agencies	-	-	-	-
State general fund	-	-	-	-
Local governments	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Total Liabilities	-	-	2,045	1,371,193
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	-	-	-	-
Total Deferred Inflows of Resources:	-	-	-	-
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	3,247,856	34,344	4,914	3,642,307
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	3,247,856	34,344	4,914	3,642,307
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 3,247,856	\$ 34,344	\$ 6,959	\$ 5,013,500

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2008B GRIP Bond Debt Service Fund	2008C GRIP Bond Debt Service Fund	2008D GRIP Bond Debt Service Fund	2009A Bond Debt Service Fund	2010A Bond Debt Service Fund	2010B Bond Debt Service Fund
(SHARE 10420)	(SHARE 10430)	(SHARE 10440)	(SHARE 11130)	(SHARE 11140)	(SHARE 20450)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
6,804,596	1,735,646	1,782,221	50,116	177,102	204,070
-	-	-	-	-	-
268	106	14	47	12	73
-	-	-	-	-	-
-	-	-	-	-	-
250	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 6,805,114</u>	<u>\$ 1,735,752</u>	<u>\$ 1,782,235</u>	<u>\$ 50,163</u>	<u>\$ 177,114</u>	<u>\$ 204,143</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,409,295	1,009,166	1,267,688	-	133,843	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,409,295</u>	<u>1,009,166</u>	<u>1,267,688</u>	<u>-</u>	<u>133,843</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
395,819	726,586	514,547	50,163	43,271	204,143
-	-	-	-	-	-
-	-	-	-	-	-
<u>395,819</u>	<u>726,586</u>	<u>514,547</u>	<u>50,163</u>	<u>43,271</u>	<u>204,143</u>
<u>\$ 6,805,114</u>	<u>\$ 1,735,752</u>	<u>\$ 1,782,235</u>	<u>\$ 50,163</u>	<u>\$ 177,114</u>	<u>\$ 204,143</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2014

	2012A Bond Debt Service Fund	2014A Bond Debt Service Fund	Total Debt Service Funds	Total Non Major Governmental Funds
	(SHARE 30850)	(SHARE 11960)		
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash Equivalents: (investment in state general fund investment pool)				
Restricted	-	-	1,134,409	96,452,570
Managed by NMFA	65,721	171,368	19,803,065	37,935,267
Receivables:				
Accounts receivable, net	-	-	-	5,006,450
Interest receivable	18	5	824	970
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	8,274,342
Other funds	-	-	5,266,922	7,740,885
Other state agencies	-	-	86	11,351,736
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	<u>\$ 65,739</u>	<u>\$ 171,373</u>	<u>\$ 26,205,306</u>	<u>\$ 166,762,220</u>
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 25,026,609
Due to:				
Other funds	611	1	10,193,842	12,624,862
Other state agencies	-	-	-	4,157,578
State general fund	-	-	-	102,233
Local governments	-	-	-	-
Other accrued expenses	-	-	-	56,291
Other liabilities	-	-	-	-
Total Liabilities	<u>611</u>	<u>1</u>	<u>10,193,842</u>	<u>41,967,573</u>
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	-	-	-	3,344,499
Total Deferred Inflows of Resources:	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,344,499</u>
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	65,128	171,372	16,011,464	61,249,175
Committed	-	-	-	60,685,593
Assigned	-	-	-	-
Unassigned	-	-	-	(484,620)
Total Fund Balance	<u>65,128</u>	<u>171,372</u>	<u>16,011,464</u>	<u>121,450,148</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 65,739</u>	<u>\$ 171,373</u>	<u>\$ 26,205,306</u>	<u>\$ 166,762,220</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

For the Year Ended June 30, 2014

	Traffic Safety Fund(s) (SHARE 10010, 10020,20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Bond Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ 5,888,728	\$ 13,832,328
U.S. Department of Transportation	13,519,611	12,732,206	-	-
Fees and fines	-	-	-	-
Licenses and permits	2,476,944	-	1,836,118	7,664,102
Charges for services	-	-	-	-
Other revenue	32,952	84	-	42,985
Interest earnings	587	-	7,322	14,546
Total Revenues	16,030,094	12,732,290	7,732,168	21,553,961
Expenditures:				
Current:				
Operating costs	-	4,407	-	-
Personal services	527,804	329,988	-	-
Out-of-state travel	-	2,874	-	-
Grants and services	13,311,830	12,713,497	-	19,060,381
Travel	-	550	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	577	-	-
Contractual services	-	-	-	-
Other costs	212,760	-	300	-
Employee benefits	188,637	105,617	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	5,069,300	-
Interest	-	-	2,680,322	-
Debt issuance costs	-	-	-	-
Total Expenditures	14,241,031	13,157,510	7,749,922	19,060,381
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,789,063	(425,220)	(17,754)	2,493,580
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	300,000	-	-	-
Transfers: intra-agency	(3,529)	1,290,446	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	296,471	1,290,446	-	-
Net Changes in Fund Balance	2,085,534	865,226	(17,754)	2,493,580
Fund Balance, June 30, 2013	7,269,182	(1,290,446)	11,254,236	19,658,368
Fund Balance, June 30, 2014	\$ 9,354,716	\$ (425,220)	\$ 11,236,482	\$ 22,151,948

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

State Aviation Fund	1993 Bond Project Fund	1999A CHAT Bond Project Fund	WIPP Bond Project Fund	2001A CHAT Bond Project Fund	2002C HIF Bond Project Fund
(SHARE 20500)	(SHARE 39400)	(SHARE 43000)	(SHARE 43100)	(SHARE 00600)	(SHARE 36100)
\$ 6,031,387	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
68,882	-	-	-	-	-
-	-	-	-	-	-
1,684	-	-	-	-	-
12,059	1,142	1,516	-	3,376	934
6,114,012	1,142	1,516	-	3,376	934
36,810	-	-	-	-	-
317,493	-	-	-	-	-
4,305	-	-	-	-	-
4,925,067	-	-	-	-	-
4,326	-	-	-	-	-
10,253	-	-	-	-	-
56,882	-	-	-	-	-
887,856	-	-	-	-	-
238	-	-	-	-	-
126,147	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,369,377	-	-	-	-	-
(255,365)	1,142	1,516	-	3,376	934
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,669,367	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,669,367	-	-
(255,365)	1,142	1,516	2,669,367	3,376	934
17,367,562	1,600,258	2,125,234	(2,669,367)	4,734,826	1,308,634
\$ 17,112,197	\$ 1,601,400	\$ 2,126,750	\$ -	\$ 4,738,202	\$ 1,309,568

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

For the Year Ended June 30, 2014

	2002D CHAT Bond Project Fund	2004A GRIP Bond Project Fund	2006A GRIP Bond Project Fund	2006B GRIP Bond Project Fund
	(SHARE 11500)	(SHARE 20400)	(SHARE 10210)	SHARE (10230)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	456	-	25	2
Total Revenues	<u>456</u>	<u>-</u>	<u>25</u>	<u>2</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>456</u>	<u>-</u>	<u>25</u>	<u>2</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers: intra-agency	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>456</u>	<u>-</u>	<u>25</u>	<u>2</u>
Fund Balance, June 30, 2013	<u>639,316</u>	<u>112,078</u>	<u>487,233</u>	<u>60,055</u>
Fund Balance, June 30, 2014	<u>\$ 639,772</u>	<u>\$ 112,078</u>	<u>\$ 487,258</u>	<u>\$ 60,057</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

2006C GRIP Bond Project Fund	2006D GRIP Bond Project Fund	2010A Bond Project Fund	Total Special Revenue Funds
(SHARE 10250)	(SHARE 10270)	(SHARE 10450)	
\$ -	\$ -	\$ -	\$ 25,752,443
-	-	-	26,251,817
-	-	-	68,882
-	-	-	11,977,164
-	-	-	-
-	-	17,477	95,182
28	-	4,660	46,653
28	-	22,137	64,192,141
-	-	-	41,217
-	-	-	1,175,285
-	-	-	7,179
-	-	-	50,010,775
-	-	-	4,876
-	-	-	10,253
-	-	-	57,459
-	-	1,517,580	2,405,436
-	-	-	213,298
-	-	-	420,401
-	-	14,490,764	14,490,764
-	-	-	5,069,300
-	-	-	2,680,322
-	-	-	-
-	-	16,008,344	76,586,565
28	-	(15,986,207)	(12,394,424)
-	-	-	-
-	-	-	-
-	-	-	300,000
-	-	-	3,956,284
-	-	-	-
-	-	-	-
-	-	-	4,256,284
28	-	(15,986,207)	(8,138,140)
179,121	-	29,884,835	92,721,125
\$ 179,149	\$ -	\$ 13,898,628	\$ 84,582,985

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

For the Year Ended June 30, 2014

	Capital Projects Fund	Severance Tax Bond Appropriations Fund	STB Capital Outlay Fund
	(SHARE 10050)	(SHARE 10060)	(SHARE 89200)
Revenues:			
User and fuel taxes	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-
Fees and fines	-	-	-
Licenses and permits	-	-	-
Charges for services	-	-	-
Other revenue	50,442,895	-	-
Interest earnings	-	-	-
Total Revenues	<u>50,442,895</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current:			
Operating costs	-	-	-
Personal services	-	-	-
Out-of-state travel	-	-	-
Grants and services	-	-	-
Travel	-	-	-
Maintenance and repairs	-	-	-
Supplies	-	-	-
Contractual services	30,659,393	-	329,366
Other costs	-	-	-
Employee benefits	-	-	-
Capital outlay	311,661	-	16,213,445
Debt service:			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Total Expenditures	<u>30,971,054</u>	<u>-</u>	<u>16,542,811</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,471,841</u>	<u>-</u>	<u>(16,542,811)</u>
Other Financing Sources (Uses):			
Appropriations, net of reversions	-	-	-
Transfers: severance tax bond appropriation	-	998,889	16,603,611
Transfers from (to) other agencies	-	-	-
Transfers: intra-agency	-	2,218,994	(120,200)
Face value of debentures payable	-	-	-
Premiums of debentures payable	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>3,217,883</u>	<u>16,483,411</u>
Net Changes in Fund Balance	<u>19,471,841</u>	<u>3,217,883</u>	<u>(59,400)</u>
Fund Balance, June 30, 2013	<u>1,184,526</u>	<u>(3,217,883)</u>	<u>-</u>
Fund Balance, June 30, 2014	<u>\$ 20,656,367</u>	<u>\$ -</u>	<u>\$ (59,400)</u>

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General Fund Appropriations Fund	GF Capital Outlay Fund	Total Capital Projects Funds
(SHARE 10070)	(SHARE 93100)	
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	50,442,895
-	-	-
-	-	50,442,895
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
1	2	30,988,759
-	-	3
-	66,167	16,591,273
-	-	-
-	-	-
-	-	-
1	66,169	47,580,035
(1)	(66,169)	2,862,860
-	(98,813)	(98,813)
-	-	17,602,500
-	-	-
-	-	2,098,794
-	-	-
-	-	-
-	(98,813)	19,602,481
(1)	(164,982)	22,465,341
258,733	164,982	(1,609,642)
\$ 258,732	\$ -	\$ 20,855,699

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

For the Year Ended June 30, 2014

	1998A WIPP Bond Debt Service Fund	1998A CHAT Bond Debt Service Fund	1999 CHAT Bond Debt Service Fund	2000 CHAT Bond Debt Service Fund
	(SHARE 97200)	(SHARE 54800)	(SHARE 43400)	(SHARE 43200)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	11	100	190	147
Total Revenues	<u>11</u>	<u>100</u>	<u>190</u>	<u>147</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11</u>	<u>100</u>	<u>190</u>	<u>147</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers: intra-agency	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>11</u>	<u>100</u>	<u>190</u>	<u>147</u>
Fund Balance, June 30, 2013	<u>213,813</u>	<u>228,267</u>	<u>1,017,292</u>	<u>1,389,254</u>
Fund Balance, June 30, 2014	<u>\$ 213,824</u>	<u>\$ 228,367</u>	<u>\$ 1,017,482</u>	<u>\$ 1,389,401</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

2001A CHAT Bond Debt Service Fund	2002A CHAT Bond Debt Service Fund	2002B WIPP Bond Debt Service Fund	2002C HIF Bond Debt Service Fund	2002D CHAT Bond Debt Service Fund	2004A GRIP Bond Debt Service Fund
(SHARE 00700)	(SHARE 54700)	(SHARE 75000)	(SHARE 36300)	(SHARE 18700)	(SHARE 10080)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
167	61	78	45	10	1,589
167	61	78	45	10	1,589
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
167	61	78	45	10	1,589
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
167	61	78	45	10	1,589
1,886,123	774,299	813,953	62,459	12,853	510,303
\$ 1,886,290	\$ 774,360	\$ 814,031	\$ 62,504	\$ 12,863	\$ 511,892

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

For the Year Ended June 30, 2014

	2004B GRIP Bond Debt Service Fund	2006A GRIP Bond Debt Service Fund	2006B GRIP Bond Debt Service Fund	2008A GRIP Bond Debt Service Fund
	(SHARE 10090)	(SHARE 10220)	(SHARE 10240)	(SHARE 10410)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	863,356	227	111	143,067
Total Revenues	<u>863,356</u>	<u>227</u>	<u>111</u>	<u>143,067</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	95,538
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	29,740,000	-	-	-
Interest	1,483,400	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>31,223,400</u>	<u>-</u>	<u>-</u>	<u>95,538</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(30,360,044)</u>	<u>227</u>	<u>111</u>	<u>47,529</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers: intra-agency	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>(30,360,044)</u>	<u>227</u>	<u>111</u>	<u>47,529</u>
Fund Balance, June 30, 2013	<u>33,607,900</u>	<u>34,117</u>	<u>4,803</u>	<u>3,594,778</u>
Fund Balance, June 30, 2014	<u>\$ 3,247,856</u>	<u>\$ 34,344</u>	<u>\$ 4,914</u>	<u>\$ 3,642,307</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

2008B GRIP Bond Debt Service Fund	2008C GRIP Bond Debt Service Fund	2008D GRIP Bond Debt Service Fund	2009A Bond Debt Service Fund	2010A Bond Debt Service Fund	2010B Bond Debt Service Fund
(SHARE 10420)	(SHARE 10430)	(SHARE 10440)	(SHARE 11130)	(SHARE 11140)	(SHARE 20450)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
895,236	104,999	291	817	1,748	1,306
895,236	104,999	291	817	1,748	1,306
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
729,795	17,305	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
143,563	77,818	-	-	-	-
-	-	-	-	-	-
873,358	95,123	-	-	-	-
21,878	9,876	291	817	1,748	1,306
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
21,878	9,876	291	817	1,748	1,306
373,941	716,710	514,256	49,346	41,523	202,837
\$ 395,819	\$ 726,586	\$ 514,547	\$ 50,163	\$ 43,271	\$ 204,143

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-By FundType-
Non Major Funds

For the Year Ended June 30, 2014

	2012A Bond Debt Service Fund (SHARE 30850)	2014A Bond Debt Service Fund (SHARE 11960)	Total Debt Service Funds	Total Non Major Governmental Funds
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ 25,752,443
U.S. Department of Transportation	-	-	-	26,251,817
Fees and fines	-	-	-	68,882
Licenses and permits	-	-	-	11,977,164
Charges for services	-	-	-	-
Other revenue	-	-	-	50,538,077
Interest earnings	334	14	2,013,904	2,060,557
Total Revenues	<u>334</u>	<u>14</u>	<u>2,013,904</u>	<u>116,648,940</u>
Expenditures:				
Current:				
Operating costs	-	-	-	41,217
Personal services	-	-	-	1,175,285
Out-of-state travel	-	-	-	7,179
Grants and services	-	-	-	50,010,775
Travel	-	-	-	4,876
Maintenance and repairs	-	-	-	10,253
Supplies	-	-	-	57,459
Contractual services	-	-	-	33,394,195
Other costs	-	-	842,638	1,055,939
Employee benefits	-	-	-	420,401
Capital outlay	-	-	-	31,082,037
Debt service:				
Principal	-	-	29,740,000	34,809,300
Interest	-	-	1,704,781	4,385,103
Debt issuance costs	-	221,111	221,111	221,111
Total Expenditures	<u>-</u>	<u>221,111</u>	<u>32,508,530</u>	<u>156,675,130</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>334</u>	<u>(221,097)</u>	<u>(30,494,626)</u>	<u>(40,026,190)</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	(98,813)
Transfers: severance	-	-	-	17,602,500
tax bond appropriation	-	-	-	50,122
Transfers from (to) other agencies	-	(249,878)	(249,878)	6,055,078
Transfers: intra-agency	-	-	-	-
Face value of debentures payable	-	-	-	642,347
Premiums of debentures payable	-	642,347	642,347	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>392,469</u>	<u>392,469</u>	<u>24,251,234</u>
Net Changes in Fund Balance	<u>334</u>	<u>171,372</u>	<u>(30,102,157)</u>	<u>(15,774,956)</u>
Fund Balance, June 30, 2013	<u>64,794</u>	<u>-</u>	<u>46,113,621</u>	<u>137,225,104</u>
Fund Balance, June 30, 2014	<u>\$ 65,128</u>	<u>\$ 171,372</u>	<u>\$ 16,011,464</u>	<u>\$ 121,450,148</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014	DEPARTMENT OF TRANSPORTATION			
	agency wide including enterprise fund excluding multi-year funds			
	Budgeted Amounts		Actual	Variance
	Original	Final	(Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ 407,425,600	\$ 476,425,600	\$ 399,120,916	\$ (77,304,684)
Other state funds	422,456,200	422,456,200	424,058,079	1,601,879
Transfers outside the agency	-	3,742,958	300,000	(3,442,958)
Interest revenue	278,000	278,000	2,144,257	1,866,257
Bond proceeds	-	642,347	642,347	-
Total Revenues and Other Financing Sources:	830,159,800	903,545,105	826,265,599	\$ (77,279,506)
Prior Year Funds Rebudgeted	360,154,981	428,083,000		
	\$ 1,190,314,781	\$ 1,331,628,105		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure:				
Personal services/employee benefits	\$ 25,611,900	\$ 25,174,400	\$ 24,107,488	\$ 1,066,912
Contractual services	597,427,045	681,877,045	324,377,389	357,499,656
Other	226,885,535	261,106,646	215,265,572	45,841,074
Transfers (in) out	-	1,711,682	253,406	1,458,276
	849,924,480	969,869,773	564,003,855	405,865,918
Transportation and Highway Ops:				
Personal services/employee benefits	95,524,400	96,625,897	96,634,298	(8,401)
Contractual services	74,851,404	87,041,734	72,592,116	14,449,618
Other	121,408,497	130,098,698	109,063,490	21,035,208
	291,784,301	313,766,329	278,289,904	35,476,425
Program Support:				
Personal services/employee benefits	23,793,000	23,179,003	22,999,674	179,329
Contractual services	5,115,400	5,115,400	2,577,351	2,538,049
Other	13,853,300	13,853,300	12,189,605	1,663,695
Transfers (in) out	5,844,300	5,844,300	7,935,218	(2,090,918)
	48,606,000	47,992,003	45,701,848	2,290,155
Total Annual Budgeted Expenditures and Other Financing Uses	\$ 1,190,314,781	\$ 1,331,628,105	887,995,607	\$ 443,632,498
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ (61,730,008)	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	FEDERAL TRAFFIC SAFETY FUND (SHARE 10010)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ 15,742,400	\$ 15,742,400	\$ 13,519,611	\$ (2,222,789)
Other state funds	-	-	32,552	32,552
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	15,742,400	15,742,400	13,552,163	\$ (2,190,237)
Prior Year Funds Rebudgeted	4,662,869	4,662,869		
	<u>\$ 20,405,269</u>	<u>\$ 20,405,269</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 745,800	\$ 745,800	\$ 660,307	\$ 85,493
Contractual services	-	-	-	-
Other	19,659,469	19,659,469	10,832,409	8,827,060
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>20,405,269</u>	<u>20,405,269</u>	<u>11,492,716</u>	<u>8,912,553</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 20,405,269</u>	<u>\$ 20,405,269</u>	<u>11,492,716</u>	<u>\$ 8,912,553</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ 2,059,447</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	DRIVER IMPROVEMENT FUND (SHARE 10020)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	330,000	330,000	268,953	(61,047)
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	330,000	330,000	268,953	\$ (61,047)
Prior Year Funds Rebudgeted	133,797	133,797		
	<u>\$ 463,797</u>	<u>\$ 463,797</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	463,797	463,797	338,672	125,125
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>463,797</u>	<u>463,797</u>	<u>338,672</u>	<u>125,125</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures and Other Financing				
Uses	<u>\$ 463,797</u>	<u>\$ 463,797</u>	<u>338,672</u>	<u>\$ 125,125</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ (69,719)</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

MOTORCYCLE TRAINING FUND (SHARE 20600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	130,000	130,000	133,444	3,444
Interest revenue	-	-	82	82
Total Revenues and Other Financing Sources:	130,000	130,000	133,526	\$ 3,526
Prior Year Funds Rebudgeted	96,170	96,170		
	<u>\$ 226,170</u>	<u>\$ 226,170</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	226,170	226,170	96,326	129,844
Transfers (in) out	-	-	3,529	(3,529)
Reversions	-	-	-	-
	<u>226,170</u>	<u>226,170</u>	<u>99,855</u>	<u>126,315</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 226,170</u>	<u>\$ 226,170</u>	<u>99,855</u>	<u>\$ 126,315</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ 33,671</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	DWI PREVENTION AND EDUCATION FUND (SHARE 20700)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	500,000	500,000	517,046	17,046
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	500,000	500,000	517,046	\$ 17,046
Prior Year Funds Rebudgeted	821,809	821,809		
	<u>\$ 1,321,809</u>	<u>\$ 1,321,809</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 80,900	\$ 80,900	\$ -	\$ 80,900
Contractual services	-	-	-	-
Other	1,240,909	1,240,909	470,020	770,889
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>1,321,809</u>	<u>1,321,809</u>	<u>470,020</u>	<u>851,789</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures and Other Financing				
Uses	<u>\$ 1,321,809</u>	<u>\$ 1,321,809</u>	<u>470,020</u>	<u>\$ 851,789</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ 47,026</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

TRAFFIC SAFETY FUND (SHARE 20800)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,350,000	1,350,000	1,046,485	(303,515)
Interest revenue	4,000	4,000	505	(3,495)
Total Revenues and Other Financing Sources:	1,354,000	1,354,000	1,046,990	\$ (307,010)
Prior Year Funds Rebudgeted	562,601	562,601		
	<u>\$ 1,916,601</u>	<u>\$ 1,916,601</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	1,916,601	1,916,601	1,364,026	552,575
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>1,916,601</u>	<u>1,916,601</u>	<u>1,364,026</u>	<u>552,575</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 1,916,601</u>	<u>\$ 1,916,601</u>	<u>1,364,026</u>	<u>\$ 552,575</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ (317,036)</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

IGNITION INTERLOCK FUND (SHARE 82600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	800,000	800,000	511,416	(288,584)
Transfers outside the agency	-	-	300,000	300,000
Total Revenues and Other Financing Sources:	800,000	800,000	811,416	\$ 11,416
Prior Year Funds Rebudgeted	1,218,637	1,218,637		
	<u>\$ 2,018,637</u>	<u>\$ 2,018,637</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 58,000	\$ 58,000	\$ 56,134	\$ 1,866
Contractual services	-	-	-	-
Other	1,960,637	1,960,637	423,137	1,537,500
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>2,018,637</u>	<u>2,018,637</u>	<u>479,271</u>	<u>1,539,366</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures and Other Financing				
Uses	<u>\$ 2,018,637</u>	<u>\$ 2,018,637</u>	<u>479,271</u>	<u>\$ 1,539,366</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ 332,145</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	FEDERAL PLANNING AND DEVELOPMENT FUND (SHARE 10030)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ 16,111,500	\$ 16,111,500	\$ 12,732,206	\$ (3,379,294)
Other state funds	-	-	84	84
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	16,111,500	16,111,500	12,732,290	\$ (3,379,210)
Prior Year Funds Rebudgeted	7,242,239	7,242,239		
	<u>\$ 23,353,739</u>	<u>\$ 23,353,739</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 456,500	\$ 456,500	\$ 435,605	\$ 20,895
Contractual services	-	-	-	-
Other	22,897,239	22,897,239	12,721,905	10,175,334
Transfers (in) out	-	-	(1,290,446)	1,290,446
Reversions	-	-	-	-
	<u>23,353,739</u>	<u>23,353,739</u>	<u>11,867,064</u>	<u>11,486,675</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 23,353,739</u>	<u>\$ 23,353,739</u>	<u>11,867,064</u>	<u>\$ 11,486,675</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ 865,226</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	HIF BOND FUND (SHARE 20200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	6,888,200	6,888,200	7,724,846	836,646
Interest revenue	29,000	29,000	7,322	(21,678)
Total Revenues and Other Financing Sources:	6,917,200	6,917,200	7,732,168	\$ 814,968
Prior Year Funds Rebudgeted	-	1,000,000		
	<u>\$ 6,917,200</u>	<u>\$ 7,917,200</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	6,917,200	7,917,200	7,749,922	167,278
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>6,917,200</u>	<u>7,917,200</u>	<u>7,749,922</u>	<u>167,278</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 6,917,200</u>	<u>\$ 7,917,200</u>	<u>7,749,922</u>	<u>\$ 167,278</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ (17,754)</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	LOCAL GOVERNMENT ROAD FUND (SHARE 20300)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	22,260,000	22,260,000	21,539,415	(720,585)
Interest revenue	53,000	53,000	14,546	(38,454)
Total Revenues and Other Financing Sources:	<u>22,313,000</u>	<u>22,313,000</u>	<u>21,553,961</u>	<u>\$ (759,039)</u>
Prior Year Funds Rebudgeted	<u>14,483,528</u>	<u>14,483,528</u>		
	<u>\$ 36,796,528</u>	<u>\$ 36,796,528</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	36,796,528	36,796,528	19,060,381	17,736,147
	<u>36,796,528</u>	<u>36,796,528</u>	<u>19,060,381</u>	<u>17,736,147</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 36,796,528</u>	<u>\$ 36,796,528</u>	<u>19,060,381</u>	<u>\$ 17,736,147</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ 2,493,580</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	STATE AVIATION FUND (SHARE 20500)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	5,698,000	5,698,000	6,101,953	403,953
Interest revenue	-	-	12,059	12,059
Total Revenues and Other Financing Sources:	5,698,000	5,698,000	6,114,012	\$ 416,012
Prior Year Funds Rebudgeted	9,797,772	9,797,772		
	<u>\$ 15,495,772</u>	<u>\$ 15,495,772</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 393,400	\$ 443,400	\$ 443,640	\$ (240)
Contractual services	1,559,750	1,509,750	887,856	621,894
Other	13,542,622	13,542,622	5,037,881	8,504,741
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>15,495,772</u>	<u>15,495,772</u>	<u>6,369,377</u>	<u>9,126,395</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 15,495,772</u>	<u>\$ 15,495,772</u>	<u>6,369,377</u>	<u>\$ 9,126,395</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ (255,365)</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

1993 BOND PROJECT FUND (SHARE 39400)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,142	1,142
Total Revenues and Other Financing Sources:	-	-	1,142	\$ 1,142
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 1,142	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

1999A CHAT BOND PROJECT FUND (SHARE 43000)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,516	1,516
Total Revenues and Other Financing Sources:	-	-	1,516	\$ 1,516
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 1,516	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

WIPP BOND PROJECT FUND (SHARE 43100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	1,461,650	1,461,650		
	<u>\$ 1,461,650</u>	<u>\$ 1,461,650</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	1,461,650	1,461,650	-	1,461,650
Other	-	-	-	-
Transfers (in) out	-	-	(2,669,367)	2,669,367
Reversions	-	-	-	-
	<u>1,461,650</u>	<u>1,461,650</u>	<u>(2,669,367)</u>	<u>4,131,017</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures and Other Financing				
Uses	<u>\$ 1,461,650</u>	<u>\$ 1,461,650</u>	<u>(2,669,367)</u>	<u>\$ 4,131,017</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ 2,669,367</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2001A CHAT BOND PROJECT FUND (SHARE 00600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	3,376	3,376
Total Revenues and Other Financing Sources:	-	-	3,376	\$ 3,376
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 3,376	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2002C HIF BOND PROJECT FUND (SHARE 36100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	934	934
Total Revenues and Other Financing Sources:	-	-	934	\$ 934
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 934	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2002D CHAT BOND PROJECT FUND (SHARE 11500)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	456	456
Total Revenues and Other Financing Sources:	-	-	456	\$ 456
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 456	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2004A GRIP BOND PROJECT FUND (SHARE 20400)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ -	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2006A GRIP BOND PROJECT FUND (SHARE 10210)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	25	25
Total Revenues and Other Financing Sources:	-	-	25	\$ 25
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 25	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2006B GRIP BOND PROJECT FUND (SHARE 10230)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	2	2
Total Revenues and Other Financing Sources:	-	-	2	\$ 2
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 2	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2006C GRIP BOND PROJECT FUND (SHARE 10250)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	28	28
Total Revenues and Other Financing Sources:	-	-	28	\$ 28
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 28	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2006D GRIP BOND PROJECT FUND (SHARE 10270)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ -	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	2010A BOND PROJECT FUND (SHARE 10450)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	17,477	17,477
Interest revenue	-	-	4,660	4,660
Total Revenues and Other Financing Sources:	-	-	22,137	\$ 22,137
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	16,008,344	(16,008,344)
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	16,008,344	(16,008,344)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted				
Expenditures and Other Financing				
Uses	\$ -	\$ -	16,008,344	\$ (16,008,344)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ (15,986,207)	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

1998A WIPP BOND DEBT SERVICE (SHARE 97200)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	11	11
Total Revenues and Other Financing Sources:	-	-	11	\$ 11
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 11	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

1998A CHAT BOND DEBT SERVICE (SHARE 54800)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues and Other Financing Sources:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	100		100
Total Revenues and Other Financing Sources:	-	-	100	\$	100
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Expenditures and Other Financing Uses - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted					
Expenditures and Other Financing					
Uses	\$ -	\$ -	-	\$	-
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources and Uses			\$	100	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

1999 CHAT BOND DEBT SERVICE (SHARE 43400)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues and Other Financing Sources:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	190		190
Total Revenues and Other Financing Sources:	-	-	190	\$	190
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Expenditures and Other Financing Uses - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted					
Expenditures and Other Financing					
Uses	\$ -	\$ -	-	\$	-
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources and Uses			\$	190	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2000 CHAT BOND DEBT SERVICE (SHARE 43200)					
Budgeted Amounts		Actual		Variance	
Original	Final	Amounts (Modified Accrual)		Over (Under)	
Revenues and Other Financing Sources:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	147		147
Total Revenues and Other Financing Sources:	-	-	147	\$	147
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Expenditures and Other Financing Uses - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted					
Expenditures and Other Financing					
Uses	\$ -	\$ -	-	\$	-
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources and Uses			\$	147	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2001A CHAT BOND DEBT SERVICE (SHARE 00700)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	167	167
Total Revenues and Other Financing Sources:	-	-	167	\$ 167
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 167	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2002A CHAT BOND DEBT SERVICE (SHARE 54700)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	61	61
Total Revenues and Other Financing Sources:	-	-	61	\$ 61
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 61	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2002B WIPP BOND DEBT SERVICE (SHARE 75000)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	78	78
Total Revenues and Other Financing Sources:	-	-	78	\$ 78
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 78	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.
See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2002C HIF BOND DEBT SERVICE (SHARE 36300)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	45	45
Total Revenues and Other Financing Sources:	-	-	45	\$ 45
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 45	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2002D CHAT BOND DEBT SERVICE (SHARE 18700)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	10	10
Total Revenues and Other Financing Sources:	-	-	10	\$ 10
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 10	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	2004A GRIP BOND DEBT SERVICE (SHARE 10080)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,589	1,589
Total Revenues and Other Financing Sources:	-	-	1,589	\$ 1,589
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 1,589	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	2004B GRIP BOND DEBT SERVICE (SHARE 10090)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	863,356	863,356
Total Revenues and Other Financing Sources:	-	-	863,356	\$ 863,356
Prior Year Funds Rebudgeted	-	33,000,000		
	\$ -	\$ 33,000,000		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	33,000,000	31,223,400	1,776,600
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	33,000,000	31,223,400	1,776,600
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ 33,000,000	31,223,400	\$ 1,776,600
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ (30,360,044)	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2006A GRIP BOND DEBT SERVICE (SHARE 10220)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	227	227
Total Revenues and Other Financing Sources:	-	-	227	\$ 227
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 227	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2006B GRIP BOND DEBT SERVICE (SHARE 10240)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues and Other Financing Sources:					
Federal funds	\$ -	\$ -	\$ -	\$ -	-
Other state funds	-	-	-	-	-
Interest revenue	-	-	111		111
Total Revenues and Other Financing Sources:	-	-	111	\$	111
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Expenditures and Other Financing Uses - current and capital outlay:					
Programs and Infrastructure					
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	-	-	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Program Support					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted					
Expenditures and Other Financing					
Uses	\$ -	\$ -	-	\$ -	-
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources and Uses			\$	111	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2008A GRIP BOND DEBT SERVICE (SHARE 10410)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	143,067	143,067
Total Revenues and Other Financing Sources:	-	-	143,067	\$ 143,067
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	95,538	(95,538)
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	95,538	(95,538)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	95,538	\$ (95,538)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 47,529	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2008B GRIP BOND DEBT SERVICE (SHARE 10420)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	895,236	895,236
Total Revenues and Other Financing Sources:	-	-	895,236	\$ 895,236
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	873,358	(873,358)
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	873,358	(873,358)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	873,358	\$ (873,358)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 21,878	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2008C GRIP BOND DEBT SERVICE (SHARE 10430)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	104,999	104,999
Total Revenues and Other Financing Sources:	-	-	104,999	\$ 104,999
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	95,123	(95,123)
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	95,123	(95,123)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	95,123	\$ (95,123)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 9,876	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	2008D GRIP BOND DEBT SERVICE (SHARE 10440)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	291	291
Total Revenues and Other Financing Sources:	-	-	291	\$ 291
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 291	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2009A BOND DEBT SERVICE (SHARE 11130)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	817	817
Total Revenues and Other Financing Sources:	-	-	817	\$ 817
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 817	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	2010A BOND DEBT SERVICE (SHARE 11140)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,748	1,748
Total Revenues and Other Financing Sources:	-	-	1,748	\$ 1,748
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 1,748	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2010B BOND DEBT SERVICE FUND (SHARE 20450)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,306	1,306
Total Revenues and Other Financing Sources:	-	-	1,306	\$ 1,306
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 1,306	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2012A BOND DEBT SERVICE FUND (SHARE 30850)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	334	334
Total Revenues and Other Financing Sources:	-	-	334	\$ 334
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 334	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

2014A BOND DEBT SERVICE FUND (SHARE 11960)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Interest revenue	-	-	14	14
Bond proceeds	-	642,347	642,347	-
Total Revenues and Other Financing Sources:	-	642,347	642,361	\$ 14
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ 642,347		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	221,111	221,111	-
Transfers (in) out	-	421,236	249,878	171,358
Reversions	-	-	-	-
	-	642,347	470,989	171,358
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ 642,347	470,989	\$ 171,358
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 171,372	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	STATE INFRASTRUCTURE BANK (SHARE 89300)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	14,915	14,915
Total Revenues and Other Financing Sources:	-	-	14,915	\$ 14,915
Prior Year Funds Rebudgeted	10,000,000	10,000,000		
	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	10,000,000	10,000,000	-	10,000,000
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>10,000,000</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>-</u>	<u>\$ 10,000,000</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ 14,915</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	CAPITAL PROJECTS FUND (SHARE 10050)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	50,442,895	50,442,895
Transfers outside the agency	-	50,442,894	-	(50,442,894)
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	50,442,894	50,442,895	\$ 1
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ 50,442,894		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	50,442,894	30,433,412	20,009,482
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	50,442,894	30,433,412	20,009,482
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	225,981	(225,981)
Other	-	-	311,661	(311,661)
	-	-	537,642	(537,642)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ 50,442,894	30,971,054	\$ 19,471,840
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 19,471,841	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	STB APPROPRIATIONS FUND (SHARE 10060)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Transfers outside the agency	-	-	998,889	998,889
Total Revenues and Other Financing Sources:	-	-	998,889	\$ 998,889
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	(2,218,994)	2,218,994
	-	-	(2,218,994)	2,218,994
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	(2,218,994)	\$ 2,218,994
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 3,217,883	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

	GENERAL FUND APPROPRIATIONS FUND (SHARE 10070)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	1	(1)
Reversions	-	-	-	-
	-	-	1	(1)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	1	\$ (1)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ (1)	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

STB CAPITAL OUTLAY FUND (SHARE 89200)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Transfers outside the agency	-	-	16,603,611	16,603,611
Total Revenues and Other Financing Sources:	-	-	16,603,611	\$ 16,603,611
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	16,542,811	(16,542,811)
Other	-	-	-	-
Transfers (in) out	-	-	120,200	(120,200)
	-	-	16,663,011	(16,663,011)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	16,663,011	\$ (16,663,011)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ (59,400)	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2014

GF CAPITAL OUTLAY FUND (SHARE 93100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Transfers outside the agency	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	66,167	(66,167)
Other	-	-	2	(2)
Reversions	-	-	98,813	(98,813)
	-	-	164,982	(164,982)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	164,982	\$ (164,982)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ (164,982)	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

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**OTHER INFORMATION - SCHEDULES
REQUIRED UNDER 2.2.2 NMAC**

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of General Fund Components-Balance Sheet

As of June 30, 2014

	Departmental Services- Inventories Fund (SHARE 10040)	State Road Fund (SHARE 20100)	State Road Fund(s) (SHARE 10040 and 20100)
Assets:			
Cash:			
Unrestricted	\$ -	\$ 2,100	\$ 2,100
Cash Equivalents: (investment in state general fund investment pool)			
Restricted	-	121,762,395	121,762,395
Managed by NMFA	-	65,032	65,032
Receivables:			
Accounts receivable, net	-	1,596,154	1,596,154
Other receivables	-	18,646	18,646
Due from:			
U.S. Department of Transportation	-	39,833,098	39,833,098
Other funds	863,366	7,092,206	7,955,572
Other state agencies	-	63,407,737	63,407,737
Inventories	14,726,136	-	14,726,136
Prepaid expenses - other	-	4,925	4,925
Prepaid expense - NM44 warranty	-	20,126,045	20,126,045
Property held for resale	-	9,007,214	9,007,214
Total Assets	<u>\$ 15,589,502</u>	<u>\$ 262,915,552</u>	<u>\$ 278,505,054</u>
Liabilities, Deferred Inflows of Resources and Fund Balance:			
Liabilities:			
Accounts payable	\$ 422,028	\$ 78,356,365	\$ 78,778,393
Due to:			
Other funds	64,058	3,007,537	3,071,595
Other state agencies	11,341,624	2,536	11,344,160
State general fund	-	101,301	101,301
Local governments	-	68,084	68,084
Other accrued expenses	-	2,944,063	2,944,063
Other liabilities	666,751	428,529	1,095,280
Total Liabilities	<u>12,494,461</u>	<u>84,908,415</u>	<u>97,402,876</u>
Deferred Inflows of Resources:			
Amounts unavailable (not received within period of availability)	-	4,689,291	4,689,291
Total Deferred Inflows of Resources:	<u>-</u>	<u>4,689,291</u>	<u>4,689,291</u>
Fund Balance:			
Non-spendable	14,726,136	29,138,184	43,864,320
Committed	-	144,179,662	144,179,662
Unassigned	(11,631,095)	-	(11,631,095)
Total Fund Balance	<u>3,095,041</u>	<u>173,317,846</u>	<u>176,412,887</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 15,589,502</u>	<u>\$ 262,915,552</u>	<u>\$ 278,505,054</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of General Fund Components-Statement of Revenues,
Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2014

	Departmental Services- Inventories Fund (SHARE 10040)	State Road Fund (SHARE 20100)	State Road Fund(s) (SHARE 10040 and 20100)
Revenues:			
User and fuel taxes	\$ -	\$ 365,802,345	\$ 365,802,345
U.S. Department of Transportation	-	372,869,099	372,869,099
Licenses and permits	-	7,040,346	7,040,346
Charges for services	-	2,768,245	2,768,245
Other revenue	29,352	10,541,597	10,570,949
Interest earnings	-	80,924	80,924
Total Revenues	<u>29,352</u>	<u>759,102,556</u>	<u>759,131,908</u>
Expenditures:			
Current:			
Operating costs	-	10,886,437	10,886,437
Personal services	-	94,641,551	94,641,551
Out-of-state travel	-	109,972	109,972
Grants and services	-	2,376,164	2,376,164
Travel	-	20,703,893	20,703,893
Maintenance and repairs	-	9,900,307	9,900,307
Supplies	-	38,747,913	38,747,913
Contractual services	-	120,426,876	120,426,876
Other costs	-	4,261,748	4,261,748
Employee benefits	-	47,504,223	47,504,223
Capital outlay	-	298,692,981	298,692,981
Debt service:			
Principal	-	71,800,700	71,800,700
Interest	-	66,667,466	66,667,466
Total Expenditures	<u>-</u>	<u>786,720,231</u>	<u>786,720,231</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>29,352</u>	<u>(27,617,675)</u>	<u>(27,588,323)</u>
Other Financing Sources (Uses):			
Transfers from (to) other agencies	-	(5,839,953)	(5,839,953)
Transfers: intra-agency	-	(6,055,078)	(6,055,078)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(11,895,031)</u>	<u>(11,895,031)</u>
Net Changes in Fund Balance	<u>29,352</u>	<u>(39,512,706)</u>	<u>(39,483,354)</u>
Fund Balance, June 30, 2013	<u>3,065,689</u>	<u>212,830,552</u>	<u>215,896,241</u>
Fund Balance, June 30, 2014	<u>\$ 3,095,041</u>	<u>\$ 173,317,846</u>	<u>\$ 176,412,887</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

As of June 30, 2014

	Budgeted Amounts		Current Year Expenditures
	Original	Final	
Expenditures for 2010 multi-year projects			
Capital outlay	\$ 350,000	\$ 350,000	\$ 225,981
Expenditures for 2011 multi-year projects			
Capital outlay	350,000	350,000	2,013
Expenditures for 2012 multi-year projects			
Capital outlay	350,000	350,000	309,648
Expenditures for 2014 multi-year projects			
Capital outlay	-	50,442,894	30,433,412
Total Expenditures	\$ 1,050,000	\$ 51,492,894	\$ 30,971,054

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

Life-to-Date Outstanding Encumbrances	Total Actual	Prior Year Actual	Total Expenditures	Variance From Final Budget (Over) Under
<hr/>				
\$ -	\$ 225,981	\$ 124,019	\$ 350,000	\$ -
4,400	6,413	213,801	220,214	129,786
31,825	341,473	8,061	349,534	466
2,786,138	33,219,550	-	33,219,550	17,223,344
<hr/>				
\$ 2,822,363	\$ 33,793,417	\$ 345,881	\$ 34,139,298	\$ 17,353,596
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Capital Projects Funds

Under the Laws of 2010 Special Session, Chapter 4, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. The appropriation was fully expended by the end of the 2014 fiscal year. The appropriation period is for 4 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2011 Special Session, Chapter 5, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2016 fiscal year will revert to the State Road Fund. The appropriation period is for 4 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, Chapter 64, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2016 fiscal year will revert to the State Road Fund. The appropriation period is for 4 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, HB 191, Section 27 and a capital budget adjustment (CBAR) approved by the State Transportation Commission in September of 2013. The Department received \$45,442,984 from the City of Albuquerque and \$5,000,000 from Bernalillo County as a local match towards the I-25 and Paseo Del Norte interchange reconstruction project.

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

As of June 30, 2014

Chapter	Laws	Bonds Appropriated	Bonds Sold	Amounts AIPP	Funds Reauthorized
9	2008	150,000,000	150,000,000	-	(6,887,242)
105	2010	-	-	-	8,635,000
183	2011	-	-	-	16,037
63	2012	-	-	-	188,941
64	2012	34,273,051	34,273,051	-	-
353	2012	-	-	-	247,500
3	2013	-	-	-	190,477
9	2013	-	-	-	6,887,242
92	2013	-	-	-	473,963
226	2013	11,683,070	11,683,070	-	-
66	2014	16,705,162	12,885,387	-	-
226	2014	638,000	638,000	-	-
		<u>\$ 213,299,283</u>	<u>\$ 209,479,508</u>	<u>\$ -</u>	<u>\$ 9,751,918</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

Funds Reverted	Bond Balance After Reauthorization	Funds Received	Expended To Date	Balance Available	Due from Board of Finance
-	143,112,758	142,463,630	143,112,758	-	511,456
-	8,635,000	8,603,603	8,603,603	31,397	-
-	16,037	16,037	16,037	-	-
-	188,941	170,841	170,841	18,100	-
-	34,273,051	12,585,975	16,774,980	21,687,076	4,189,005
-	247,500	-	-	247,500	-
-	190,477	-	-	190,477	-
-	6,887,242	518,799	903,727	7,017,570	445,728
-	473,963	1,291	1,291	472,672	-
-	11,683,070	208,849	475,250	11,474,221	266,401
-	12,885,387	-	-	12,885,387	-
-	638,000	-	-	638,000	-
<hr/>					
\$ -	\$ 219,231,426	\$ 164,569,025	\$ 170,058,487	\$ 54,662,400	\$ 5,412,590

Balance Available (Note 4)	\$ 54,662,400
Due from Board of Finance (Note 4)	5,412,590
Total	<u>\$ 60,074,990</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

As of June 30, 2014

	Appropriation Amount	Expenditures Inception to June 30, 2014
Special Revenue Funds		
Laws of 2007 Special Session, Chapter 3	\$ 35,000,000	\$ 26,241,547
Laws of 2012, Chapter 63	-	33,073
Laws of 2013, Chapter 202	-	66,167
	<u>35,000,000</u>	<u>26,340,787</u>
Capital Projects Funds		
Laws of 2010 Special Session, Chapter 4	350,000	350,000
Laws of 2011, Chapter 5	350,000	215,814
Laws of 2012, Chapter 64	350,000	317,709
Laws of 2012, HB 191 Section 27 and CBAR 2013	50,442,894	30,433,412
	<u>51,492,894</u>	<u>31,316,935</u>
Total all Fund Types	<u><u>\$ 86,492,894</u></u>	<u><u>\$ 57,657,722</u></u>

* Note: State House and Senate Memorials are directions on how appropriated monies should be spent. They are not laws.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

Encumbrances		Re-appropriation		Reversion	Balance
Balance as of		Amount		Amount	as of
June 30, 2014					June 30, 2014
\$	-	\$	-	\$ 8,500,000	\$ 258,453
	-		131,886	98,813	-
	-		66,167	-	-
	-		198,053	8,598,813	258,453
	-		-	-	-
	4,400		-	-	129,786
	31,825		-	-	466
	2,786,138		-	-	17,223,344
	2,822,363		-	-	17,353,596
\$	2,822,363	\$	198,053	\$ 8,598,813	\$ 17,612,049

See Independent Auditors' Report

Special Revenue Funds

Under the Laws of Special Session 2007, Chapter 3, the Department was appropriated \$35,000,000 for GRIP 1 and New Mexico Spaceport projects. Any unexpended or unencumbered balance remaining at the end of the 2011 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, Chapters 63 the Department was reappropriated \$131,866 for highway maintenance and certain infrastructure projects and improvements, respectively. Any unexpended or unencumbered balance remaining at the end of the 2014 fiscal year will revert to the State General Fund. The appropriation period is for 2 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2013, Chapters 202 the Department was reappropriated \$66,167 for highway maintenance and certain infrastructure projects and improvements, respectively. Any unexpended or unencumbered balance remaining at the end of the 2015 fiscal year will revert to the State General Fund. The appropriation period is for 2 years unless re-authorized or extended by enabling legislation.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Supplemental Schedule of Special Appropriations

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Revenue - Bond Projects

As of June 30, 2014

	<u>Budgeted Amounts</u>		<u>Received Prior Year(s)</u>	<u>Received Current Year</u>
	<u>Original</u>	<u>Final</u>		
Special Revenue Funds				
2010A Bond Project Fund	\$ 200,000,000	\$ 200,000,000	\$ 200,098,539	\$ 22,137
2014A Bond Project Fund	-	80,000,000	-	80,002,398
Total all Fund Types	<u>\$ 200,000,000</u>	<u>\$ 280,000,000</u>	<u>\$ 200,098,539</u>	<u>\$ 80,024,535</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Revenue - Bond Projects

Total Revenue		Variance From Final Budget Over (Under)		Expended Prior Year(s)		Expended Current Year		Total Expenditures		Variance From Final Budget (Over) Under	
\$	200,120,676	\$	120,676	\$	170,213,704	\$	16,008,344	\$	186,222,048	\$	13,777,952
	80,002,398		2,398						-		80,000,000
\$	280,123,074	\$	123,074	\$	170,213,704	\$	16,008,344	\$	186,222,048	\$	93,777,952

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

As of June 30, 2014

	Fund Number	Bank Balance	Book Balance	Book Total
Cash				
State Road Fund	Petty Cash 20100	\$ 2,600	\$ 2,100	
Total Cash				<u>\$ 2,100</u>
(Restricted)				
2001A CHAT Bond Project Fund	00600	\$ 4,737,841	\$ 4,737,841	
2001A CHAT Bond Debt Service Fund	00700	234,752	234,752	
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	9,783,431	9,783,431	
State Road Fund(s)	10040, 10140, 20100, 82000	121,762,395	121,762,395	
Capital Projects Fund	10050	22,847,198	22,847,198	
General Fund Appropriations	10070	466,257	466,257	
2006A GRIP Bond Project Fund	10210	324,974	324,974	
2006B GRIP Bond Project Fund	10230	49,671	49,671	
2002D CHAT Bond Project Fund	11500	639,723	639,723	
2002D CHAT Bond Debt Service Fund	18700	12,862	12,862	
HIF Bond Fund	20200	10,075,346	10,075,346	
Local Government Road Fund	20300	22,250,610	22,250,610	
2004A GRIP Bond Project Fund	20400	112,078	112,078	
State Aviation Fund	20500	17,007,619	17,007,619	
2002C HIF Bond Project Fund	36100	1,309,468	1,309,468	
2002C HIF Bond Debt Service Fund	36300	62,499	62,499	
1993 Bond Project Fund	39400	1,601,278	1,601,278	
1999A CHAT Bond Project Fund	43000	2,126,588	2,126,588	
WIPP Bond Project Fund	43100	1,887,265	1,887,265	
2000 CHAT Bond Debt Service Fund	43200	204,933	204,933	
1999 CHAT Bond Debt Service Fund	43400	267,318	267,318	
2002A CHAT Bond Debt Service Fund	54700	83,920	83,920	
1998A CHAT Bond Debt Service Fund	54800	142,176	142,176	
2002B WIPP Bond Debt Service Fund	75000	111,379	111,379	
State Infrastructure Bank	89300	20,740,869	20,740,869	
GF Capital Outlay	93100	98,814	98,814	
1998A WIPP Bond Debt Service Fund	97200	14,570	14,570	
Total Restricted				<u>\$ 238,955,834</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

	SHARE Account Number	Bank Balance	Book Balance	Book Total
Managed by NMFA:				
Wells Fargo, trustee account				
State Road Fund	20100	65,032	65,032	65,032
Bank of New York, trustee account				
2004A GRIP Bond Debt Service Fund	10080	511,801	511,801	
2004B GRIP Bond Debt Service Fund	10090	3,247,843	3,247,843	
2006A GRIP Bond Project Fund	10210	162,283	162,283	
2006A GRIP Bond Debt Service Fund	10220	34,335	34,335	
2006B GRIP Bond Project Fund	10230	10,386	10,386	
2006B GRIP Bond Debt Service Fund	10240	6,957	6,957	
2006C GRIP Bond Project Fund	10250	179,148	179,148	
2008A GRIP Bond Debt Service Fund	10410	5,011,289	5,011,289	
2008B GRIP Bond Debt Service Fund	10420	6,804,596	6,804,596	
2008C GRIP Bond Debt Service Fund	10430	1,735,646	1,735,646	
2008D GRIP Bond Debt Service Fund	10440	1,782,221	1,782,221	
2010A Bond Project Fund	10450	17,780,385	17,780,385	
2009A Bond Debt Service Fund	11130	50,116	50,116	
2010A/LOC Bond Debt Service Fund	11140	177,102	177,102	
2014A Bond Debt Service Fund	11960	171,368	171,368	
2014A Bond Project Fund	11970	80,001,750	80,001,750	
2010B GRIP Bond Debt Service Fund	20450	204,070	204,070	
2012A Bond Debt Service Fund	30850	65,721	65,721	117,937,017
Total Managed by NMFA			\$ 118,002,049	

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Pledged State Revenues

As of June 30, 2014

Pledged State Revenues

Pledged User & Fuel Taxes

Gasoline Excise	\$ 110,504,089
Motor Vehicle Registrations	76,217,962
Special Fuel	92,856,206
Vehicle Transaction	5,023,950
Drivers License	3,671,635
Oversize/Oversight Permit Fees	5,025,996
Trip (Mileage) Tax	4,666,152
Tire recycling fees	1,836,118
Weight/Distance Tax	75,366,712
Total pledged user & fuel taxes	<u>375,168,820</u>

Other Pledged Revenue

Road fund interest income	79,576
HIF interest income	7,322
Leased Vehicles gross receipts tax	7,851,637
PRC fees	2,008,545
Total other pledged revenue	<u>9,947,080</u>

Total Pledged State Revenues	<u><u>\$ 385,115,900</u></u>
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2014

	2004A-GRIP	2004B-GRIP	2006A-GRIP	2006B-GRIP
	(SHARE 10080)	(SHARE 10090)	(SHARE 10220)	(SHARE 10240)
Gasoline Excise Taxes	\$ 9,208,674	\$ 9,208,674	\$ 9,208,674	\$ 9,208,674
Motor Vehicle Registration Fees	6,351,497	6,351,497	6,351,497	6,351,497
Special Fuel Excise Taxes	7,738,017	7,738,017	7,738,017	7,738,017
Vehicle Transaction Fees	418,663	418,663	418,663	418,663
Driver's License Fees	305,970	305,970	305,970	305,970
Oversize/Oversight Permit Fees	418,833	418,833	418,833	418,833
Public Regulation Commission Fees	167,379	167,379	167,379	167,379
Trip (Mileage) Tax	388,846	388,846	388,846	388,846
Weight/Distance Taxes	6,280,559	6,280,559	6,280,559	6,280,559
Leased Vehicle Gross Receipts Taxes	654,303	654,303	654,303	654,303
Tire Recycling Fees	153,010	153,010	153,010	153,010
FHWA Revenues	31,066,377	31,066,377	31,066,377	31,066,377
	63,152,128	63,152,128	63,152,128	63,152,128
Interest on Cash Balances*	7,242	7,242	7,242	7,242
Total Pledged Revenues				
Received	\$ 63,159,370	\$ 63,159,370	\$ 63,159,370	\$ 63,159,370

	2004A-GRIP	2004B-GRIP	2006A-GRIP	2006B-GRIP
Debt Service Principal Expenditures	\$ 19,360,000	\$ 29,740,000	\$ 255,000	\$ 1,320,000
Debt Service Interest Expenditures	4,162,767	1,483,400	4,152,412	1,188,261
Total Debt Service	\$ 23,522,767	\$ 31,223,400	\$ 4,407,412	\$ 2,508,261
Debt Service Coverage	2.69%	2.02%	14.33%	25.18%

*NOTE: In addition to state road fund revenues, pledged revenues on the 2002C HIF and 2004A GRIP include interest earned in the HIF fund.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

2008A-GRIP (SHARE 10410)		2008B-GRIP (SHARE 10420)		2008C-GRIP (SHARE 10430)		2009A Refunding (SHARE 11130)		2010A-GRIP (SHARE 11140)		2010B-GRIP (SHARE 20450)	
\$	9,208,674	\$	9,208,674	\$	9,208,674	\$	9,208,674	\$	9,208,674	\$	9,208,674
	6,351,497		6,351,497		6,351,497		6,351,497		6,351,497		6,351,497
	7,738,017		7,738,017		7,738,017		7,738,017		7,738,017		7,738,017
	418,663		418,663		418,663		418,663		418,663		418,663
	305,970		305,970		305,970		305,970		305,970		305,970
	418,833		418,833		418,833		418,833		418,833		418,833
	167,379		167,379		167,379		167,379		167,379		167,379
	388,846		388,846		388,846		388,846		388,846		388,846
	6,280,559		6,280,559		6,280,559		6,280,559		6,280,559		6,280,559
	654,303		654,303		654,303		654,303		654,303		654,303
	153,010		153,010		153,010		153,010		153,010		153,010
	31,066,377		31,066,377		31,066,377		31,066,377		31,066,377		31,066,377
	63,152,128		63,152,128		63,152,128		63,152,128		63,152,128		63,152,128
	7,242		7,242		7,242		7,242		7,242		7,242
\$	63,159,370	\$	63,159,370	\$	63,159,370	\$	63,159,370	\$	63,159,370	\$	63,159,370

2008A-GRIP		2008B-GRIP		2008C-GRIP		2009A Refunding		2010A-GRIP		2010B-GRIP	
\$	-	\$	-	\$	-	\$	11,075,000	\$	38,225,000	\$	-
	5,154,816		12,154,032		3,982,255		1,094,400		5,915,475		905,588
\$	5,154,816	\$	12,154,032	\$	3,982,255	\$	12,169,400	\$	44,140,475	\$	905,588
	12.25%		5.20%		15.86%		5.19%		1.43%		69.74%

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2014

	2012A Refunding	2014A Revenue		TOTAL
	(SHARE 30850)	(SHARE 11960)		
Gasoline Excise Taxes	\$ 9,208,674	\$ 9,208,674	\$	110,504,088
Motor Vehicle Registration Fees	6,351,497	6,351,497		76,217,964
Special Fuel Excise Taxes	7,738,017	7,738,017		92,856,204
Vehicle Transaction Fees	418,663	418,663		5,023,956
Driver's License Fees	305,970	305,970		3,671,640
Oversize/Oversight Permit Fees	418,833	418,833		5,025,996
Public Regulation Commission Fees	167,379	167,379		2,008,548
Trip (Mileage) Tax	388,846	388,846		4,666,152
Weight/Distance Taxes	6,280,559	6,280,559		75,366,708
Leased Vehicle Gross Receipts Taxes	654,303	654,303		7,851,636
Tire Recycling Fees	153,010	153,010		1,836,120
FHWA Revenues	31,066,377	31,066,377		372,796,524
Subtotal	63,152,128	63,152,128	-	757,825,536
Interest on Cash Balances*	7,242	7,242		86,904
Total Pledged Revenues				
Received	\$ 63,159,370	\$ 63,159,370	\$ -	757,912,440

	2012A Refunding	2014A Revenue		
Debt Service Principal Expenditures	\$ 6,635,000	\$ -	\$	106,610,000
Debt Service Interest Expenditures	22,067,500	8,791,663		71,052,569
Total Debt Service	\$ 28,702,500	\$ 8,791,663	\$	177,662,569
Debt Service Coverage	2.20%	7.18%		4.27%

*NOTE: In addition to state road fund revenues, pledged revenues on the 2002C HIF and 2004A GRIP include interest earned in the HIF fund.

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

The State Legislature and the State Highway Commission have approved certain agreements between the Department and various counties, municipalities and other agencies to construct or improve public highways, school grounds, parking areas, and for the purpose of litter control. The Department's funding responsibility varies from zero to 100%. When related to Public Transportation Services, the Department's funding responsibility is 50% operating and 80% capital. None of these cooperative and joint powers agreements have created legally separate organizations that need to be included as component units or joint ventures in the Department's financial statements.

Contract Number	Contractor	Description	Expended in 2014
J00810	PUEBLO DE SAN FELIPE	Reconstruction and Misc. improvements of BIA Rt. 1105/1106	\$ 80,833

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements**

Date of Agreement		Total Estimated Amt of Project	Portion Applicable	Party Responsible for Operations	Audit Responsibility	Fiscal Agent (if applicable)	Agency Where Revenues/Expenditures are Reported
Beginning	Ending		To Agency				
3/3/2014	12/31/2014	\$ 107,777	75%	Contractor	Department		Department

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract Number	Contractor	Description	Expended in 2014
M01235	GOOD SHEPHERD LUTHERAN CHURCH	PARK & RIDE USE OF PARKING LOT	\$ 6,200
M01238	USGS NATIONAL CENTER MS270	INVESTIGATION/FLOOD ANALYSIS	89,450
M01240	DEPARTMENT OF CULTURAL AFFAIRS	CULTURAL RESOURCES SERVICES	-
M01241	NEW MEXICO PASSENGER TRANSPORTATION ASSOCIATION	BUS & VAN ROAD-E-O	111,028
M01242	ALBUQUERQUE, CITY OF	BUS STOP IMPROVEMENTS	-
M01243	LIFE QUEST INC	PUBLIC TRANSPORTATION SERVICES	-
M01244	CITY OF GALLUP	PUBLIC TRANSPORTATION SERVICES	59,470
M01245	RIO METRO REGIONAL TRANSIT DISTRICT	BELEN to SANTA FE CORRIDOR	1,126,958
M01247	ALBUQUERQUE, CITY OF	FY13 CONGESTION MITIGATION	-
M01248	ALBUQUERQUE, CITY OF	FY14 CONGESTION MITIGATION	-
M01249	SANTA FE, CITY OF	PROMOTING RIDESHARING	57,279
M01250	ZIA THERAPY CTR INC	PUBLIC TRANSPORTATION SERVICES	458,024
M01251	CITY OF GALLUP	PUBLIC TRANSPORTATION SERVICES	177,572
M01252	NORTH CENTRAL REGIONAL TRANSIT DISTRICT	PUBLIC TRANSPORTATION SERVICE	1,476,628
M01253	RIO METRO REGIONAL TRANSIT DISTRICT	PUBLIC TRANSPORTATION SERVICES	-
M01254	RIO METRO REGIONAL TRANSIT DISTRICT	PUBLIC TRANSPORTATION SERVICES	1,093,904
M01255	GOLDEN SPREAD RURAL FRONTIER	PUBLIC TRANSPORTATION SERVICES	130,002
M01256	CLOVIS, CITY OF	PUBLIC TRANSPORTATION SERVICES	561,723
M01257	LAS VEGAS, CITY OF	PUBLIC TRANSPORTATION SERVICES	147,142
M01258	MILAN, VILLAGE OF	PUBLIC TRANSPORTATION SERVICES	168,446
M01259	ADELANTE DEVELOPMENT CENTER	PUBLIC TRANSPORTATION SERVICES	-
M01260	ARCA	PUBLIC TRANSPORTATION SERVICES	71,874
M01261	TRESCO INC	PUBLIC TRANSPORTATION SERVICES	-
M01262	BEN ARCHER HEALTH CENTER	PUBLIC TRANSPORTATION SERVICES	-
M01263	SANTA FE, CITY OF	AUTOMATED VEHICLE LOCATION	-
M01264	ROSWELL, CITY OF	PUBLIC TRANSPORTATION SERVICES	666,296
M01265	LA VIDA FELICIDAD INC	PUBLIC TRANSPORTATION SERVICES	-
M01266	HOBBS, CITY OF	PUBLIC TRANSPORTATION SERVICES	427,529
M01267	BEN ARCHER HEALTH CENTER	PUBLIC TRANSPORTATION SERVICES	130,886
M01267A	HATCH AREA MEDICAL CENTER FOUNDATION	PUBLIC TRANSPORTATION SERVICES	168,300
M01268	FAMILIES AND YOUTH INC	PUBLIC TRANSPORTATION SERVICES	-
M01269	ALBUQUERQUE, CITY OF	TRANSPORTATION DEMAND MANAGE	807,550
M01270	PORTALES, CITY OF	PUBLIC TRANSPORTATION SERVICES	141,553
M01271	EN SUENOS Y LOS ANGELITOS DEVELOPMENT	PUBLIC TRANSPORTATION SERVICES	-
M01272	PRESBYTERIAN MEDICAL SERVICES	PUBLIC TRANSPORTATION SERVICES	-

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
7/1/2013	6/30/2014	\$ 9,000	100%	Contractor	Department		Department
10/1/2013	9/30/2014	119,266	50%	Contractor	Department		Department
6/25/2013	6/30/2017	100,000	100%	Contractor	Department		Department
7/8/2013	6/30/2014	107,800	100%	Contractor	Department		Department
7/11/2013	9/30/2014	550,000	85%	Contractor	Department		Department
7/17/2013	9/30/2013	40,869	80%	Contractor	Department		Department
7/30/2013	9/30/2013	191,600	80%	Contractor	Department		Department
8/12/2013	8/12/2033	4,400,000	100%	Contractor	Department		Department
8/31/2013	3/15/2014	351,124	80%	Contractor	Department		Department
9/1/2013	9/30/2014	585,206	80%	Contractor	Department		Department
7/2/2013	9/30/2014	84,004	80%	Contractor	Department		Department
9/10/2013	9/30/2014	608,324	80%	Contractor	Department		Department
9/11/2013	9/30/2014	366,131	80%	Contractor	Department		Department
9/6/2013	9/30/2014	1,483,068	80%	Contractor	Department		Department
9/12/2013	9/30/2014	211,200	80%	Contractor	Department		Department
9/13/2013	9/30/2014	1,180,192	80%	Contractor	Department		Department
9/6/2013	9/30/2014	130,242	80%	Contractor	Department		Department
9/13/2013	9/30/2014	591,896	80%	Contractor	Department		Department
9/13/2013	9/30/2014	204,875	80%	Contractor	Department		Department
9/16/2013	9/30/2014	159,816	80%	Contractor	Department		Department
9/9/2013	9/30/2014	184,036	80%	Contractor	Department		Department
9/11/2013	9/30/2014	177,030	80%	Contractor	Department		Department
9/18/2013	9/30/2014	170,400	80%	Contractor	Department		Department
9/6/2013	9/30/2014	65,600	80%	Contractor	Department		Department
9/23/2013	9/30/2014	52,000	75%	Contractor	Department		Department
9/9/2013	9/30/2014	865,102	80%	Contractor	Department		Department
9/16/2013	9/30/2014	65,629	80%	Contractor	Department		Department
9/16/2013	9/30/2014	447,022	80%	Contractor	Department		Department
9/7/2013	6/6/2014	65,443	80%	Contractor	Department		Department
6/6/2014	9/30/2014	75,129	80%	Contractor	Department		Department
9/24/2013	9/30/2014	57,600	80%	Contractor	Department		Department
9/27/2013	9/30/2014	807,550	80%	Contractor	Department		Department
9/27/2013	9/30/2014	183,393	80%	Contractor	Department		Department
9/12/2013	9/30/2014	26,800	80%	Contractor	Department		Department
9/19/2013	9/30/2014	36,464	80%	Contractor	Department		Department

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract Number	Contractor	Description	Expended in 2014
M01273	PRESBYTERIAN MEDICAL SERVICES	PUBLIC TRANSPORTATION SERVICES	\$ -
M01274	COYOTE CANYON REHAB CTR INC	PUBLIC TRANSPORTATION SERVICES	-
M01275	SOCORRO, CITY OF	PUBLIC TRANSPORTATION SERVICES	103,566
M01276	RED RIVER, TOWN OF	PUBLIC TRANSPORTATION SERVICES	96,162
M01277	THE UNIVERSITY OF NEW MEXICO	STATE / REGIONAL FORECASTING	12,792
M01278	CARLSBAD, CITY OF	PUBLIC TRANSPORTATION SERVICES	361,077
M01279	TAOS, TOWN OF	PUBLIC TRANSPORTATION SERVICES	439,346
M01280	RIO METRO REGIONAL TRANSIT DISTRICT	FUNDING/ CAPITAL EQUIPMENT	-
M01281	CANOSSIANS-DAUGHTERS OF CHARITY	PUBLIC TRANSPORTATION SERVICES	-
M01282	NAVAJO NATION	PUBLIC TRANSPORTATION SERVICES	443,031
M01283	PRESBYTERIAN MEDICAL SERVICES	PUBLIC TRANSPORTATION SERVICES	-
M01284	LAS CRUCES, CITY OF	FUNDING / CAPITAL EQUIPMENT	-
M01285	LOS ALAMOS, COUNTY OF	PUBLIC TRANSPORTATION SERVICES	-
M01286	LOS ALAMOS, COUNTY OF	PUBLIC TRANSPORTATION SERVICES	1,422,953
M01287	MANDYS SPECIAL FARM	PUBLIC TRANSPORTATION SERVICES	-
M01288	RUIDOSO DOWNS, CITY OF	PUBLIC TRANSPORTATION SERVICES	80,000
M01289	ZIA THERAPY CTR INC	PUBLIC TRANSPORTATION SERVICES	44,965
M01290	GRANT, COUNTY OF	PUBLIC TRANSPORTATION SERVICES	720,090
M01291	LAGUNA, PUEBLO OF	PUBLIC TRANSPORTATION SERVICES	97,505
M01292	SANTA FE, CITY OF	FUNDING / CAPITAL EQUIPMENT	318,082
M01295	PUEBLO OF ISLETA	FEASIBILITY STUDY	75,000
M01297	THE UNIVERSITY OF NEW MEXICO	STATE / REGIONAL FORECASTING	-
M01298	DEPARTMENT OF CULTURAL AFFAIRS	CULTURAL RESOURCE SERVICES	-
M01302	NEW MEXICO FINANCE AUTHORITY	REVENUE BOND MANAGEMENT SVCS	293,255
M01304	LOS ALAMOS, COUNTY OF	PUBLIC TRANSPORTATION SERVICES	105,141
M01307	THE COMMUNITY PANTRY	PUBLIC TRANSPORTATION SERVICES	132,424
M01308	NORTH CENTRAL REGIONAL TRANSIT DISTRICT	TRANSIT SERVICE PLAN	17,052
M01309	SOCORRO, CITY OF	TRANSIT SERVICE PLAN	16,000
M01311	NORTH CENTRAL REGIONAL TRANSIT DISTRICT	LONG RANGE TRANSIT PLAN	-
M01313	BOWMAN, WANDA RUTH	USE OF PARKING LOT AGREEMENT	3,600
M01314	FARMINGTON, CITY OF	FUNDING / CAPITAL EQUIPMENT	-
M01316	GOOD SHEPHERD LUTHERAN CHURCH	USE OF PARKING LOT AGREEMENT	6,500

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Date of Agreement		Total Estimated Amt of Project	Portion Applicable	Party Responsible for Operations	Audit Responsibility	Fiscal Agent (if applicable)	Agency Where Revenues/Expenditures are Reported
Beginning	Ending		To Agency				
9/26/2013	9/30/2014	\$ 36,464	80%	Contractor	Department		Department
9/13/2013	9/30/2014	59,200	80%	Contractor	Department		Department
9/30/2013	9/30/2014	180,690	80%	Contractor	Department		Department
9/12/2013	9/30/2014	96,562	80%	Contractor	Department		Department
7/7/2013	6/30/2014	12,792	80%	Contractor	Department		Department
10/9/2013	9/30/2014	368,223	80%	Contractor	Department		Department
10/14/2013	9/30/2014	440,146	80%	Contractor	Department		Department
10/18/2013	9/30/2015	185,188	80%	Contractor	Department		Department
9/9/2013	9/30/2014	33,600	80%	Contractor	Department		Department
10/10/2013	9/30/2014	443,831	80%	Contractor	Department		Department
10/10/2013	9/30/2014	110,554	80%	Contractor	Department		Department
10/28/2013	9/30/2015	192,672	80%	Contractor	Department		Department
10/24/2013	9/30/2014	68,800	80%	Contractor	Department		Department
10/25/2013	9/30/2014	1,588,910	80%	Contractor	Department		Department
10/28/2013	9/30/2014	66,146	80%	Contractor	Department		Department
10/25/2013	9/30/2014	80,000	80%	Contractor	Department		Department
11/12/2013	9/30/2014	54,800	80%	Contractor	Department		Department
11/13/2013	9/30/2014	721,290	80%	Contractor	Department		Department
11/22/2013	9/30/2014	97,745	80%	Contractor	Department		Department
12/3/2013	9/30/2015	318,082	80%	Contractor	Department		Department
1/8/2014	12/31/2014	75,000	80%	Contractor	Department		Department
7/6/2013	6/30/2014	12,792	15%	Contractor	Department		Department
1/23/2014	6/30/2017	200,000	100%	Contractor	Department		Department
2/18/2014	2/18/2027	10,400,000	100%	Contractor	Department		Department
3/14/2014	4/30/2014	108,800	80%	Contractor	Department		Department
4/1/2014	9/30/2014	275,487	80%	Contractor	Department		Department
4/28/2014	6/30/2014	17,052	80%	Contractor	Department		Department
5/1/2014	3/31/2015	16,000	80%	Contractor	Department		Department
6/4/2014	9/30/2015	64,000	75%	Contractor	Department		Department
8/1/2014	7/31/2016	7,200	100%	Contractor	Department		Department
6/9/2014	9/30/2015	132,822	80%	Contractor	Department		Department
7/1/2014	6/30/2015	9,000	100%	Contractor	Department		Department

See Independent Auditors' Report

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SINGLE AUDIT

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2014

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
Direct Assistance Programs:		
U.S. Department of Transportation:		
Federal Highway Administration		
Highway Planning and Construction:		
Highway Planning and Construction	20.205	\$ 372,796,526
Total Federal Highway Administration		<u>372,796,526</u>
National Highway Traffic Safety Administration (NHTSA):		
Highway Safety Cluster:		
State and Community Highway Safety	20.600	1,930,774
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	483,896
Occupant Protection Incentive Grants	20.602	140,700
State Traffic Safety Information System Improvement Grants	20.610	318,620
Incentive Grant Program to Increase Motorcyclist Safety	20.612	51,194
Total Highway Safety Cluster		<u>2,925,184</u>
NHTSA Discretionary Safety Grants	20.614	66,141
FARs	20.616	431,825
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	8,037,015
Total National Highway Traffic Safety Administration		<u>11,460,165</u>
Federal Transit Administration (FTA):		
Federal Transit Cluster		
Federal Transit Capital Investment Grants	20.500	2,032,268
Federal Transit Formula Grants	20.526	230,349
Total Federal Transit Cluster		<u>2,262,617</u>
Transit Services Programs Cluster		
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	1,338,323
Job Access Reverse Commute	20.516	545,829
New Freedom Program	20.521	307,292
Total Transit Services Programs Cluster		<u>2,191,444</u>
Metropolitan Transportation Planning	20.505	400,356
Formula Grants for Other Than Urbanized Areas	20.509	8,299,243
Total Federal Transit Administration		<u>13,153,660</u>
Total U.S. Department of Transportation		<u>397,410,351</u>
Total Federal Financial Assistance		<u>\$ 397,410,351</u>

See Independent Auditors' Report and Notes to Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the New Mexico Department of Transportation (Department) under programs of the federal government for the year ended June 30, 2014. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Department, it is not intended to and does not present the financial position or changes in net assets of the Department.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant revenues collected in advance of the period they are intended to finance expenditures are recorded as deferred revenues, except for the amounts for the State Infrastructure Bank, which are recorded as contributions when they are received. The Department did not receive non-cash assistance from federal sources during the current year.

Note 3 - Reconciliation of Federal Awards

Statement of Revenues, Expenditures and

Changes in Fund Balances:

U.S. Department of Transportation	\$ 399,120,916
Deferred U.S. Department of Transportation (2014)	3,212,776
Deferred U.S. Department of Transportation (2013)	(4,883,456)
Other Adjustment	<u>(39,885)</u>

Supplemental Schedule of Expenditures,
of Federal Awards

\$ 397,410,351

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards

Federal Highway Administration (FHWA):

CFDA	Program Name	Sub Recipient Name	Amount
20.205	Highway Planning and Construction		
		City of Alamogordo	\$ 43,312
		City of Albuquerque	8,602,979
		City of Carlsbad	759,340
		City of Deming	266,493
		City of Farmington	150,146
		City of Grants	822,865
		City of Hobbs	90,509
		City of Las Cruces	51,308
		City of Rio Rancho	1,348,959
		City of Roswell	2,098,386
		City of Santa Fe	385,853
		County of Bernalillo	439,771
		County of Dona Ana	32,768
		County of Grant	37,507
		County of McKinley	30,568
		County of San Juan	55,921
		County of Sandoval	482,700
		County of Santa Fe	189,661
		New Mexico Institute of Mining and Technology (NMIMT)	826,631
		Rio Metro Regional Transit District	48,645
		San Miguel County	75,067
		Town of Bernalillo	230,239
		Town of Mesilla	122,671
		Town of Peralta	54,594
		Trail of the Mountain Spirit	62,686
		Village of Los Lunas	264,779
		Village of Reserve	70,579
		Village of Tijeras	85,209
		Total CFDA 20.205	<u>\$ 17,730,147</u>
Total Sub-Recipient Funds passed through FHWA			<u><u>\$ 17,730,147</u></u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA):

CFDA	Program Name	Sub Recipient Name	Amount
20.600	State and Community Highway Safety		
		ALAMOGORDO, CITY OF	6,282
		ALBUQUERQUE, CITY OF	106,844
		ARTESIA, CITY OF	3,729
		AZTEC, CITY OF	1,511
		BAYARD, CITY OF	1,542
		BELEN, CITY OF	2,516
		BERNALILLO, COUNTY OF	23,953
		BERNALILLO, TOWN OF	5,005
		BOSQUE FARMS, VILLAGE OF	2,625
		CAPITAN, VILLAGE OF	2,501
		CARLSBAD, CITY OF	5,923
		CITY OF SANTA ROSA	523
		CLAYTON, TOWN OF	1,225
		CLOUDCROFT, VILLAGE OF	771
		CLOVIS, CITY OF	6,305
		DONA ANA COUNTY OF	39,917
		EDDY COUNTY	8,350
		EDGEWOOD, TOWN OF	581
		ELIDA, TOWN OF	1,224
		ESPANOLA, CITY OF	4,243
		FARMINGTON, CITY OF	16,846
		GRANTS, CITY OF	1,113
		JEMEZ, PUEBLO OF	288
		LOS ALAMOS, COUNTY OF	1,287
		RIO RANCHO, CITY OF	60,000
		Total CFDA 20.600	305,103
20.601	Alcohol Impaired Driving Countermeasures Incentive Grants I		
		ADMINISTRATIVE OFFICE OF THE COURTS	107,723
		ALBUQUERQUE, CITY OF	207,419
		CLOVIS, CITY OF	6,984
		DEPARTMENT OF HEALTH	7,093
		DEPARTMENT OF PUBLIC SAFETY	110,374
		EDDY COUNTY	26,476
		LORDSBURG, CITY OF	9,853
		MCKINLEY, COUNTY OF	7,973
		Total CFDA 20.601	483,896

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		
		ADMINISTRATIVE OFFICE OF THE COURTS	232,160
		ALAMOGORDO, CITY OF	20,256
		ALBUQUERQUE, CITY OF	437,747
		ANGEL FIRE, VILLAGE OF	54
		ANTHONY, CITY OF	3,970
		ARTESIA, CITY OF	4,477
		AZTEC, CITY OF	3,610
		BAYARD, CITY OF	11,811
		BELEN, CITY OF	8,295
		BERNALILLO COUNTY METRO COURT	99,670
		BERNALILLO, COUNTY OF	122,179
		BERNALILLO, TOWN OF	14,210
		BLOOMFIELD, CITY OF	32,765
		BOSQUE FARMS, VILLAGE OF	29,972
		CAPITAN, VILLAGE OF	16,254
		CARLSBAD, CITY OF	20,155
		CARRIZOZO, TOWN OF	8,358
		CHAVES COUNTY	9,658
		CIBOLA COUNTY, TREASURER OF	6,004
		CIMARRON, VILLAGE OF	3,085
		CITY OF GALLUP	20,479
		CITY OF LOVINGTON	6,520
		CITY OF SANTA ROSA	9,487
		CLAYTON, TOWN OF	4,995
		CLOUDCROFT, VILLAGE OF	1,884
		CLOVIS, CITY OF	15,596
		COLFAX COUNTY	4,452
		CORRALES, VILLAGE OF	6,632
		CUBA, VILLAGE OF	4,612
		DEMING, CITY OF	1,513
		DEPARTMENT OF HEALTH	38,200
		DEPARTMENT OF PUBLIC SAFETY	532,249
		DONA ANA COUNTY OF	95,363
		EDDY COUNTY	42,130
		EDGEWOOD, TOWN OF	4,956

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		ESPANOLA, CITY OF	12,869
		ESTANCIA, TOWN OF	1,301
		FARMINGTON, CITY OF	252,068
		GRANT COUNTY CLERK	23,734
		GRANTS, CITY OF	6,693
		GUADALUPE COUNTY	3,236
		HIDALGO COUNTY	8,670
		HOBBS, CITY OF	22,385
		HOPE, VILLAGE OF	3,989
		HURLEY, TOWN OF	7,091
		JEMEZ SPRINGS, VILLAGE OF	4,692
		JEMEZ, PUEBLO OF	12,321
		LAS CRUCES, CITY OF	85,361
		LAS VEGAS, CITY OF	10,609
		LEA COUNTY	7,144
		LINCOLN, COUNTY OF	5,120
		LORDSBURG, CITY OF	4,376
		LOS ALAMOS, COUNTY OF	16,492
		LOS LUNAS, VILLAGE OF	27,420
		LUNA COUNTY (SHERIFFS DEPT)	17,800
		MCKINLEY, COUNTY OF	356,762
		MORIARTY, CITY OF	7,349
		OHKAY OWINGEH	11,440
		OTERO COUNTY	5,798
		PORTALES, CITY OF	6,599
		PUEBLO OF ISLETA	13,377
		PUEBLO OF POJOAQUE	5,276
		RATON, CITY OF	5,864
		RED RIVER, TOWN OF	16,675
		RIO ARRIBA, COUNTY	51,863
		RIO RANCHO, CITY OF	539,329
		RUIDOSO, VILLAGE OF	7,880
		SAN JUAN, COUNTY OF	17,092
		SAN MIGUEL COUNTY	5,726
		SANDIA, PUEBLO OF	4,765
		SANDOVAL, COUNTY OF	17,399
		SANTA ANA PUEBLO	3,609

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		SANTA CLARA PUEBLO	3,336
		SANTA CLARA, VILLAGE OF	8,010
		SANTA FE, CITY OF	191,913
		SANTA FE, COUNTY OF	35,503
		SIERRA COUNTY, TREASURER OF	1,195
		Silver City / Grant County - Claimed -	2,729
		SILVER CITY/GRANT COUNTY	11,488
		SOCORRO COUNTY	10,672
		SOCORRO, CITY OF	8,360
		SUNLAND PARK, TREASURER OF	22,996
		TAOS, COUNTY OF	17,719
		TAOS, TOWN OF	8,309
		TEXICO, CITY OF	3,302
		TORRANCE COUNTY	6,185
		TREASURER OF LOVING	7,473
		TRUTH OR CONSEQUENCES, CITY OF	4,493
		TUCUMCARI, CITY OF	5,002
		TULAROSA POLICE DEPARTMENT	3,672
		VALENCIA, COUNTY OF	22,846
		VILLAGE OF HATCH	6,677
		ZUNI, PUEBLO OF	6,866
			3,872,675
	Total CFDA 20.608		
Total Sub-Recipient Funds passed through NHTSA			\$ 4,661,673

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA):

CFDA	Program Name	Sub Recipient Name	Amount	
20.500	Federal Transit Capital Investment Grants			
		CLOVIS, CITY OF	108,352	
		HOBBS, CITY OF	9,953	
		LOS ALAMOS, COUNTY OF	541,868	
		NAVAJO NATION	739,181	
		NORTH CENTRAL REGIONAL TRANSIT DISTRICT	577,266	
		OHKAY OWINGEH	160	
		PORTALES, CITY OF	400	
		RIO METRO REGIONAL TRANSIT DISTRICT	15,990	
		SOCORRO, CITY OF	35,501	
		SOUTHWEST REGIONAL TRANSIT DISTRICT	800	
		TAOS, TOWN OF	2,798	
		Total CFDA 20.500		2,032,268
20.505	Metropolitan Transportation Planning			
		EL PASO, CITY OF	10,764	
		FARMINGTON, CITY OF	10,546	
		LAS CRUCES, CITY OF	41,166	
		LOS ALAMOS, COUNTY OF	36,456	
		MID-REGION COUNCIL OF GOVERNMENTS	103,398	
		NORTH CENTRAL REGIONAL TRANSIT DISTRICT	134,060	
		SANTA FE, CITY OF	58,654	
		Total CFDA 20.505		395,043
20.509	Formula Grants for Other Than Urbanized Areas			
		ALAMOGORDO DAILY NEWS	127	
		ALBUQUERQUE PUBLISHING CO	57	
		ALL ABOARD AMERICA!	300,000	
		AMERICAN ASSOCIATION OF STATE HIGHWAY &	610	
		BEN ARCHER HEALTH CENTER	101,579	
		CARLSBAD CURRENT ARGUS	107	
		CARLSBAD, CITY OF	317,493	
		CITY OF GALLUP	118,056	
		CLOVIS, CITY OF	463,371	
		GALLUP INDEPENDENT CO	61	
		GOLDEN SPREAD RURAL FRONTIER	111,521	
		GRANT, COUNTY OF	346,207	

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.509	Formula Grants for Other Than Urbanized Areas (continued)		
		HATCH AREA MEDICAL CENTER FOUNDATION	32,056
		HOBBS NEWS-SUN	106
		HOBBS, CITY OF	338,623
		INTERMOUNTAIN MRO SERVICES INC	12,240
		LAGUNA, PUEBLO OF	76,368
		LAS VEGAS, CITY OF	134,893
		LOS ALAMOS, COUNTY OF	942,961
		MILAN, VILLAGE OF	146,741
		NAVAJO NATION	366,054
		NANIZHOOZHI CENTER INC	10,666
		NORTH CENTRAL REGIONAL TRANSIT DISTRICT	1,153,449
		OHKAY OWINGEH	23,036
		PORTALES, CITY OF	84,166
		RED RIVER, TOWN OF	88,765
		RIO METRO REGIONAL TRANSIT DISTRICT	657,161
		ROSWELL, CITY OF	654,241
		RUIDOSO DOWNS, CITY OF	81,214
		SOCORRO, CITY OF	108,847
		SOUTHWEST REGIONAL TRANSIT DISTRICT	171,345
		TAOS, TOWN OF	246,559
		THE COMMUNITY PANTRY	60,986
		ZIA THERAPY CTR INC	483,848
		Total CFDA 20.509	7,633,520
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities		
		ARCA	58,306
		LOS ALAMOS, COUNTY OF	105,141
		Total CFDA 20.513	163,447
20.516	Job Access Reverse Commute		
		CARLSBAD, CITY OF	10,359
		LOS ALAMOS, COUNTY OF	238,289
		MILAN, VILLAGE OF	4,852
		NORTH CENTRAL REGIONAL TRANSIT DISTRICT	203,071
		RIO METRO REGIONAL TRANSIT DISTRICT	58,858
		SOUTHWEST REGIONAL TRANSIT DISTRICT	27,295
		ZIA THERAPY CTR INC	3,105
		Total CFDA 20.516	545,829

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.521	Federal Transit Capital Investment Grants		
		CARLSBAD, CITY OF	6,440
		HOBBS, CITY OF	17,015
		LOS ALAMOS, COUNTY OF	283,837
		Total CFDA 20.521	307,292
20.526	Federal Transit Formula Grants		
		CITY OF GALLUP	930
		GOLDEN SPREAD RURAL FRONTIER	3,566
		LOS ALAMOS, COUNTY OF	71,243
		NORTH CENTRAL REGIONAL TRANSIT DISTRICT	96,000
		ZIA THERAPY CTR INC	1,117
		Total CFDA 20.521	172,856
Total Sub-Recipient Funds passed through FTA			\$ 11,250,255



**Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Hector H. Balderas, State Auditor

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue funds of the State of New Mexico Department of Transportation (the "Department") as of and for the year ended June 30, 2014 and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and the combining and individual funds and the related budgetary comparisons of the Department presented as supplementary information, and have issued our report thereon dated December 15, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2014-002.

Responses to Findings

The State of New Mexico Department of Transportation's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the State of New Mexico Department of Transportation's responses and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

A stylized, handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

Albuquerque, New Mexico
December 15, 2014



Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Hector H. Balderas, State Auditor

Report on Compliance for Each Major Federal Program

We have audited the State of New Mexico Department of Transportation's (the Department) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2014. The Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Department's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Department's compliance.

Opinion on Each Major Federal Program

In our opinion, the State of New Mexico Department of Transportation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, 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 2014-002. Our opinion on each major federal program is not modified with respect to these matters.

The Department's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Department's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Department is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Department's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP



Albuquerque, New Mexico
December 15, 2014

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Summary of Auditors' Results

For the Year Ended June 30, 2014

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

Unmodified

Internal Control over financial reporting:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☐ Yes ☒ None Reported

Non-compliance material to financials statements noted?

☐ Yes ☒ No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☐ Yes ☒ None Reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133

☒ Yes ☐ None Reported

Identification of Major Programs:

Name of Federal Program or Cluster

CFDA Number

Highway Planning and Construction

20.205

Formula Grants for Rural Areas

20.509

Minimum Penalties for Repeat Offenders for Driving

While Intoxicated

20.608

Dollar threshold used to distinguish between Types A and B programs

\$3,000,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Findings and Questioned Costs - Major Federal Award Programs Audit**

C. FINDINGS – FEDERAL AWARDS

2014-002 NON-COMPLIANCE WITH FFATA REPORTING REQUIREMENTS

**U.S. Department of Transportation
Penalties for Repeat DWI Offenders
Grants for Rural Programs
Program Year: 2014**

**CFDA #20.608, Penalties for Repeat DWI Offenders, and
CFDA #20.509, Formula Grants for Rural Areas** □

QUESTIONED COSTS: None

CONDITION

New subaward contracts were not reported under Federal Funding Accountability and Transparency Act (FFATA) requirements.

CRITERIA

The FFATA requires first-tier subawards and amendments greater than \$25,000 be reported to the federal government through the Federal Subaward Reporting System (FSRS).

EFFECT

The Department is out of compliance with FFATA reporting requirements.

CAUSE

Internal Controls were not operating effectively. The Department does not have a process in place through which the required FFATA reports are being submitted timely.

RECOMMENDATION

We recommend that the Department develop procedures, including controls over those procedures, to ensure that subawards are reported timely under FFATA requirements.

MANAGEMENT RESPONSE

Management agrees that Department was not in compliance and has taken steps to ensure compliance during the current fiscal year. The Department has had procedures and internal controls in place for several years, however, staff shortages and lack of management oversight and awareness of reporting requirements resulted in non-compliance. Management has taken corrective actions to include proper staff training and increased management oversight

D. FINDINGS – OTHER MATTERS

2014-001 Deposit of Public Funds (Compliance and Other Matters)

CONDITION

During our testing of deposits, we noted that in two instances out of the 22 tested, a check was deposited into the bank more than 24 hours after it was received.

CRITERIA

According to §6-10-3 NMSA 1978 , "All public money in the custody or under the control of any state official or agency obtained or received by any official or agency from any source, except as in Section 6-10-54 NMSA 1978 provided, shall be paid into the state treasury. It is the duty of every official or person in charge of any state agency receiving any money in cash or by check, draft or otherwise for or on behalf of the state or any agency thereof from any source, except as in Section 6-10-54 NMSA 1978 provided, to forthwith and before the close of the next succeeding business day after the receipt of the money to deliver or remit it to the state treasurer . . . "

CAUSE

Management oversight.

EFFECT

Non-compliance with applicable statutes.

RECOMMENDATION

We recommend management evaluate the applicable statutes and establish procedures to ensure compliance.

MANAGEMENT'S RESPONSE

Management agrees and already has processes and procedures in place to ensure compliance. Management will monitor receipts more closely and ensure these procedures are being followed.

B. Financial Statement Audit

There were no findings for the year ended June 30, 2013

C. Federal Awards

There were no findings for the year ended June 30, 2013

D. Compliance and Other Matters

There were no findings for the year ended June 30, 2013

An exit conference was held with the Department on December 1, 2014. The conference was held at the Department's offices in Santa Fe, New Mexico. The conference was held in a closed meeting to preserve the confidentiality of the audit information prior to the official release of the financial statements by the State Auditor. In attendance were:

STATE OF NEW MEXICO DEPARTMENT OF TRANSPORTATION

Tom Church, Cabinet Secretary
Jeff Canney, Inspector General
Larry L. Viarreal, Chief Financial Officer
Bridgette Long, Accounting Services Deputy Director
Anthony Lujan, Deputy Secretary
Marcos Trujillo, Policy Director
Jackson Gibson, Commissioner, District Six

CLIFTONLARSONALLEN, LLP

Georgie Ortiz, CPA, CGFM, Principal
Janet Pacheco-Morton, CPA, CGFM, Principal
David English, CPA, Assurance Manager

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the Department with assistance from CliftonLarsonAllen, LLP and are the responsibility of management.

**New Mexico Department of Transportation
Financial Statements
for the Year Ended
June 30, 2015
and Independent Auditors' Report**

Wealth Advisory

Outsourcing

Audit, Tax, and Consulting

NEW MEXICO DEPARTMENT OF TRANSPORTATION
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Official Roster

Year Ended June 30, 2015

Commission

Ronald Schmeits	Chairman	District 4
Butch Mathews	Vice-Chair	District 5
Dr. Kenneth White	Secretary	District 1
David Sepich	Commissioner	District 2
Keith Mortensen	Commissioner	District 3
Jackson Gibson	Commissioner	District 6

Administrative Officers

Tom Church	Cabinet Secretary
Anthony Lujan	Deputy Secretary
Loren Hatch	Deputy Secretary

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Timothy Keller, State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Department's non-major governmental funds and the budgetary comparisons for the non-major funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Timothy Keller, State Auditor

of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Department as of June 30, 2015, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of each non-major fund of the Department as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons for the nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the State of New Mexico Department of Transportation, are intended to present the financial position, the changes in financial position, and where applicable, cash flows of only that portion of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Department that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of State of New Mexico as of June 30, 2015, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Timothy Keller, State Auditor

Other Information

Our audit was conducted for the purpose of forming opinions on the Department's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The schedule of expenditures of federal awards as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and other schedules required by *Section 2.2.2 NMAC* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and other schedules required by *Section 2.2.2 NMAC* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and other schedules required by *Section 2.2.2 NMAC* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of Vendors has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2015, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 23, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of New Mexico Department of Transportation (Department), we offer the readers of the Department's financial statement this narrative overview and analysis of the financial activities of the Department for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in footnotes to the basic financial statements, which start on page 41 of this audit report.

This discussion and analysis is intended to serve as an introduction to the Department's basic financial statements. The Department's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) major governmental fund financial statements, and 3) notes to the financial statements. This report also contains other non-major combining and individual governmental fund statements and supplementary information, including the schedule of expenditures of Federal awards, in addition to the basic financial statements themselves.

1. Overview of the Financial Statements

Financial Highlights

The Department's net position decreased by \$312,540,512, and the net position of the Department's governmental activities decreased by \$312,557,231 primarily due to depreciation of infrastructure assets exceeding additions and improvements during the current fiscal year.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Department's finances, in a manner similar to private sector business.

The Statement of Net Position presents information on all of the Department's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating.

The Statement of Activities presents information showing how the Department's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The Department's primary purpose is the construction and maintenance of the infrastructure of the State of New Mexico. Thus, in the government-wide financial statements, the primary function is public works.

The government-wide financial statements start on page 24 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Department uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Department are divided into two categories: governmental funds and proprietary fund.

1. Overview of the Financial Statements - continued

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current resources and use of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Department has 53 governmental funds. Governmental funds are reported as major funds in the accompanying financial statements if they meet both of the following criteria:

- 1) Ten percent criterion - An individual governmental fund reports as least 10 percent of any of the following: a) total governmental fund assets and deferred outflows of resources, b) total governmental fund liabilities and deferred inflows of resources, c) total governmental fund expenditures.
- 2) Five percent criterion - An individual governmental fund reports at least 5 percent of the total for both governmental and enterprise funds of any of the items for which it met the 10 percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040 and 20100). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) combine to create the operating fund of the Department and is used to account for substantially all of the Department's financial activities. Section 67-3-59 NMSA establishes that this is a non-reverting fund. This is a general fund. Individual fund data for each fund comprising the State Road Fund(s) are provided in the Schedule of General Fund Components - Balance Sheet, and Schedule of General Fund Components - Statement of Revenues, Expenditures and Changes in Fund Balance.

2014A Bond Project Fund (Fund #11970). The bond project fund was created by Section 67-3-59.3 NMSA 1978 when the \$70,110,000 NMFA State Transportation Subordinate Lien Revenue Bonds Series 2014A were issued in March 2014. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects and pay expenses incurred to issue the debentures. The fund does not receive state general fund appropriations that are subject to reversions.

1. Overview of the Financial Statements - continued

Governmental Funds - continued

Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the two major funds. Data from the other 50 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in this report. See pages 108 through 131.

Proprietary Funds

The Department has one type of proprietary fund. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Department uses its enterprise fund to account for the State Infrastructure Bank, since its purpose is to make loans for road projects.

Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the State Infrastructure Bank since it is considered to be a major fund of the Department.

The basic proprietary fund financial statements can be found on pages 34 through 35 and the cash flows statement is on page 36 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 41.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information including the Schedules of General Fund Components - Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance, Supplemental Schedule of Capital Projects, Supplemental Schedule of Severance Tax Bonds, Supplemental Schedule of Special Appropriations, Supplemental Schedule of Special Revenue - Bond Projects, Supplemental Schedule of Individual Bank Accounts, Supplemental Schedule of Pledged State Revenues, Supplemental Schedule of Debt Service and Coverage and the Schedule of Expenditures of Federal Awards.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Department's financial position. At June 30, 2015, the Department's assets exceeded liabilities by \$4,841,100,493.

The largest portion of the Department's net position reflect its investments in capital assets (e.g., land, building, equipment, improvements and infrastructure) less any debt and unspent bond proceeds used to acquire those assets that are still outstanding. Although the Department's investment in its capital assets is reported net of related debt and unspent bond proceeds, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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1. Overview of the Financial Statements - continued

Net Position

As of June 30, 2015 and 2014, the Department has positive balances in two categories of net position, both for the government fund financial statement as a whole, as well as for its separate categories - governmental and business-type activities. Table A-1 summarizes the Department's net position as of June 30, 2015 and 2014.

Table A-1 The Department's Net Position

	Governmental Activities		Business-type Activities	
	2015	2014	2015	2014
Assets:				
Current and other assets	\$ 406,555,468	\$ 492,636,200	\$ 21,822,167	\$ 20,922,448
Capital assets and other	6,007,094,897	6,311,249,020	-	-
Total Assets	\$ 6,413,650,365	\$ 6,803,885,220	\$ 21,822,167	\$ 20,922,448
Deferred Outflows:				
Deferred loss on refunding	\$ 59,106,726	\$ 78,273,770	\$ -	\$ -
Deferred outflow of resources	61,106,526	56,677,698	-	-
Total Deferred Outflows	\$ 120,213,252	\$ 134,951,468	\$ -	\$ -
Liabilities:				
Current liabilities	\$ 210,809,435	\$ 226,800,574	\$ 1,063,000	\$ 180,000
Long-term liabilities	1,502,712,856	1,579,137,557	-	-
Total Liabilities	\$ 1,713,522,291	\$ 1,805,938,131	\$ 1,063,000	\$ 180,000
Net Position:				
Net investment in capital assets	\$ 4,397,532,074	\$ 4,618,007,984	\$ -	\$ -
Restricted	422,809,252	514,890,573	20,759,167	20,742,448
Total Net Position	\$ 4,820,341,326	\$ 5,132,898,557	\$ 20,759,167	\$ 20,742,448

1. Overview of the Financial Statements - continued

Total	
2015	2014
\$ 428,377,635	\$ 513,558,648
6,007,094,897	6,311,249,020
<u>\$ 6,435,472,532</u>	<u>\$ 6,824,807,668</u>
\$ 59,106,726	\$ 78,273,770
61,106,526	56,677,698
<u>\$ 120,213,252</u>	<u>\$ 134,951,468</u>
\$ 211,872,435	\$ 226,980,574
1,502,712,856	1,579,137,557
<u>\$ 1,714,585,291</u>	<u>\$ 1,806,118,131</u>
\$ 4,397,532,074	\$ 4,618,007,984
443,568,419	535,633,021
<u>\$ 4,841,100,493</u>	<u>\$ 5,153,641,005</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Management's Discussion and Analysis
Year Ended June 30, 2015

1. Overview of the Financial Statements - continued

Changes in Net Position

Table A-2 provides a summary of the Department's operations for the years ended June 30, 2015 and 2014. Governmental activities decreased the Department's net position by \$312,557,231 in 2015 and \$250,076,092 in 2014. Business-type activities increased the Department's net position by \$16,719 in 2015 and by \$14,915 in 2014, due to interest income earned during the year.

Table A-2 Change in the Department's Net Position

	Governmental Activities		Business-type Activities	
	2015	2014	2015	2014
Revenues:				
Program revenues:				
Charges for services	\$ 37,937,263	\$ 82,963,659	\$ -	\$ -
Operating grants	23,693,826	26,251,817	-	-
Capital grants	379,838,986	369,138,852	-	-
General revenues:				
User and fuel taxes	403,519,316	396,375,801	-	-
Interest income	1,196,352	2,143,879	16,719	14,915
Special revenues:				
Gain (loss) on disposal of assets	(3,820,275)	(199,839)	-	-
Total Revenues	842,365,468	876,674,169	16,719	14,915
Expenses:				
Programs and infrastructure	843,078,614	793,966,118	-	-
Transportation and highway operations	279,701,560	293,555,999	-	-
Program support	56,805,582	50,942,000	-	-
Total Expenses	1,179,585,756	1,138,464,117	-	-
Net Revenues Before Transfers and Reversions	(337,220,288)	(261,789,948)	16,719	14,915
Transfers and Reversions	24,663,057	11,713,856	-	-
(Decrease) Increase in Net Position	(312,557,231)	(250,076,092)	16,719	14,915
Net Position, Beginning of Fiscal Year	5,132,898,557	5,382,974,649	20,742,448	20,727,533
Net Position, End of Fiscal Year	\$ 4,820,341,326	\$ 5,132,898,557	\$ 20,759,167	\$ 20,742,448

1. Overview of the Financial Statements - continued

Total	
2015	2014
<hr/>	
\$ 37,937,263	\$ 82,963,659
23,693,826	26,251,817
379,838,986	369,138,852
403,519,316	396,375,801
1,213,071	2,158,794
(3,820,275)	(199,839)
<hr/> 842,382,187	<hr/> 876,689,084
843,078,614	793,966,118
279,701,560	293,555,999
56,805,582	50,942,000
<hr/> 1,179,585,756	<hr/> 1,138,464,117
(337,203,569)	(261,775,033)
<hr/> 24,663,057	<hr/> 11,713,856
(312,540,512)	(250,061,177)
5,153,641,005	5,403,702,182
<hr/> \$ 4,841,100,493	<hr/> \$ 5,153,641,005

1. Overview of the Financial Statements - continued

Governmental Funds

The Department's governmental funds are designed to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Department's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2015 fiscal year, the Department's governmental funds reported combined ending fund balances of \$295,562,830 a decrease of \$82,302,603 from the prior year. Restricted fund balance indicates amounts available for expenditures in subsequent years for the purposes for which the initial revenues were intended. Non-spendable fund balance indicates amounts which have already been spent and now consist of inventories, long-term assets and prepaid items and other reserved items of \$42,824,266.

The changes in fund balance for the Department's major funds for 2015 are as follows:

State Road Fund(s) (Fund #10040 and 20100)	\$ (36,634,973)
2014A Bond Project Fund (Fund #11970)	<u>(2,942,482)</u>
Major funds, net change in fund balances	<u><u>\$ (39,577,455)</u></u>

The net decrease in the State Road Fund(s) is due to an increase in expenditures resulting from budgeting of prior year fund balances for P.O. rollover and heavy construction equipment purchases and repair costs.

The net decrease in the 2014A Bond Project Fund is due to funding project expenditures in the current fiscal year.

1. Overview of the Financial Statements - continued

Budgetary Highlights

The Department's operating budgets (excludes multi-year funds) are on a modified accrual basis and not all available funds are budgeted in order to provide for a reserve. The Department made subsequent revisions to the original approved budget by \$133,181,625. Overall, these changes were caused by the following significant budget adjustments:

Increase-SIB Loan for the Town of Peralta	\$ 883,000
Increase-Heavy Construction Equipment Purchases and Repair Costs	13,000,000
Increase-SIB Loan for the City of Albuquerque	800,000
Increase-Increased Debt Service Expenditures as a Result of the 2014A Bond Sale	3,500,000
Increase-Reserve Balances Utilized for Debt Service Payments	8,480,312
Increase-Aggressive Recruitment Resulting in Reduced Vacancy Rates	4,787,200
Increase-Debt Service for 2014B Refunding Bonds	96,431,113
Increase-Mesa PDC Warranty Reimbursement Work on US 550	5,300,000
	<u>\$ 133,181,625</u>

The Department's original operating budget for fiscal year 2015 was \$862,074,400. This budget included \$827,191,000 of new revenues and \$34,883,400 of prior year funds rebudgeted. The final budget for the fiscal year was \$1,401,603,619. The \$539,529,219 increase in budget was due to FY15 budget adjustments discussed above and the Department's authorized practice of rolling forward into FY15 its remaining FY14 unexpended purchase orders. The appropriation budgetary period for those FY14 unexpended purchase orders lapses at the end of the FY14 fiscal year and the Department has to re-establish the budget in FY15 to re-appropriate the balance of its unexpended purchase orders. The Department funds the budget increase by utilizing the balance of the unused FY14 budget revenues that were originally budgeted for the unexpended purchase orders. The roll forward budget of \$406,347,594 is not included in the above schedule of budget adjustments.

Capital Assets Overview

The Department's investment in capital assets for its governmental activities as of June 30, 2015, amounts to \$5,993,346,912 (net of accumulated depreciation). This investment in capital assets includes land, right of way, buildings, equipment, improvement and the infrastructure. Business-type activities have no capital assets.

1. Overview of the Financial Statements - continued

Capital Assets Overview - continued

Major Infrastructure Projects

The Department develops plans to build a transportation system that will better serve the State of New Mexico. Advanced and innovative strategies include building roads using a corridor approach, where an entire route between communities is built. By designing and constructing entire corridors, the Department has been able to realize efficiencies to benefit the state. The Department also employs innovative project development techniques, warranty agreements and highly advanced financing techniques to accomplish the objectives of the Major Investment Program.

Fiscal Year 2014-2015 Active Projects with a contract amount of \$10 million or more:

US 64, MP 57.870 to MP 60.000 for 2.131 miles - San Juan County
I-40, MP 154.500 to MP 156.000 for 4.500 miles - Bernalillo County
US 82, MP 175.225 to MP 191.450 for 16.222 miles - Lea County
I-25/South Raton Interchange and I-25, MP 450.232 to MP 454 - Colfax County
I-40/US 285 Interchange for 3.394 miles - Torrence County
NM 528, MP 7.110 to MP 8.660 for 1.548 miles - Sandoval County
NM 47, MP 31.000 to MP 32.800 for 1.800 miles - Valencia County
I-25, MP 88.800 to 91.989 for 3.189 miles - Sierra County
NM 529, MP 22.109 to MP 31.130 - Lea County
US 491, MP 36.962 to MP 42.427 for 5.465 miles - San Juan County
I-25, MP 0.850 to MP 3.400 - Dona Ana County
US 64, MP 140.000 to MP 148.560 for 8.560 miles - Rio Rancho County
I-25/NM14 (Cerrillos Road) Interchange, MP 276.944 to MP 278.224 and NM 14, MP 46.044 to MP 46.270 for 1.201 miles - Santa Fe County
I-25, MP 216.250 to MP 220.000 for 3.750 - Bernalillo County
US 54, MP 130.000 to MP 146.000 for 15.912 miles - Lincoln County
US 491, MP 15.03 to MP 37.00 - McKinley County

1. Overview of the Financial Statements - continued

Automotive and Major Road Fund Equipment

For fiscal year 2015, the Automotive and Major Road Fund Equipment modified accrual basis budget total was approximately \$22,669,878 million. Of this budget, approximately \$20,211,195 was fully expended at June 30, 2015. Automotive and Major Road Fund Equipment purchased includes pickups, dump trucks, rollers, excavators, mowers, tractors, loaders, snowplows, brooms, dozers, motor graders, spreaders, millers, trailers, motor vehicles, etc. All items are approved during the legislative session prior to July of each fiscal year. The Department holds several sales and public auctions during the year to liquidate old and obsolete equipment to public and private entities.

Table A-3
Department's Capital Assets

	2015	2014
Land	\$ 5,177,044	\$ 5,177,044
Construction in Process	287,505,146	174,433,903
Right of Way	501,725,643	497,125,985
Infrastructure	14,511,399,048	14,797,435,527
Equipment and furniture	31,643,272	31,790,529
Library	113,566	102,614
Buildings	49,468,395	48,117,790
Automotive and Major Road Fund Equipment	221,799,395	212,976,302
Accumulated depreciation	(9,615,484,597)	(9,472,847,689)
Total	\$ 5,993,346,912	\$ 6,294,312,005

Additional information on the Department's capital assets can be found in Note 10 of this report.

1. Overview of the Financial Statements - continued

Debt Administration

The Department is authorized to issue bonds by authority of Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA)(1978), as amended. The focus of the Department's bond program is to accelerate transportation construction projects while maintaining strong debt service coverage ratios and minimizing the costs of borrowing.

At June 30, 2015, the Department had a total outstanding debt (bonds) of \$1,350,590,000. Outstanding bond debt is backed by the Department's anticipated state tax revenues and FHWA revenues.

Table A-4
Department's Outstanding Debt

	2015	2014
Bonds (excludes deferred amounts on refunding)	<u>\$ 1,350,590,000</u>	<u>\$ 1,443,290,000</u>

The Department's total bond debt decreased by 6.4%, or (\$92,700,000). Total outstanding bond debt at the end of the 2015 fiscal year was \$1,350,590,000 compared to \$1,443,290,000 at the end of the 2014 fiscal year. The net decrease in debt resulted from \$172,105,000 in principal repayments and a new bond issue in the amount of \$79,405,000. See Note 14 for a detail of all outstanding bonds.

The Department did not pay any arbitrage to the Internal Revenue Service for any excess interest earned on bond proceeds during the fiscal year and did not have any arbitrage liability at the end of the fiscal year.

2. Economic Factors and Revenue Forecasts

Economic and Demographic Characteristics

New Mexico is the 36th largest state by population and the fifth largest in land area. According to the decennial census the State's population as of April 1, 2010 was 2,059,179. Between 2000 and 2010, the State was the fifteenth fastest growing state, as the population increased 13.2 percent from the 2000 population of 1,819,046. Over the same period of time, the national population grew 9.7 percent. Most of this population growth is occurring in or near the larger cities. There are four Metropolitan Statistical Areas (MSAs) in the state. The Albuquerque MSA is comprised of Bernalillo, Sandoval, Torrance and Valencia Counties; the Las Cruces MSA is Dona Ana County; the Santa Fe MSA is Santa Fe County, and the Farmington MSA is San Juan County. The fastest growing counties in the state are Sandoval, Dona Ana, Bernalillo, Valencia and Lea.

Major industries in the State are energy resources, semi-conductor manufacturing, tourism, services, agriculture-agribusiness, government, and mining. In 2012, New Mexico was the 7th largest producing state of natural gas and the 6th largest producing state of crude oil. In 2012 coal, copper and potash production value exceeded \$2 billion and the state ranked 12th, 3rd and 1st respectively in the US. The mining industry employed almost 27 thousand New Mexicans in FY 2014. Major federally funded scientific research facilities at Los Alamos, Albuquerque and White Sands are also a notable part of the State's economy. The state's major transportation routes include Interstate-25, running north-south from El Paso, Texas through Las Cruces, Albuquerque, Santa Fe, Las Vegas and Raton, New Mexico toward Pueblo and Denver, Colorado. Major east-west routes, especially important to interstate commercial carrier traffic, include Interstate-10 from El Paso, Texas to Tucson and Phoenix, Arizona, and Interstate-40 from Amarillo, Texas through Tucumcari, Albuquerque and Gallup, New Mexico to Flagstaff, Arizona.

Revenue Forecasts and Budgets

Federal Revenue:

Federal Revenue - The amount of federal aid (obligation limitation) available to all states is currently being administered by the Highway and Transportation Funding Act of 2014 known as MAP-21 Extension FFY15. MAP-21 was signed in 2012 and was originally in effect for FFY13 and FFY14 but was extended for FFY15. New Mexico received obligation limitation averaging \$320 million for FFY13, FFY14 and FFY15.

Federal Transit Administration Funds - NMDOT reported revenue of \$13,048,713 in FY 2015 Federal Transit Administration grant funds.

National Highway Traffic Safety Administration Funds - NMDOT reported revenue of \$10,484,154 in FY 2015 of National Highway Traffic Safety Administration grant funds.

2. Economic Factors and Revenue Forecasts - continued

State Revenue:

Revenues for the New Mexico Department of Transportation over the long-term (20 years) are characterized as being steady and growing at rates associated with the Consumer Price Index (CPI). There have been periods of stronger and slower, even declining, rates of growth. From fiscal years 1988 to 2000, the average annual compound growth rate was 2.7% and from 2003 to 2007 it was 7.5%.

Department of Transportation revenues were not immune from the latest recession. However, diversity of revenue sources helped to moderate the impact. State Road Fund revenues are split roughly half and half between passenger car based and interstate trucking sourced. Those revenues associated with trucking (special fuel and weight-distance tax) were negatively influenced by the US economic recession during FY 2008 through FY 2010 and fell about 15% while passenger cars based revenues (gasoline and vehicle registrations) were comparatively more stable. With recent improvements in the US economy, trucking activity has begun to improve and concurrently trucking related revenues have also begun to improve. FY 2007 was the peak year for Road Fund revenues before the recession; FY 2010 was the low point with revenues falling by over \$35 million or 9%. FY 2017 is forecast to be the year that revenues finally surpass the FY 2007 level, with the peak-to-return cycle lasting 10 years: falling for 3 years by 10% and slowly climbing for 7 years to fully recover.

Following strong revenue growth of over 4% in FY 2015, the latest (July 2015) revenue forecast for the State Road Fund expects a revenue growth of 0.4% in FY 2016, followed by growth in the 1.0% to 2.0% range during the subsequent four fiscal years. The revenue forecast for the Department as a whole is also 0.4% for FY 2016, followed by growth in the 0.8% to 2.2% range during the subsequent four fiscal years.

State Revenue Forecasts - Major Revenue Sources

In the fall of 2003, a special session of the New Mexico Legislature was held and transportation rates and fees were raised on special fuels (primarily diesel), weight/distance trucking rates and motor vehicle registration fees. The basis of these increases was to provide \$40 million annually for the debt service on GRIP, a large, multi-year road construction program. The increases were designed also to add \$20 million for road maintenance. These rate/fee increases, along with the strong economy, added almost \$100 million (36%) from FY 2003 to FY 2007 to the annual State Road Fund revenue levels.

The budget estimate for state tax and fee revenue is prepared in July/August and December/January for each year for the budget year ending 24 months (or 18 months) later. Each fiscal year's revenue estimate is tracked monthly to examine actual revenue receipts and changes in economic conditions. With that information executive management prioritizes maintenance and construction needs of the state.

2. Economic Factors and Revenue Forecasts - continued

Revenues from gasoline, special fuels, weight/distance and vehicle registration constitute 95% of the state road fund. These revenues were consistent with the forecasts for the periods where taxes were increased and did add the expected \$60 million for GRIP debt service and highway maintenance expenditures. National economic trends impacting the trucking industry provided for strength in revenue growth in FY 2005 through FY 2007 and led the decline in FY 2008 through FY 2010. The interstate-trucking based revenues (special fuel tax and weight distance tax) are now the primary contributors to Road Fund growth. On the other hand, gasoline revenue is expected to plateau in FY 2016.

Due to the size and importance of each of these four sources, a look at each individually helps to provide a more complete picture of the Department's revenues.

Gasoline tax is the largest of State's revenue sources, providing about \$110.8 million in revenue in FY 2015. This tax is 17 cents per gallon of gasoline sold, with about three-fourths distributed to the state road fund and the remainder distributed primarily to municipalities and counties. It is the one major tax that was not increased during the special session of 2003. Historically, gasoline gallons sold increased until 1995, remained relatively stable from 1995 to 1999, and decreased in 2001, when they again stabilized. The peak years were 1995 to 1999, with 1998 providing \$117.9 million.

Of much interest and frequent query, is how New Mexico's gasoline usage (gallons) was impacted by the dramatic price increase between 2004 and 2008 and in light of the economic slowdown. Somewhat surprisingly, for New Mexico, there was very little change in gasoline usage. For the past 16 years, between FY 2000 and FY 2015, Road Fund gasoline revenues have averaged \$110 million; gasoline revenues have only varied by more than a few million from that average twice (less than \$5 million above average in FY 2007 and less than \$5 million below average in FY 2012).

Special fuel tax (primarily diesel) is the second largest of the state's revenue sources, providing about \$97.6 million in FY 2015, down from the peak of \$101.5 in FY 2008. The tax per gallon was raised from 18 to 21 cents per gallon effective in FY 2005. Of the 21 cents, the State Road Fund receives 19 cents, with the remainder going to the Local Governments Road Fund. Including the 2003 special legislative session rate increase, special fuels grew by \$27.0 million, or 36%, from FY 2004 to FY 2008. Special fuel, over time, has been a strong growing revenue source with an average annual compound growth rate of 5.2% from 1988 to 2008. After the collapse of the national housing bubble, special fuel revenue fell to a low \$85.6 million in FY 2009 and has since climbed slowly to \$97.6 million in FY 2015.

Weight/Distance tax is charged on trucks over 26,000 pounds and varies by maximum gross weight of the vehicle and distance traveled in New Mexico. It ranges from a rate of around one cent per mile for vehicles weighing 26,001 to 28,000 pounds to slightly over 4 cents per mile for vehicles weighing over 78,000 pounds. It is historically the third largest revenue producer, with about \$80 million in revenue in FY 2015, finally surpassing the previous peak of \$77.4 million in FY 2008. Its rates were also raised in the fall 2003 special legislative session. Prior to the tax rate increase, revenues averaged \$50+ million. After FY 2004, revenue increased from 43% to 50%, primarily due to the 38% tax rate increase. The peak year of FY 2007 also experienced significant non-economic based growth as revenue processing issues shifted prior year revenue into FY 2007.

2. Economic Factors and Revenue Forecasts - continued

During the latest economic recession, declining consumer durable goods expenditures led to a fairly steep and sudden reduction in freight of all types including air, ship, rail and truck. That decline was in the range of 20% and began in December, 2008. Corresponding reductions in State Road Fund trucking related revenues began in March 2009 and, in only four months, dropped the annual revenue by \$2 million in FY 2009. The full year impact in FY 2010 of this Weight/Distance tax revenue decline was a \$7.8 million decrease relative to FY 2008.

Motor vehicle registration fees are now the third largest revenue source at about \$77.1 million in FY 2015. These fees were raised in the 2003 Special Legislative session by about 33%, and revenue increased by about \$20.7 million or 39%, from FY 2004 to FY 2008. The fees are based on three weight classes for passenger vehicles and 14 weight classes for trucks and commercial carriers. The annual registration fees for trucks over 26,000 pounds are low because those vehicles are subject to the weight/distance taxes, discussed above. This revenue, like gasoline, has remained stable during both the economic expansions and recessionary periods.

Two revenue sources have been impacted negatively by recent federal procedure rulings and legislation. One is the Trip Tax and the other is New Mexico Public Regulation Commission common carrier registration fees. Trip Tax is charged on trucks in lieu of the weight/distance tax and vehicle registration fees for those trucks/companies not registered for weight/distance. What was called a cab card and carried in each truck was used for weight/distance registration identification. Federal regulations now prevent states from requiring the showing of state-specific taxpayer documentation cards. Trip tax rose to a peak of \$8.6 million in FY 2006 and provided revenues of about \$5.3 million in FY 2015. New Mexico is one of four states that impose a weight/distance tax and its associated trip tax. There have been strong investments recently in reporting enforcement and an optical scanning computer truck identification interface with the weight/distance tax data base. These have been accompanied by penalty increases for improper weight/distance tax filing, capital improvements at ports of entry and statewide enhanced documentation checks.

The New Mexico Public Regulation Commission previously collected common carrier registration fees. Because of efforts by the trucking industry to centralize registrations (because so many trucks are on the road and prorating registrations in so many states), a new common system and procedures were passed into law in the fall of 2006. In FY 2006, the Department received \$3.7 million in revenue. Under the new national system, the total fees across the country were capped at \$100 million and then apportioned such that the maximum New Mexico can now receive is \$3.2 million. Because of delays in getting the system up and running, revenue for FY 2007 came in at \$377,000, \$866,000 in FY 2008, \$2.3 million in FY 2009, and \$1.4 million in FY 2010. With improvements to this situation, FY 2011 revenue came in at about \$2.7 million; late payments from the national depository in FY 2012 led to a decrease in revenue of only \$881 thousand. Revenue in FY 2013 came in at \$3.2 million, \$2.0 million in FY 2014 and \$3.3 million in FY 2015. Future years are expected at the \$3 million level.

2. Economic Factors and Revenue Forecasts - continued

Background - Gasoline Tax and Tribal Tax Sharing Agreements

The state permits gasoline to be sold at retail by registered Indian tribal distributors on Indian land free of State gasoline tax if the applicable Indian government imposes an equivalent or higher tax (for its own benefit) on retail gasoline sales. The growth in tribal market share initially out-paced the overall growth rate of gasoline sales as a result of competitive pricing, casino traffic, and new tribal travel centers. Over the past ten years tribal sales have been between 55 million and 69 million gallons per year (around 6% or 7% of total gasoline sales). On tribal gasoline sales totaled to 67.4 million gallons in FY 2015.

In 2003 and 2004, legislation allowed the state to enter into "tax sharing agreements" with the two Native American Pueblos that were previously entitled to market a limited amount of state-tax-free gasoline outside reservation boundaries. Under the agreements, a distribution equal to 40% of the tax collected on 30 million gallons of gasoline per year is made to each of the two Pueblos, in exchange for the Pueblos ceasing their wholesale sales activities outside reservation boundaries. The result of these agreements (originally entered into in 2004) was more predictable gasoline revenues. Chapter 15, Laws 2010 (Senate Bill 59 from the 2010 regular legislative session) allowed these agreements to be extended under the same terms for an additional 10 years. The agreements were both renewed in 2014.

3. Contacting the Department's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, legislators, investors and creditors with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact:

Attn: Accounting Services Director
New Mexico Department of Transportation
1120 Cerrillos Road
P.O. Box 1149
Santa Fe, New Mexico 87504-1149
(505) 827-5108

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FINANCIAL STATEMENTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position

As of June 30, 2015

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Assets:			
Cash:			
Unrestricted	\$ 2,100	\$ -	\$ 2,100
Cash equivalents:			
(Investment in state general fund investment pool)			
Restricted (Note 2)	156,453,251	19,957,759	176,411,010
Managed by NMFA	110,492,411	-	110,492,411
Receivables:			
Accounts receivable, net (Note 3)	2,339,894	-	2,339,894
Interest receivable	6,649	-	6,649
Notes and loans receivable (Note 5)	-	1,863,000	1,863,000
Other receivables	61,634	-	61,634
Due from:			
U.S. Department of Transportation (Note 6)	36,713,015	-	36,713,015
Other funds (Note 7)	-	-	-
Other state agencies (Note 8)	71,410,233	1,408	71,411,641
Inventories (Note 9)	14,664,961	-	14,664,961
Prepaid expense - other	1,422	-	1,422
Prepaid expense - NM44 warranty	3,189,030	-	3,189,030
Property held for resale, net	11,220,868	-	11,220,868
Total Current Assets	406,555,468	21,822,167	428,377,635
Non-Current Assets:			
Prepaid expense - NM44 warranty, net	13,747,985	-	13,747,985
Capital assets, net (Note 10)	5,993,346,912	-	5,993,346,912
Total Non-Current Assets	6,007,094,897	-	6,007,094,897
Total Assets	6,413,650,365	21,822,167	6,435,472,532
Deferred Outflows of Resources:			
Deferred loss on refunding (Note 14)	59,106,726	-	59,106,726
Deferred outflow of resources (Note 14)	61,106,526	-	61,106,526
Total Deferred Outflows of Resources	120,213,252	-	120,213,252
Total Assets and Deferred Outflows of Resources	\$ 6,533,863,617	\$ 21,822,167	\$ 6,555,685,784

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position

As of June 30, 2015

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Liabilities:			
Accounts payable and contracts payable, including retainage of \$8,339,077	\$ 85,232,364	\$ -	\$ 85,232,364
Due to:			
Other state agencies (Note 12)	21,087,052	-	21,087,052
State general fund	258,732	-	258,732
Local governments (Note 13)	-	1,063,000	1,063,000
Unearned revenue	174,706	-	174,706
Other accrued expenses	4,058,654	-	4,058,654
Other liabilities	722,811	-	722,811
Short-term note payable (taxable line of credit) (Note 14)	10,500,000	-	10,500,000
Current portion of long-term obligations (Note 14):			
Compensated absences	6,173,134	-	6,173,134
Debentures payable	68,640,000	-	68,640,000
Capitalized bond premium	13,961,982	-	13,961,982
Total Current Liabilities	210,809,435	1,063,000	211,872,435
Long-Term Liabilities:			
Long-term obligations (Note 14):			
Derivative instruments interest rate swap	100,167,365	-	100,167,365
Debentures payable	1,281,950,000	-	1,281,950,000
Capitalized bond premium, net	120,595,491	-	120,595,491
Total Long-Term Liabilities	1,502,712,856	-	1,502,712,856
Total Liabilities	1,713,522,291	1,063,000	1,714,585,291
Net Position:			
Net investment in capital assets	4,397,532,074	-	4,397,532,074
Restricted for:			
Unspent bond proceeds	93,081,460	-	93,081,460
Loans	-	20,759,167	20,759,167
Specific purposes	329,727,792	-	329,727,792
Total Net Position	4,820,341,326	20,759,167	4,841,100,493
Total Liabilities and Net Position	\$ 6,533,863,617	\$ 21,822,167	\$ 6,555,685,784

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities

For the Year Ended June 30, 2015

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Program Expenses:			
Programs and infrastructure	\$ 843,078,614	\$ -	\$ 843,078,614
Transportation and highway operations	279,701,560	-	279,701,560
Program support	56,805,582	-	56,805,582
Total Program Expenses	<u>1,179,585,756</u>	<u>-</u>	<u>1,179,585,756</u>
Program Revenues:			
Charges for services	37,937,263	-	37,937,263
Operating grants	23,693,826	-	23,693,826
Capital grants	379,838,986	-	379,838,986
Total Program Revenues	<u>441,470,075</u>	<u>-</u>	<u>441,470,075</u>
Net Program Revenue (Expense)	<u>(738,115,681)</u>	<u>-</u>	<u>(738,115,681)</u>
General Revenues (Losses):			
User and fuel taxes	403,519,316	-	403,519,316
Interest income	1,196,352	16,719	1,213,071
Gain (loss) on disposal of assets and adjustments	(3,820,275)	-	(3,820,275)
Total General Revenues (Losses)	<u>400,895,393</u>	<u>16,719</u>	<u>400,912,112</u>
Transfers:			
Reversions to state general fund (Note 16)	(258,732)	-	(258,732)
Transfers from: severance tax bond appropriation	24,941,305	-	24,941,305
Transfers from (to) other state agencies and local governments, net (Note 11)	(19,516)	-	(19,516)
Total Transfers	<u>24,663,057</u>	<u>-</u>	<u>24,663,057</u>
Net General Revenues and Transfers	<u>425,558,450</u>	<u>16,719</u>	<u>425,575,169</u>
Change in Net Position/Operating Income	(312,557,231)	16,719	(312,540,512)
Net Position, Beginning of Fiscal Year	5,132,898,557	20,742,448	5,153,641,005
Net Position, End of Fiscal Year	<u>\$ 4,820,341,326</u>	<u>\$ 20,759,167</u>	<u>\$ 4,841,100,493</u>

See Independent Auditors' Report and Notes to Financial Statements

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds

As of June 30, 2015

	Major Funds		Non Major	Total
	State Road	2014A Bond	Governmental	Governmental
	Fund(s)	Project Fund	Funds	Funds
	(SHARE 10040	(SHARE 11970)		
	and 20100)			
Assets:				
Cash:				
Unrestricted	\$ 2,100	\$ -	\$ -	\$ 2,100
Cash equivalents: (investment in state general fund investment pool)				
Restricted	83,756,995	-	72,696,256	156,453,251
Managed by NMFA	-	80,010,553	30,481,858	110,492,411
Receivables:				
Accounts receivable, net (Note 3)	2,285,643	-	54,251	2,339,894
Interest receivable	-	2,616	4,033	6,649
Other receivables	12,903	-	48,731	61,634
Due from:				
U.S. Department of Transportation (Note 6)	29,173,467	-	7,539,548	36,713,015
Other funds (Note 7)	10,425,985	5,340,760	6,096,256	21,863,001
Other state agencies (Note 8)	63,932,034	-	7,478,199	71,410,233
Inventories (Note 9)	14,664,961	-	-	14,664,961
Prepaid expenses - other	1,422	-	-	1,422
Prepaid expense - NM44 warranty	16,937,015	-	-	16,937,015
Property held for resale	11,220,868	-	-	11,220,868
Total Assets	\$ 232,413,393	\$ 85,353,929	\$ 124,399,132	\$ 442,166,454
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ 74,556,437	\$ 2,953,253	\$ 7,722,674	\$ 85,232,364
Due to:				
Other funds (Note 7)	1,358,720	-	20,504,281	21,863,001
Other state agencies (Note 12)	11,781,674	5,340,760	3,964,618	21,087,052
State general fund	-	-	258,732	258,732
Local governments	-	-	-	-
Unearned revenue	174,406	-	300	174,706
Other accrued expenses	3,997,137	-	61,517	4,058,654
Other liabilities	722,811	-	-	722,811
Short-term notes payable				
(taxable line of credit) (Note 14)	-	-	10,500,000	10,500,000
Total Liabilities	92,591,185	8,294,013	43,012,122	143,897,320
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	44,294	-	2,662,010	2,706,304
Total Deferred Inflows of Resources	44,294	-	2,662,010	2,706,304
Fund Balance:				
Non-spendable	42,824,266	-	-	42,824,266
Restricted	-	77,059,916	38,701,458	115,761,374
Committed	108,111,112	-	42,952,701	151,063,813
Unassigned	(11,157,464)	-	(2,929,159)	(14,086,623)
Total Fund Balance	139,777,914	77,059,916	78,725,000	295,562,830
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 232,413,393	\$ 85,353,929	\$ 124,399,132	\$ 442,166,454

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

As of June 30, 2015

Total Fund Balance - Governmental Funds
(Balance Sheet - Governmental Funds)

\$ 295,562,830

Amounts reported for governmental activities in the Statement of
Net Position are different because:

Amounts recorded as deferred inflows of resources in the governmental funds
that were not received within the period of availability - 60 days
after year end; recorded as revenue in the Statement of Activities:

Balance Sheet - Governmental Funds

2,881,010

Statement of Net Position

(174,706)

Deferred inflows of resources

2,706,304

Capital assets used in governmental activities are not financial
resources and, therefore, not reported in the funds:

The cost of capital assets is

15,608,831,509

Accumulated depreciation is

(9,615,484,597)

Total capital assets

5,993,346,912

Long-term debt not recorded as liabilities in the governmental
funds, but recorded as long-term liabilities in the Statement of
Net Position:

Debentures payable (bonds only)

(1,350,590,000)

Deferred loss on refunding (net of current period amortization)

59,106,726

Compensated absences

(6,173,134)

Ineffective swaps

(39,060,839)

Capitalized bond premiums not recorded in the governmental
funds as a liability, net of amortization:

(134,557,473)

Net Position of Governmental Activities (Statement of Net Position)

\$ 4,820,341,326

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

For the Year Ended June 30, 2015

	Major Funds		Non Major	Total
	State Road	2014A Bond	Governmental	Governmental
	Fund(s)	Project Fund	Funds	Funds
	(SHARE 10040	(SHARE 11970)		
	and 20100)			
Revenues:				
User and fuel taxes	\$ 377,789,017	\$ -	\$ 25,730,299	\$ 403,519,316
U.S. Department of Transportation	385,210,766	-	23,693,826	408,904,592
Fees and fines	-	-	62,647	62,647
Licenses and permits	10,662,616	-	12,094,379	22,756,995
Charges for services	3,219,363	-	-	3,219,363
Other revenue	11,299,325	-	554,639	11,853,964
Interest earnings	39,507	10,771	1,146,074	1,196,352
Total Revenues	788,220,594	10,771	63,281,864	851,513,229
Expenditures:				
Current:				
Operating costs	11,131,104	-	39,751	11,170,855
Personal services	97,651,134	-	1,152,824	98,803,958
Out-of-state travel	185,450	-	19,728	205,178
Grants and services	1,791,462	-	49,509,871	51,301,333
Travel	19,241,102	-	2,510	19,243,612
Maintenance and repairs	12,382,207	-	8,152	12,390,359
Supplies	36,336,815	-	55,937	36,392,752
Contractual services	155,454,514	59,168	4,751,471	160,265,153
Other costs	5,033,821	-	1,402,667	6,436,488
Employee benefits	53,558,534	-	474,406	54,032,940
Capital outlay	303,684,737	2,894,085	49,112,291	355,691,113
Debt service:				
Principal	75,630,272	-	8,450,028	84,080,300
Interest	58,387,664	-	10,540,156	68,927,820
Debt issuance costs	-	-	204,294	204,294
Total Expenditures	830,468,816	2,953,253	125,724,086	959,146,155
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(42,248,222)	(2,942,482)	(62,442,222)	(107,632,926)
Other Financing Sources (Uses):				
Appropriations, net of reversions (Note 16)	-	-	(258,732)	(258,732)
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	24,941,305	24,941,305
Transfers from (to) other agencies (Note 11)	-	-	300,000	300,000
Transfers from (to) escrow agent (Note 11)	-	-	(96,083,363)	(96,083,363)
Transfers: intra-agency (Note 11)	5,613,249	-	(5,613,249)	-
Face value of debentures payable (Note 11)	-	-	79,405,000	79,405,000
Premiums of debentures payable (Note 11)	-	-	17,026,113	17,026,113
Total Other Financing Sources (Uses)	5,613,249	-	19,717,074	25,330,323
Net Changes in Fund Balance	(36,634,973)	(2,942,482)	(42,725,148)	(82,302,603)
Fund Balance, June 30, 2014	176,412,887	80,002,398	121,450,148	377,865,433
Fund Balance, June 30, 2015	\$ 139,777,914	\$ 77,059,916	\$ 78,725,000	\$ 295,562,830

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental
Funds to the Statement of Activities**

For the Year Ended June 30, 2015

Net Changes in Fund Balance - Total Governmental Funds

(Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds) **\$ (82,302,603)**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in deferred inflows of resources adjustments from prior to current year (reported as a liability in the Balance Sheet - Governmental Funds and reported as revenue in the Statement of Activities.) (5,327,486)

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) - are measured by the amounts earned during the year to the Governmental Funds, however, expenditure for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The increase (decrease) in the compensated absences liabilities for the fiscal year was: (213,016)

The Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period these amounts were:

Capital outlay	355,691,113	
Depreciation expense	(652,835,931)	
Sale of capital asset and adjustments, net book value	<u>(3,820,275)</u>	
Excess of depreciation expense over capital outlay		(300,965,093)

(Issuance) repayment of debentures recorded as a (source of revenue) principal expenditure in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds recorded as an (increase) reduction in long-term debentures payable in the Statement of Net Position:

Bond proceeds	(79,405,000)	
Principal payments	84,080,000	
Principal payments from refunding (paid to escrow agent)	<u>88,025,000</u>	
		92,700,000

Change in value of ineffective swaps recorded in Statement of Activities 303,785

Net change in deferred loss on refunding (including write off of unamortized balance of premiums and issuance costs associated with the refunded bonds), which is recorded as a reduction of long-term liabilities in the Statement of Net Position: (19,167,044)

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION

**Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental
Funds to the Statement of Activities**

Additional bond premiums recorded as an other financing source in the Statement of Revenues, Expenditures and Changes in Fund Balance, recorded as a liability of \$136,971,699 in the Statement of Net Position, net of \$14,152,120 of amortization, recorded as a decrease to interest expense in the Statement of Net Position:

Amortization of bond premium	19,440,339	
Premium of new bonds issued	<u>(17,026,113)</u>	
		<u>2,414,226</u>

Change in Net Position of Governmental Activities (Statement of Activities)	\$ <u><u>(312,557,231)</u></u>
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See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Position - Proprietary Fund

As of June 30, 2015

	<u>State Infrastructure Bank</u> <u>(SHARE 89300)</u>
Assets:	
Current Assets:	
Cash: (Note 2)	
Unrestricted	\$ -
Cash equivalents: (Note 2)	
(Investment in state general fund investment pool)	
Restricted	19,957,759
Receivables:	
Interest receivable	-
Notes and loans receivable (Note 5)	1,863,000
Due from:	
Other state agencies (Note 8)	1,408
Total Current Assets	<u>21,822,167</u>
Total Assets	<u><u>\$ 21,822,167</u></u>
Liabilities and Net Position:	
Liabilities:	
Current Liabilities:	
Accounts payable	\$ -
Due to:	
Other state agencies	-
Local governments (Note 13)	1,063,000
Total Current Liabilities	<u>1,063,000</u>
Total Liabilities	<u>1,063,000</u>
Net Position:	
Restricted for:	
Loans	20,759,167
Total Net Position	<u>20,759,167</u>
Total Liabilities and Net Position	<u><u>\$ 21,822,167</u></u>

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities - Proprietary Fund

For the Year Ended June 30, 2015

	State Infrastructure Bank (SHARE 89300)
Operating Revenues (Expenses):	
Interest income	\$ -
Total Operating Revenues (Expenses)	-
Non-Operating Revenues (Expenses):	
Interest income	16,719
Interest expense	-
Total Non-Operating Revenues (Expenses)	16,719
Change in Net Position/Operating Income	16,719
Net Position, Beginning of Fiscal Year	20,742,448
Net Position, End of Fiscal Year	\$ 20,759,167

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Cash Flows - Proprietary Fund

For the Year Ended June 30, 2015

	State Infrastructure Bank (SHARE 89300)
Cash Flows from Operating Activities:	
Cash received from interest	\$ 16,890
Net cash provided (used) by operating activities	<u>16,890</u>
Cash Flows from Capital and Related Financing Activities:	
Loans issued	(800,000)
Net cash provided (used) by capital and related financing activities	<u>(800,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(783,110)
Cash and Cash Equivalents at June 30, 2014	<u>20,740,869</u>
Cash and Cash Equivalents at June 30, 2015	<u><u>\$ 19,957,759</u></u>
 Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	\$ 16,719
Change in assets and liabilities:	
Decrease (increase) in due from other agency	<u>171</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 16,890</u></u>

See Independent Auditors' Report and Notes to Financial Statements

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2015

STATE ROAD FUND(S) (SHARE 10040 and 20100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ 376,758,600	\$ 376,758,600	\$ 385,210,766	\$ 8,452,166
Other state funds	380,059,900	383,329,470	402,970,321	19,640,851
Transfers outside the agency	-	-	-	-
Interest revenue	142,100	142,100	39,507	(102,593)
Total Revenues and Other Financing Sources:	<u>756,960,600</u>	<u>760,230,170</u>	<u>788,220,594</u>	<u>\$ 27,990,424</u>
Prior Year Funds Rebudgeted	<u>384,042,039</u>	<u>403,859,669</u>		
	<u>\$ 1,141,002,639</u>	<u>\$ 1,164,089,839</u>		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure:				
Personal services/employee benefits	\$ 24,624,800	\$ 24,324,800	23,994,312	\$ 330,488
Contractual services	672,144,873	672,144,873	375,559,815	296,585,058
Other	155,619,476	155,619,476	139,576,155	16,043,321
Transfers (in) out	-	-	(5,613,249)	5,613,249
	<u>852,389,149</u>	<u>852,089,149</u>	<u>533,517,033</u>	<u>318,572,116</u>
Transportation and Highway Ops:				
Personal services/employee benefits	96,123,900	101,211,100	101,067,363	143,737
Contractual services	66,315,128	71,615,128	59,181,170	12,433,958
Other	83,398,362	96,398,362	91,261,774	5,136,588
	<u>245,837,390</u>	<u>269,224,590</u>	<u>251,510,307</u>	<u>17,714,283</u>
Program Support:				
Personal services/employee benefits	26,499,100	26,499,100	26,147,993	351,107
Contractual services	4,035,400	4,035,400	2,629,244	1,406,156
Other	12,241,600	12,241,600	11,050,990	1,190,610
Transfers (in) out	-	-	-	-
	<u>42,776,100</u>	<u>42,776,100</u>	<u>39,828,227</u>	<u>2,947,873</u>
Total Annual Budgeted Expenditures and Other Financing Uses	<u>\$ 1,141,002,639</u>	<u>\$ 1,164,089,839</u>	<u>824,855,567</u>	<u>\$ 339,234,272</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			<u>\$ (36,634,973)</u>	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2015

	2014A BOND PROJECT FUND (SHARE 11970)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	10,771	10,771
Total Revenues and Other Financing Sources:	-	-	10,771	\$ 10,771
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	2,953,253	(2,953,253)
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	2,953,253	(2,953,253)

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	2,953,253	\$ (2,953,253)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ (2,942,482)
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

NATURE OF ORGANIZATION

A primary government is any state or general purpose local government consisting of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government. The Department, therefore, is part of the primary government of the State of New Mexico and its financial data should be included in the financial data of the State.

The New Mexico Department of Transportation (Department), formerly known as the New Mexico State Highway and Transportation Department, within the State of New Mexico is responsible for planning, organizing and directing a comprehensive transportation network. The Department was created by the Constitution of New Mexico, Article V, Section 14; and Sections 67-3-1 through 67-3-70, New Mexico Statutes Annotated, 1978 Compilation. The Highway & Transportation Department Reorganization Bill (House Bill 210) created the Department as of July 1, 1987. Under this reorganization act, portions of the Transportation Department were merged into the Department to create the Department's Aviation and Transportation Divisions. On April 4, 2003, the Governor signed a bill changing the Department's name to the New Mexico Department of Transportation.

The governing body of the Department is a six person State Highway Commission. Commissioners are appointed by the Governor, with the advice and consent of the Senate, and each serves for staggered six-year terms.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The Department is responsible for the fair presentation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America. The Department has prepared required supplementary information entitled, *Management's Discussion and Analysis*, which precedes the basic financial statements.

Financial Reporting Entity

The accompanying financial statements of the Department include all funds and activities over which the Department has oversight responsibility. The Department is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Even though the Governor appoints the Commission, the Commission has decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The Department has no blended or discretely presented component units during the year ended June 30, 2015.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Reporting Entity - continued

The Department, the New Mexico Finance Authority (NMFA) and the Federal Highway Administration (FHWA) established a State Infrastructure Bank (SIB) on September 30, 1997. The SIB is a revolving loan program accounted for as a business-type operation - enterprise fund and is administered by the Department to finance highway projects. The initial capitalization for the SIB came from the Highway Department's allotment of federal funds. The Department matched the federal funds based on the required matching percentage from state funds.

Government-Wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information of all of the activities, except for fiduciary and component units, of the Department. The effect of material interfund activity has been removed from these government-wide statements. Governmental activities, primarily the construction and maintenance of the State's road system, which normally is supported by taxes and intergovernmental revenues, are reported separately from the business-type activities of the SIB, which to a significant extent acts as a business, loaning funds to other entities and charging interest on the loans. Operating income for the SIB is interest income earned on the funds loaned to other entities. All other income, including interest earned on funds on hand, is non-operating income to the SIB.

Basis of Presentation

The Statement of Activities demonstrates the degree to which the direct expenses of a function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific department function of building and maintaining the State's road system (public works). Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a department. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements for public works. Taxes and other items not properly included among program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenues rather than as program revenues. The Department does not allocate general government expenses to other functions except for depreciation (Note 10).

Net position is restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, it is generally the Department's policy to use restricted resources first, then unrestricted resources as they are needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of Presentation - continued

Governmental funds are reported as major funds in the accompanying financial statements if they meet **both** of the following criteria:

Ten percent criterion- An individual governmental fund reports at least ten percent of *any* of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures.

Five percent criterion- An individual governmental fund reports at least five percent of the total for both governmental and enterprise funds of any of the items for which it met the ten percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040 and #20100). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) combine to create the operating fund of the Department and is used to account for substantially all of the Department's financial activities. Section 67-3-59 NMSA establishes that this is a non-reverting fund. This is a general fund. Individual fund data for each fund comprising the State Road Fund(s) are provided in the Schedule of General Fund Components - Balance Sheet and Schedule of General Fund Components - Statement of Revenues, Expenditures and Changes in Fund Balance.

2014A Bond Project Fund (Fund #11970). The bond project fund was created by Section 67-3-59.3 NMSA 1978 when the \$70,110,000 NMFA State Transportation Subordinate Lien Revenue Bonds Series 2014A were issued in March 2014. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects and pay expenses incurred to issue the debentures. The fund does not receive state general fund appropriations that are subject to reversions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Business Type - Proprietary Fund - State Infrastructure Bank (SIB) Financial Statements. The financial statements of the proprietary fund are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements described above.

State Infrastructure Bank (SIB) Fund (#89300). The fund is used to track the activities of the State Infrastructure Bank, which include funding, loans and repayment of loans. The State Infrastructure Bank is a revolving loan fund program authorized by the NHS Act of 1997 and was originally funded with Federal Highway funds and a 25% State match.

Governmental Fund Financial Statements. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department considers revenues to be available if they are collected within 60 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

Employees' vested compensated absences are recorded as an expenditure when utilized. The amount of accumulated compensated absences unpaid at June 30, 2015, has been reported only in the government-wide financial statements.

Interest and principal payments on general long-term obligations is recognized as expenditures when paid.

Executory purchase orders and contracts are recorded as a restriction of fund balance in the Capital Project Funds and Special Revenue Funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

The financial activities of the Department are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Department uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The measurement focus is on the flow of expendable financial resources, rather than on net income determination. All governmental funds are accounted for using the modified accrual basis of accounting. The funds' revenues are recognized in the period in which they become susceptible to accrual (i.e., when they are both measurable and available to pay liabilities in the current period). "Available" is defined as collectible within the current period or soon enough thereafter, within 60 days after year-end, to be used to pay liabilities of the current period. Intergovernmental revenues, including Federal allotments and grants, are recorded in accordance with their legal or contractual requirements if collected in the current period or if collectability is assured subsequent to year-end.

The following are the governmental fund types used:

General Funds - The General Funds (Funds #10040 and #20100) are used to account for the proceeds of specific revenue sources that are not otherwise required to be reported in a special revenue fund. The State Road Fund(s) are the operating and general funds of the Department and are used to account for substantially all of the Department's financial activities. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

Traffic Safety Fund(s): A group and/or cluster of programs that are closely related programs and share a common compliance requirements. The group consists of the following funds: Federal Traffic Safety Fund (#10010), Driver Improvement Program Fund (#10020), Motorcycle Training Fund (#20600), DWI Prevention and Education Fund (#20700), Traffic Safety Fund (#20800) and Ignition Interlock Fund (#82600).

Federal Traffic Safety Fund (#10010). The Federal Traffic Safety Fund is the fund through which federal funds are received for various traffic safety programs. This is a non-reverting fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Driver Improvement Fund (#10020). The Driver Improvement Program Fund was created by Executive Order 87-20. This fund is used to account for the operation of a driver improvement program. Financing is provided from fees collected for drivers' manuals and admissions to driver training courses. This is a non-reverting fund.

Motorcycle Training Fund (#20600). The Motorcycle Training Fund was created by Section 66-10-10, NMSA 1978. This fund is used to account for the operation of a motorcycle safety training program. Financing is provided from motorcycle registration fees and student training fees. All money in the motorcycle training fund in excess of amounts budgeted revert to the State Road Fund.

DWI Prevention and Education Fund (#20700). The DWI Prevention and Education Fund was created by Section 66-5-35, NMSA 1978. This fund is used to account for the operation of a DWI (Driving While Intoxicated) prevention and education program for elementary and secondary school students. Financing is provided from limited license and permit fees. This is a non-reverting fund.

Traffic Safety Fund (#20800). The Traffic Safety Fund was created by Section 66-7-512, NMSA 1978. The fund is used for the state match for the federal traffic safety fund programs. This is a non-reverting fund.

Ignition Interlock Fund (#82600). The Ignition Interlock Fund was created by Section 66-8-102.3, NMSA 1978. The fund is used for the administration of the Ignition Interlock program. This is a non-reverting fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Federal Planning and Development Fund (#10030). This fund is authorized by the Commission to account for the planning and administration of federal grant monies and state matching funds for mass transportation and railroad improvements. The Highway Safety Act of 1966, as amended, 23 U.S.C. 401 Et. Seq. and 23 U.S.C. 410, authorizes the establishment of this fund. The fund does not receive state general fund appropriations that are subject to reversion.

HIF Bond Fund (#20200). The Highway Infrastructure (HIF) Fund was created under Laws 1998, chapters 84 and 85. This fund is used to account for acquisition for right of ways, planning, design, engineering, construction or improvement of state highway projects. This is a non-reverting fund. The governmental fund types used by the Department were evaluated based on the provisions of GASB Statement No. 54.

Local Government Road Fund (#20300). The Local Government Road Fund was created by Section 67-3-28.2, NMSA 1978. This fund is used to account for monies received for (1) cooperative agreements program for construction and improvement of public highways and streets, and public school parking lots; (2) a municipal arterial program for construction for reconstruction of highways and streets not on the state highway systems; (3) a school bus route program for maintaining, repairing, improving and paving school bus routes, and public school parking lots; and (4) a county arterial program for construction, reconstruction, improvement and maintenance of county roads. Funding is received from state excise taxes. The fund does not receive state general fund appropriations that are subject to reversion.

State Aviation Fund (#20500). The State Aviation Fund was created by Section 64-1-15, NMSA 1978. This fund is used to account for planning, construction and maintenance of a system of airports, navigation aids and related facilities serving New Mexico. Financing is provided from all unrefunded taxes collected on the sale of motor fuel sold for use in aircraft. This is a non-reverting fund.

1993 Bond Project Fund (#39400). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the December 1993 \$50,000,000 State of New Mexico Highway debentures. The funds from the sale of all of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations held by the State Treasurer with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

1999A CHAT Bond Project Fund (#43000). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the October 1998 \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A and the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 issued in November 1999. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Also, proceeds can be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

WIPP Bond Project Fund (#43100). The Waste Isolation Pilot Plant (WIPP) Bond Project Fund was created under US congress Public Laws Waste Isolation Pilot Plant Withdrawal Act Public Law 102-579 of 1992 and National Defense Act Public Law 104-201 of 1997. The funds provided under these acts become state funds under the purposes specified under the acts. These funds are required to be used for road projects related to the Waste Isolation Pilot Plant in Carlsbad, New Mexico. This is a non-reverting fund. For the year ended June 30, 2015, the WIPP fund reported no balances however will be expecting funds in FY 2016 (Note 24).

2001A CHAT Bond Project Fund (#00600). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the March 2001 \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2002C HIF Bond Project Fund (#36100). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the May 2002 \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Highway Bonds Series 2002C. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2002D CHAT Bond Project Fund (#11500). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the December 2002 \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2004A GRIP Bond Project Fund (#20400). The bond project fund was created by Section 67-3-59.3 NMSA 1978 when \$700,000,000 New Mexico State Transportation Senior Lien Revenue Bonds Series 2004A were issued through the New Mexico Finance Authority in May 2004. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversions.

2006A GRIP Bond Project Fund (#10210). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the September 2006 \$150,000,000 Revenue Bond Series 2006A. The 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has deemed necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

2006B GRIP Bond Project Fund (#10230). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the September 2006 \$40,085,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission.

2006C GRIP Bond Project Fund (#10250). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the September 2006 \$220,000,000 of State Transportation, Series 2006C Revenue Bonds. The series 2006C Bonds were issued as adjustable rate securities and were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has deemed necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2006D GRIP Bond Project Fund (#10270). The bond project fund was created by Section 67-3-59.3 NMSA 1978 with the issuance of the September 2006 \$50,400,000 of State Transportation, Series 2006D Revenue Bonds. The series 2006D Bonds were issued to provide funds for an escrow account required to be maintained by the Department pursuant to a Joint Use Agreement between the Department and the BNSF Contingent Liability Fund. The fund does not receive state general fund appropriations that are subject to reversion.

2010A Bond Project Fund (#10450). The 2010A Bond Project Fund was created by Section 67-3-59.3 NMSA 1978 with the engagement of \$200,000,000 Line of Credit June 2008. The Line of Credit was engaged in with an adjustable rate and to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has deemed necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion. In September 2010, the Department refunded the Line of Credit with the NMFA State Transportation Revenue and Refunding Revenue Bonds Series 2010A.

Capital Project Funds - Capital Project Funds are used to account for the purchase or construction of facilities used in the operation of the Department or other long term Department projects specifically appropriated by the state. Expenditures are incurred to build and improve the transportation system within the State of New Mexico.

Capital Projects Fund (#10050). The Capital Projects Fund is used to account for the purchase or construction of facilities used in the operation of the Department. This fund reverts to the State Road Fund upon completion of the appropriation project or appropriation period.

STB Capital Outlay Fund (#89200). This fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable.

General Fund Appropriations Fund (#10070). The General Fund Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. The existing Fund #10070 is being phased out to Fund #93100.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Capital Project Funds - continued

GF Capital Outlay Fund (#93100). The fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period.

Debt Service Funds - Debt Service Funds, created by Section 67-3-59.3 NMSA 1978, are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Debt service requirements are met through the monthly transfer of vehicle and gasoline tax revenues from the State Road Fund. The Department may transfer interest earned on the other bond issues to their respective debt service funds. These funds do not receive state general fund appropriations that are subject to reversion.

1998A WIPP Bond Debt Service Fund (#97200). The fund was created when the \$100,000,000 New Mexico State Highway Commission Subordinate Lien Tax Revenue Highway Bond Series 1998A were issued in October 1998.

1998A CHAT Bond Debt Service Fund (#54800). The fund was created when the \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A were issued in October 1998.

1999 CHAT Bond Debt Service Fund (#43400). The fund was created when the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 were issued in November 1999.

2000 CHAT Bond Debt Service Fund (#43200). The fund was created when the \$201,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2000 were issued in May 2001.

2001A CHAT Bond Debt Service Fund (#00700). The fund was created when the \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A were issued in March 2001.

2002A CHAT Bond Debt Service Fund (#54700). The fund was created when the \$95,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002A were issued in January 2002.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2002B WIPP Bond Debt Service Fund (#75000). The fund was created when the \$79,920,000 New Mexico State Highway Commission Lien Tax Revenue Bonds Series 2002B were issued in January 2002.

2002C HIF Bond Debt Service Fund (#36300). The fund was created when the \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Bonds Series 2002C were issued in May 2002.

2002D CHAT Bond Debt Service Fund (#18700). The fund was created when the \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D were issued in December 2002.

2004A GRIP Bond Debt Service Fund (#10080). The fund was created when the \$700,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bond Series 2004A were issued through the New Mexico Finance Authority in 2004.

2004B GRIP Bond Debt Service Fund (#10090). The fund was created when the \$237,950,000 and \$200,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bonds Series 2004B and Series 2004C were issued through the New Mexico Finance Authority in May 2004. The 2004C Revenue Bond was refunded in 2008 by the 2008A and 2008C Refunding Revenue Bonds.

2006A GRIP Bond Debt Service Fund (#10220). The fund was created when the \$150,000,000 New Mexico State Highway Commission Revenue Bonds Series 2006A were issued in September 2006.

2006B GRIP Bond Debt Service Fund (#10240). The fund was created when the \$40,085,000 New Mexico State Highway Commission Revenue Bonds Series 2006B were issued in September 2006.

2008A GRIP Bond Debt Service Fund (#10410). The fund was created when the \$115,200,000 New Mexico State Transportation Commission Revenue Bonds Series 2008A were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008B GRIP Bond Debt Service Fund (#10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2008C GRIP Bond Debt Service Fund (#10430). The fund was created when the \$84,800,000 New Mexico State Transportation Commission Revenue Bonds Series 2008C were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008D GRIP Bond Debt Service Fund (#10440). The fund was created when the \$50,400,000 New Mexico State Transportation Commission Revenue Bonds Series 2008D were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2009A Bond Debt Service Fund (#11130). The fund was created when the \$112,345,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds, Series 2009A were issued in November 2009 to refund portions of series 1998A, 1998B, 2001A, 2002A and 2002C.

2010A Bond Debt Service Fund (#11140). The fund was created when the \$174,625,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010A were issued in October 2010 to refund a portion of a borrowing under a tax-exempt line of credit with Bank of America N.A. and finance the costs of certain State Transportation Projects for the Department.

2010B Bond Debt Service Fund (#20450). The fund was created when the \$461,075,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010B were issued in October 2010 to refund portions of series 2002A, 2002C, 2002D and 2004A GRIP.

2012A Bond Debt Service Fund (#30850). The fund was created when the \$220,400,000 NMFA State Transportation Refunding Revenue Bonds Series 2012A were issued in December 2012 to refund certain outstanding bonds of the State Transportation Commission and of the Finance Authority which were issued for the purpose of financing or refinancing projects administered by the New Mexico Department of Transportation.

2014A Bond Debt Service Fund (#11960). The fund was created when the \$70,110,000 NMFA State Transportation Subordinate Lien Revenue Bonds Series 2014A were issued in March 2014.

2014B Bond Debt Service Fund (#50110). The fund was created when the \$79,405,000 NMFA State Transportation Refunding Revenue Bonds Series 2014B were issued in December 2014 to refund certain outstanding bonds of the State Transportation Commission which were issued for the purpose of financing or refinancing projects administered by the New Mexico Department of Transportation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Budgets and Budgetary Accounting

Per the General Appropriations Act of 2013, Section 3M, "For the purpose of administering the General Appropriation Act of 2013, the State of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at year end. Appropriation periods are sometimes for periods in excess of twelve months (multiple-year appropriations). When multiple-year appropriation periods lapse, the authority for the budget also lapses, and encumbrances can no longer be charged to that budget.

The legal level of budgetary control is at the appropriation program level at the entity-wide level, except for multiyear funds.

Interfund and Interagency Transactions

Transfers which, because of budgetary or legal restrictions, must be expended by funds other than the fund initially receiving the revenue, are recorded as operating transfers in (out) under the other financing sources (uses) category (Note 11) in the governmental fund financial statements.

Restricted Cash and Cash Equivalents

The funds deposited in the debt service funds are restricted to pay future principal and interest payments. The remaining balance of the proceeds from the sale of the debentures, bonds and the NMFA loan are also classified as restricted cash because of the limited use of these funds. Proceeds of the various bond issues are also invested through the State Treasurer's Office in securities repurchase agreements with financial institutions and a money market mutual fund that invests in U.S. Treasury securities. Cash received from the Department of Energy (for the WIPP Project fund) in advance of incurring the eligible expenditures is also reflected as restricted cash because the cash can only be used on specified road projects. Cash held in the State Infrastructure Bank is restricted for use in funding loans (Note 2).

Cash and cash equivalents, for the purpose of the cash flows, has interest in the State General Fund Investment Pool of the State Treasurer's Office.

Taxes Receivable (Included as a component of Due From Other State Agencies)

Taxes receivable represent the amounts due from the New Mexico Taxation and Revenue Department for the Department's June 30 fiscal year user and fuel taxes that are received by the Department after year-end. Accordingly, no allowance for uncollectible amounts is necessary. The revenue related to taxes is recorded when the underlying transaction occurs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Accounts Receivable

Accounts receivable consists of amounts due from various entities: individuals and other state and local agencies located within the State of New Mexico for the sale of maps, brochures and other materials; and for other services performed by the Department. It is the policy of the Department to actively pursue collections of all valid accounts receivable and to comply with Article IV, Section 32 of the New Mexico Constitution that mandates that no amounts owed to the State can be exchanged, transferred, remitted, released or postponed. As a result of this policy, the Department does not write off any receivable balances and, instead, provides an allowance for uncollectible accounts. The Department has specific procedures in place for the treatment and collection of invoices past 30, 60, 90, and 120 days and, any receivables older than 120 days are moved to the allowance account at year end. A detail listing of all uncollectible accounts is maintained and uncollectible accounts are referred to the Department's legal department for possible legal collection actions. The balance of receivables deemed uncollectible through the end of FY15 was \$5,672,373 and a net total of \$1,470,591 was moved to the uncollectible account during the current fiscal year. A total of \$448,342 was recovered from the uncollectible account during the current fiscal year. (Note 3)

Severance Tax Bonds Proceeds Receivable

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents expenditures incurred by the Department, but not yet reimbursed by the State Board of Finance (Note 4).

Notes and Loans Receivable

Notes and loans receivable represent loans to other governmental entities made by the State Infrastructure Bank. Loans are stated at their principal amount. Interest on loans is accrued based on the daily principal balance outstanding, except when a loan has been past due for 90 days. All loans are to governmental entities and secured by certain pledged revenues. The loans are being repaid in accordance with their loan agreements. Management's evaluation of the loan portfolio has determined that no allowance for uncollectible loans is required at June 30, 2015. There are no loans past due for more than 90 days as of the end of the fiscal year which require placement on non-accrual status (Note 5).

Due From the U.S. Department of Transportation

Due from the U.S. Department of Transportation represents amounts billed and unbilled in accordance with the various grant agreements. The "billed" portion represents contract expenditures incurred and billed by the Department. The "unbilled" portion represents expenditures included in accounts payable that will be billed when paid by the Department. The "excess project costs" represents costs actually incurred on a project in excess of approved amounts. The Department provides for an allowance for uncollectible accounts in excess of project costs classification. The allowance is based on an analysis of amounts that are reasonably assured of collection (Note 6). There was no allowance for FY 2015.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Due From/To Other Funds

Due from/to other funds represent amounts due from and to other funds within the Department (Note 7) and are included in the governmental fund financial statements. Inter-fund transactions are eliminated in the Accrual-basis governmental-wide financial statements.

Due to State Treasurer's Office

The amount of negative cash balances are reported in the Due to State Treasurer's Office by fund.

Due to State General Fund (Reversions)

Reversions to the State General Fund by the Department are based on the definitions of both reverting and non-reverting funds. Reversions are calculated by applying the percentage of reverting fund (to total budget for the category) to the amount unexpended for the category at fiscal year-end.

Due to Local Entities

The amount due back to the locals for unearned revenue for cooperative agreement and State Infrastructure loan.

Inventory

Inventory is valued at cost using the first-in, first-out method. Special Revenue Fund inventory consists of materials used in the Department's operations.

The inventory costs are recorded as expenditures when consumed rather than when purchased. Reported inventories are equally offset in the nonspendable fund balance, which indicates that it does not constitute "available spendable resources" (Note 9) even though they are a component of current assets.

Prepaid Expense - NM 44 Warranty

The warranty represents the no-fault portion of 3 categories of costs that will meet performance criteria: The pavement, which originally cost \$36,100,000, is being amortized over 20 years. At the end of the fiscal year 2015 the unamortized value was \$16,245,000. The structures, which originally cost \$15,916,345 is being amortized over 11 1/2 years. At the end of the fiscal year 2015 the unamortized value was \$692,015. The remaining amount which originally cost \$13,564,126, is fully amortized and has no net book value after fiscal year ending June 30, 2006 when it became fully amortized. Total prepaid expense at June 30, 2015 was \$16,937,015.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Property Held for Resale

Property held for resale represents excess land acquired through condemnation and is recorded at the lower of its cost or estimated fair value. Reported property held for resale is equally offset by the non-spendable fund balance designation, which indicates that they do not constitute “available spendable resources” even though they are a component of assets.

Capital Assets

Capital assets, which include property, plant, equipment, software in the equipment category, and infrastructure assets (which is normally immovable and of value only to the state, such as roads, streets, tunnels and similar infrastructure items), are reported in the governmental activities columns in the government-wide financial statements. The Department has no internally developed software that requires capitalization. As a result of House Bill 1074, effective date June 17, 2005, and Section 12-6-10 NMSA 1978 the State’s capitalization policy threshold was changed from \$1,000 to \$5,000, requiring agencies to capitalize acquisitions greater than \$5,000. Assets purchased prior to June 17, 2005 were not removed and will continue to be depreciated. Purchased and constructed capital assets are valued at historical or estimated historical cost. The Department has not capitalized any construction period interest expense. Donated capital assets are recorded at their estimated fair value at the date of donation.

The Department records as capital assets the specific roads, tunnels and other infrastructure it owns or over which it has primary responsibility for maintenance. According to the GASB, if the Department has the primary responsibility for the asset’s maintenance, then the capital asset would be recorded on its books.

An estimated historical cost of the entire infrastructure on the Department’s government-wide financial statements was determined as of June 2001. The Department calculated the replacement cost as of June 30, 2001 for its entire infrastructure and then deflated the cost by use of a construction price level index maintained by the Federal Highway Administration. Accumulated depreciation at June 30, 2001 was calculated based on the estimated historical cost of the infrastructure, estimated use of the assets and using a 25 to 30-year life of the infrastructure. Current year activity is shown in Note 10 to the financial statements.

The Department follows the depreciation method to record infrastructure assets. This method requires the Department to allocate the cost of infrastructure assets over their useful lives as depreciation expense.

The Department records its other capital assets (buildings, machinery and equipment) at historical cost and depreciates the assets over their estimated useful lives. Capital assets acquired in the current year in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets - continued

Capital assets of the Department are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and right-of-way land. Generally, estimated useful lives are as follows:

Machinery and Equipment	7 - 14 years
Buildings and Other Improvements	40 years
Infrastructure	25 - 30 years

Compensated Absences

The Department accounts for the accumulated vacation and sick leave on the accrual basis in accordance with GASB 16. Accrued vacation up to 240 hours is recorded in the Statement of Net Position at 100% of the employee's hourly wage. In addition, accrued sick leave over 600 up to 720 hours less the amount classified as current is recorded in the Statement of Net Position at 50% of the employee's hourly wage. Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each overtime hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2015, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

Long-Term Obligations

Premiums, Discounts and Issuance Costs - In the government-wide financial statements, long-term debt and other long-term obligations are presented in the column for governmental and business-type activities. The same is presented in the proprietary fund financial statements. Bond and note premiums and discounts are deferred and amortized straight line over the life of the debt. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the governmental fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as other expenditures.

Arbitrage Rebate Liability - Any arbitrage rebate is recorded as a liability when it is determined to be owed to the Internal Revenue Service.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Net Investment in Capital Assets - is intended to reflect the portion of net position which is associated with non-liquid capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Assets - are liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory or granting agency) limitation on their use. When there is an option, the Department spends restricted resources first.

Unrestricted Assets - are all other net position that do not meet the definition of "restricted assets" or "net investment in capital assets".

Encumbrances

With the General Appropriations Act of 2013, Section 3M establishing the modified accrual basis of accounting for governmental funds as the budgetary basis of accounting for the state of New Mexico, encumbrances related to single year appropriations lapse at fiscal year end. Appropriations for periods in excess of twelve months (multiple-year appropriations) lapse at the end of the appropriation period, the budget also lapses, and encumbrances can no longer be charged to that budget. Outstanding encumbrance balances for the Department's Severance Tax Bonds and Special Appropriations are shown in separate supplementary schedules. Significant unexpended encumbrance balances at June 30, 2015 for other multiple year appropriation periods are as follows:

STB Capital Outlay Fund	89200	<u>\$ 5,324,066</u>
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Nonspendable Fund Balance

The nonspendable category of fund balance consists of the net financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable categories of fund balances are summarized below:

Inventory - This category was created to represent the portion of fund balance that are noncash assets available for expenditures in future periods.

Property Held for Resale - This category was created to represent the portion of fund balance that are long-term noncash assets available for sale.

Prepaid Expenses - This category was created to represent disbursements made that cannot be reported as expenditures in the current period for GAAP purposes.

Restricted Fund Balance

The restricted category of fund balance consists of the net financial resources that are restricted by either (a) external imposition by creditors (such as debt covenants), grantors, contributors, laws or regulations of other governments; or (b) imposition by law through constitutional provisions or enabling legislation.

Committed Fund Balance

The committed category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose as established by the highest level of decision-making authority. This fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying these contractual requirements. The Department's highest level of decision-making authority is the Legislative and Executive branches of the State of New Mexico.

Assigned Fund Balance

The assigned category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose by the Department's intent but the constraint imposed does not satisfy the criteria to be classified as restricted or committed.

Unassigned Fund Balance

The unassigned category of fund balance consists of the net financial resources that are the least constrained. In the general fund, these are amounts that have not been restricted, committed or assigned to specific purposes. In other funds, they are negative fund balances that represent shortfalls which are covered by fund balances not restricted, committed or assigned to other specific purposes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Pledged Revenue

The Department has pledged future gasoline excise taxes, motor vehicle registration fees, special fuel excise taxes, vehicle transactions fees, driver's license fees, oversize/overweight permit fees, trip (mileage) taxes, weight distance taxes, leased vehicle gross receipts taxes, tire recycling fees and FHWA revenues, to repay \$1.44 billion in State Transportation Revenue and Refunding Bonds issued between 2006 and 2014. Proceeds from the bonds provided funding for various transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable, as well as to provide funds to refund and restructure certain outstanding bonds. The bonds are payable through 2032. Annual principal and interest payments on the bonds are expected to require less than 25% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$1.96 billion. Principal and interest paid for the current year and total pledged revenues were \$153,008,120 and \$809,528,900, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Eliminations

Total columns in the governmental fund financial statements are captioned "Total Governmental Funds" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operation or changes in financial position of the Department as a whole in conformity with generally accepted accounting principles. Eliminations of intra-fund transfers have not been made in the aggregation in the governmental fund financial statements. Due from/to other funds and intra-fund transfers have been eliminated in the government-wide financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The Department has two items that qualify for reporting in this category. They are the deferred loss on refunding and the fair value of the SWAP agreements deemed effective per GASB 53.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Deferred Outflows/Inflows of Resources - continued

The Department reports Deferred Inflows of Resources in the fund financial statements. Deferred Inflows of Resources arise when potential revenue does not meet both the "measureable" and "available" criteria for recognition in the current period (fund financial statements). Deferred Inflows of Resources also arise when resources are unearned by the Department and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures (fund financial statements and government-wide financial statements). In subsequent periods, when both revenue recognition criteria are met, or when the Department has a legal claim to the resources, the liability for Deferred Inflows of Resources is removed from the applicable financial statement and revenue is recognized.

Pensions

In June 2012, GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

In January 2013, GASB issued Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Compliant with the requirements of Government Accounting Standards Board Statement No.68 and No.71, the State of New Mexico has implemented the standards for the fiscal year ending June 30, 2015.

The Department, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). Disclosure requirements for governmental funds apply to the primary government as a whole, and as such, this information will be presented in the Component Appropriation Funds Annual Financial Report (General Fund) and the Comprehensive Annual Financial Report (CAFR) of the State of New Mexico.

Information concerning the net pension liability, pension expense and pension-related deferred inflows and outflows of resources of the primary government will be contained in the General Fund and the CAFR and will be available, when issued, from the Office of State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, 87501.

2. CASH AND CASH EQUIVALENTS

The Department has two types of cash equivalents--those that are deposited with the State Treasurer's Office and those that are held with trustees that are managed by NMFA.

Cash equivalents on deposit with State Treasurer's Office

Compliant with statute 6-10-3 (NMSA 1978), and to optimize state cash management and investment practices, funds of various state agencies are deposited in the State General Fund Investment Pool (SGFIP). This pool is managed by the New Mexico State Treasurer's Office (STO). Claims on the SGFIP are reported as financial assets by the various agencies investing in the SGFIP.

Agency claims against the SGFIP and fiduciary resources held at STO to fulfill those claims were not reconciled from the inception of SHARE (the State's centralized accounting system), in July 2006, through January 2013, which caused uncertainty as to the validity of the claims and the ability of fiduciary resources to fulfill those claims. As a result of business process and systems configuration changes made during the Cash Management Remediation Project Phase I the Department of Finance and Administration's Financial Control Division began reconciling transactional activity reported by the State's fiscal agent bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013. In March 2015, the Financial Control Division implemented a reconciliation process that compares statewide agency claims against the resources held in the SGFIP at STO. This process is known as the claims to resources reconciliation. The claims to resources reconciliation process has been applied to fiscal year-end 2014 and the months from January 2015 through June 2015. Agency claims on the SGFIP will be honored in their entirety. Any adjustment necessary to the claims balance will be applied against the General Operating Reserve. No portion of the adjustment shall be allocated to any specific agency that participates in the SGFIP.

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

The Department is aware that the General Fund Investment Pool balances have not been reconciled at the Agency and Fund level by the Department of Finance and Administration. However, the Department has established its own internal reconciliation policies and procedures to mitigate the risk that our cash balances would be misstated as of June 30, 2015. The Department is confident that our reconciliation process ensures all incoming and outgoing cash transactions are properly identified and that they are timely and accurately recorded in the financial system. Recording is not final until approved by the State Treasurer's Office who compares the recorded transactions against validated bank deposit slips provided to them by the State's Fiscal Agent Bank. Our agency then compares all deposits to financial system cash transaction and general ledger reports to ensure they have been properly and thoroughly recorded.

2. CASH AND CASH EQUIVALENTS (continued)

Cash equivalents on deposit with State Treasurer's Office (continued)

Similarly, incoming wire cash transfers and operating cash transfers originating outside our agency and received by the State's Fiscal Agent Bank are identified, reviewed and verified to ensure they are properly authorized, recorded, reported and reconciled to source documents. All outgoing cash transactions are pre-audited for compliance, accuracy and authority before they are approved, paid and recorded in the financial system. These transactions are then verified and reconciled to financial system cash transaction and general ledger reports to ensure they have been properly and thoroughly recorded. Finally, cash management is vital to the Department's daily operations and our agency's CFO monitors cash on an ongoing basis and performs analytical reviews for reasonableness, expected results and trends. Unusual balances and activities are researched and resolved to ensure the accuracy and integrity of our cash balances.

At June 30, 2015 the Department had the following invested in the General Fund Investment Pool:

General Fund Investment Pool	<u>\$ 176,411,010</u>
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Interest Rate Risk. The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk. The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2015.

Concentration of Credit Risk. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk.

State law requires that repurchase agreements be secured by collateral with a market value greater than 102% of the value of the agreement. The securities are held by a third party in the Department's name. The fair value of the repurchase agreement approximates the cost at June 30, 2015.

2. CASH AND CASH EQUIVALENTS (continued)

Cash equivalents managed by New Mexico Finance Authority

Money market funds are managed by New Mexico Finance Authority (fiscal agent) and held by State Treasurer authorized bank accounts at Bank of Albuquerque as trustees and paying agents for Department. The sources of funds are bond proceeds and other debt service requirements. These funds are invested in short-term money market accounts that invest in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations in accordance with state law. The trustees are also permitted to purchase U.S. Treasury obligations.

At June 30, 2015 the Department had the following managed by NMFA held with Bank of Albuquerque:

Bank of Albuquerque, trustee account (Managed by NMFA)	<u>\$ 110,492,411</u>
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Custodial Credit Risk. Custodial credit risk is the risk that, in the event of failure of the counterparty, the Department will not be able to recover the value of its collateral securities that are in the possession of an outside party. All are fully collateralized and the collateral is held in the Department's name.

Credit Risk. The Authority's investments shall be in accordance with State Law, 6-10-10 and 6-10-10.1 NMSA 1978, including but not limited to the following: Treasury Bills, Notes, Bonds, Strips and U.S. Government.

Concentration of Credit Risk. Concentration of credit risk is defined as investments of more than 5% in any one issuer. The Department is not susceptible to concentration of credit risk.

Interest Rate Risk. Interest rate risk is the risk that interest rate fluctuations may adversely affect an investment's fair value. The prices of securities fluctuate with market interest rates and the value of securities held in a collateral portfolio will decline if market interest rates rise. In this event, the financial institution is required to provide additional collateral necessary to comply with New Mexico State Statute. Therefore, funds are not susceptible to interest rate risk as they are all fully collateralized.

3. ACCOUNTS RECEIVABLE

The aging of accounts receivable as of June 30, 2015 is as follows:

<u>Number of Days Outstanding</u>	
0 - 30	\$ 2,192,208
31 - 60	102,067
61 - 90	605
91 - 120	720
Beyond 120	5,716,667
	<u>8,012,267</u>
Allowance for uncollectible accounts	<u>(5,672,373)</u>
	<u><u>\$ 2,339,894</u></u>

4. SEVERANCE TAX BOND PROCEEDS AVAILABLE

Severance tax bonds proceeds available as of June 30, 2015, appropriated to the Department, were held by the State Board of Finance to reimburse expenditures incurred by the Department. The activity of this account is as follows:

Balance, beginning of year	\$ 54,662,400
Sale and reauthorization of severance tax bonds	2,875,376
Funding from the State Board of Finance	(28,825,227)
Reversion to the State Board of Finance	<u>(51,691)</u>
Available Balance, end of year	<u><u>\$ 28,660,858</u></u>

The funding for the year ended June 30, 2015 was received under the Laws of 2007, Chapter 3; Laws of 2008, Chapter 9; Laws of 2009, Chapter 7; Laws of 2010, Chapter 105; Laws of 2011, Chapter 183; and Laws of 2012, Chapters 63 and 64 for projects completed ; Laws of 2013, Chapters 92 and 226; Laws of 2014, Chapter 66; Laws of 2015, Chapters 3 and 147.

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs and are recorded as revenues by the Department. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents the amounts due and available from the State Board of Finance as of year-end.

Receivable at year end (Note 8)	<u><u>\$ 1,528,667</u></u>
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5. NOTES AND LOANS RECEIVABLE

Loans receivable funded by the SIB consist of the following:

A ten (10) year State Infrastructure Bank note receivable from Town of Peralta at 1% interest secured by property taxes and sewer funds.	\$ 883,000
A two (2) year State Infrastructure Bank note receivable from City of Albuquerque at 1% interest secured by federal funds.	800,000
A three (3) year State Infrastructure Bank note receivable from Silver City at 1% interest secured by water and sewer funds.	<u>180,000</u>
	<u><u>\$ 1,863,000</u></u>

6. DUE FROM U.S. DEPARTMENT OF TRANSPORTATION

Due from U.S. Department of Transportation (USDOT) consists of the following at June 30, 2015:

<u>Agency</u>	
Federal Highway Administration	\$ 29,173,467
Less allowance for uncollectible amounts	<u>-</u>
Total Federal Highway Administration	29,173,467
Other USDOT Agencies	<u>7,539,548</u>
Total USDOT	<u><u>\$ 36,713,015</u></u>

7. DUE FROM AND DUE TO OTHER FUNDS

These amounts represent interfund receivables and payables arising from the interfund transactions within the Department. Due from/to other funds occur for the following reasons:

- 1) One Fund pays expenditures on behalf of other funds.
- 2) One Fund receives revenue on behalf of other funds.

Interfund receivables and payables as of June 30, 2015 consist of the following:

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
General Funds:				
State Road Fund(s)	10040 and 20100	\$ 10,425,985	\$ 1,358,720	
Total General Funds		10,425,985	1,358,720	\$ 9,067,265
Special Revenue Funds:				
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800,			
	82600	60,231	5,624,495	
2010A Bond Project Fund	10450	-	6,030,952	
2014A Bond Project Fund	11970	5,340,760	-	
State Aviation Fund	20500	300	-	
Total Special Revenue Funds		5,401,291	11,655,447	(6,254,156)
Debt Service Funds:				
2001A CHAT Bond Debt Service Fund	00700	1,651,520	-	
2008AGRIP Bond Debt Service Fund	10410	-	1,371,193	
2008B GRIP Bond Debt Service Fund	10420	250	6,409,295	
2008C GRIP Bond Debt Service Fund	10430	-	1,009,166	
2000 CHAT Bond Debt Service Fund	43200	1,184,452	-	
1999 CHAT Bond Debt Service Fund	43400	750,144	-	
2014B Bond Debt Service Fund	50110	-	4,780	
2002A CHAT Bond Debt Service Fund	54700	690,434	-	
1998A CHAT Bond Debt Service Fund	54800	86,180	-	
2002B WIPP Bond Debt Service Fund	75000	702,644	-	
1998 WIPP Bond Debt Service Fund	97200	199,253	-	
Total Debt Service Funds		5,264,877	8,794,434	(3,529,557)
Capital Projects Funds:				
STB Capital Outlay Fund	89200	770,848	54,400	
Total Capital Projects Funds		770,848	54,400	716,448

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS - continued

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
Enterprise Funds:				
Total Enterprise Funds		-	-	-
Total Interfund Receivables and Payables		\$ 21,863,001	\$ 21,863,001	\$ -
Summary				
Total General Funds - net				\$ 9,067,265
Total Special Revenue Funds - net				(6,254,156)
Total Debt Service Funds - net				(3,529,557)
Total Capital Projects Funds - net				716,448
Total Governmental – net				-
Total Enterprise Funds – net				-
Total All Funds				\$ -

8. DUE FROM OTHER AGENCIES

Fund Description	Fund Number	Sub-total	Total	Due From
State Road Fund	20100	\$ 2,117,845		Public Regulation Commission
Traffic Safety Fund	20800	62,093		Administrative Office of the Courts
Total fees due			\$ 2,179,938	
State Road Fund	20100	61,808,686		Taxation and Revenue Department
HIF Bond Fund	20200	1,190,992		Taxation and Revenue Department
Local Government Road Fund	20300	3,668,131		Taxation and Revenue Department
State Aviation Fund	20500	887,059		Taxation and Revenue Department
Motorcycle Training Fund	20600	15,714		Taxation and Revenue Department
DWI Prevention and Education Fund	20700	43,890		Taxation and Revenue Department
Traffic Safety Fund	20800	33,451		Taxation and Revenue Department
Ignition Interlock Fund	82600	44,056		Taxation and Revenue Department
Total taxes due			67,691,979	
2001A CHAT Bond Project Fund	00600	335		State Treasurer's Office
2001A CHAT Bond Debt Service Fund	00700	17		State Treasurer's Office
2002D CHAT Bond Project Fund	11500	45		State Treasurer's Office
2002D CHAT Bond Debt Service Fund	18700	1		State Treasurer's Office
State Road Fund	20100	5,503		State Treasurer's Office
HIF Bond Fund	20200	467		State Treasurer's Office

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

8. DUE FROM OTHER AGENCIES - continued

Fund Description	Fund Number	Sub-total	Total	Due From
Local Government Road Fund	20300	1,688		State Treasurer's Office
State Aviation Fund	20500	1,129		State Treasurer's Office
Motorcycle Training Fund	20600	2		State Treasurer's Office
Traffic Safety Fund	20800	45		State Treasurer's Office
2002C HIF Bond Project Fund	36100	92		State Treasurer's Office
2002C HIF Bond Debt Service Fund	36300	4		State Treasurer's Office
1993 Bond Project Fund	39400	113		State Treasurer's Office
1999A CHAT Bond Project Fund	43000	150		State Treasurer's Office
2000 CHAT Bond Debt Service Fund	43200	14		State Treasurer's Office
1999 CHAT Bond Debt Service Fund	43400	19		State Treasurer's Office
2002A CHAT Bond Debt Service Fund	54700	6		State Treasurer's Office
1998A CHAT Bond Debt Service Fund	54800	10		State Treasurer's Office
2002B WIPP Bond Debt Service Fund	75000	8		State Treasurer's Office
1998A WIPP Bond Debt Service Fund	97200	1		State Treasurer's Office
Total accrued interest due			9,649	
STB Capital Outlay Fund	89200	1,528,667		DFA Board of Finance
Total reimbursement due			1,528,667	
Total Governmental Funds			71,410,233	
Total Enterprise Funds - SIB Interest accrued			1,408	
Total Government-wide			<u>\$ 71,411,641</u>	

9. INVENTORY

Inventory as of June 30, 2015 consists of the following:

Highway maintenance materials stockpiled	\$ 7,916,721
Repair Parts and expendable supplies	6,097,894
Fuel, oil and lubricants	650,346
	<u>\$ 14,664,961</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

10. CAPITAL ASSETS

A summary of changes in capital assets for fiscal year ended June 30, 2015 follows:

	Beginning Balance		Adjustments &	
	June 30, 2014	Additions	Transfers	Retirements
Non-depreciable assets:				
Construction in Progress	\$ 174,433,903	\$ 333,891,464	\$ -	\$ -
Rail System Infrastructure - Right of Way	77,252,100	-	-	-
Land	5,177,044	-	-	-
Right of Way	419,873,885	-	-	-
Total non-depreciable assets	676,736,932	333,891,464	-	-
Depreciable assets:				
Infrastructure	14,429,666,848	-	-	(502,257,042)
Automotive and Major Road Fund Equipment	212,976,302	20,211,195	(4,728,795)	(6,659,307)
Rail System Infrastructure	367,768,679	-	-	-
Buildings	48,117,790	357,653	1,022,200	(29,248)
Equipment and furniture	31,790,529	1,219,849	307,254	(1,674,360)
Library	102,614	10,952	10,952	(10,952)
Total depreciable assets	15,090,422,762	21,799,649	(3,388,389)	(510,630,909)
Total Assets	15,767,159,694	355,691,113	(3,388,389)	(510,630,909)
Less Accumulated Depreciation:				
Infrastructure	(9,178,559,301)	(624,754,170)	-	502,257,042
Automotive and Major Road Fund Equipment	(149,773,773)	(10,652,039)	232,093	6,229,005
Rail System Infrastructure	(90,901,422)	(14,710,747)	-	-
Buildings	(28,677,813)	(797,610)	(459)	1,785
Equipment and furniture	(24,832,766)	(1,920,750)	1,947	1,477,610
Library	(102,614)	(615)	-	-
Total Accumulated Depreciation	(9,472,847,689)	(652,835,931)	233,581	509,965,442
Net Total	\$ 6,294,312,005	\$ (297,144,818)	\$ (3,154,808)	\$ (665,467)

There were no software costs to capitalize as of year-end. Depreciation and amortization was allocated to the following functions:

Depreciation:

Programs and infrastructure	\$ 624,754,170
Transportation and highway operations	14,710,747
Program support	13,371,014
Total depreciation	\$ 652,835,931

10. CAPITAL ASSETS (continued)

CIP Reclassifications	Ending Balance June 30, 2015
\$ (220,820,221)	\$ 287,505,146
-	77,252,100
-	5,177,044
4,599,658	424,473,543
(216,220,563)	794,407,833
216,220,563	14,143,630,369
-	221,799,395
-	367,768,679
-	49,468,395
-	31,643,272
-	113,566
216,220,563	14,814,423,676
-	15,608,831,509
-	(9,301,056,429)
-	(153,964,714)
-	(105,612,169)
-	(29,474,097)
-	(25,273,959)
-	(103,229)
-	(9,615,484,597)
\$ -	\$ 5,993,346,912

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS

Transfers within the Agency:

	State Road Fund(s) (Multi)	Federal Traffic Safety Fund (SHARE 10010)	2004A GRIP Bond Debt Service Fund (SHARE 10080)	2004B GRIP Bond Debt Service Fund (SHARE 10090)	2008A GRIP Bond Debt Service Fund (SHARE 10410)	2008B GRIP Bond Debt Service Fund (SHARE 10420)
(1)	\$ 1,328	\$ -	\$ -	\$ -	\$ -	\$ -
(2)	5,611,921	(5,611,921)	-	-	-	-
(3)	-	-	2,144,475	(1,707,113)	(2,712,633)	3,056,431
	<u>\$ 5,613,249</u>	<u>\$ (5,611,921)</u>	<u>\$ 2,144,475</u>	<u>\$ (1,707,113)</u>	<u>\$ (2,712,633)</u>	<u>\$ 3,056,431</u>

- (1) Transfer excess money from the Motorcycle Training Fund to the State Road Fund per Section 6-10-10 NMSA 1978
- (2) Transfer to State Road Fund to reimburse expenditures
- (3) Transfer of residual cash within Debt Service Funds for current year debt obligations

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

	2008C GRIP Bond Debt Service Fund (SHARE 10430)	2008D GRIP Bond Debt Service Fund (SHARE 10440)	Motorcycle Training Fund (SHARE 20600)	Total all Intra-agency Transfers
(1)	\$ -	\$ -	\$ (1,328)	\$ -
(2)	-	-	-	-
(3)	(266,533)	(514,627)	-	-
	<u>\$ (266,533)</u>	<u>\$ (514,627)</u>	<u>\$ (1,328)</u>	<u>\$ -</u>

11. OPERATING TRANSFERS - continued

Transfers outside of Agency:

	General Fund Appropriations Fund (SHARE 10070)	2014B Bond Debt Service Fund (SHARE 50110)	Ignition Interlock Fund (SHARE 82600)	Total all Inter-agency Transfers
(4)	\$ -	\$ -	\$ 300,000	\$ 300,000
(5)	-	79,405,000	-	79,405,000
(6)	-	17,026,113	-	17,026,113
(7)	-	(319,516)	-	(319,516)
(8)	-	(95,763,847)	-	(95,763,847)
(9)	(258,732)	-	-	(258,732)
	<u>\$ (258,732)</u>	<u>\$ 347,750</u>	<u>\$ 300,000</u>	<u>\$ 389,018</u>

- (4) Annual transfer in from Department of Finance
- (5) Receipt of Principal on 2014B Refunding Bonds
- (6) Receipt of Premium on 2014B Refunding Bonds
- (7) Transfer for Cost of Issuance on 2014B Refunding Bonds
- (8) Transfer proceeds on 2014B Refunding Bonds to escrow account to refund a portion of the 2006A and 2006B Bonds
- (9) Accrual of transfer to State General Fund for Unexpended Appropriations

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

12. DUE TO OTHER AGENCIES

Fund Description	Fund Number	Due To	Total
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	Administrative Office of the Courts	\$ 88,203
		Department of Health	31,025
		Department of Public Safety	511,735
Federal Planning & Development Fund	10030	New Mexico State Treasurer's Office	1,438,623
State Road Fund(s)	10040 and 20100	Corrections Department	123,061
		Department of Cultural Affairs	575,140
		Department of Game and Fish	15,942
		Department of Public Safety	293,962
		Energy, Minerals & Natural Resources	145,168
		Environment Department	2,300
		New Mexico State Treasurer's Office	10,626,002
		Taxation and Revenue Department	99
2014A Bond Project Fund	11970	New Mexico State Treasurer's Office	5,340,760
STB Capital Outlay Fund	89200	New Mexico State Treasurer's Office	1,895,032
Total Governmental Funds			\$ 21,087,052
		Administrative Office of the Courts	\$ 88,203
		Corrections Department	123,061
		Department of Cultural Affairs	575,140
		Department of Game and Fish	15,942
		Department of Health	31,025
		Department of Public Safety	805,697
		Energy, Minerals & Natural Resources	145,168
		Environment Department	2,300
		New Mexico State Treasurer's Office	19,300,417
		Taxation and Revenue Department	99
Total Government-wide			\$ 21,087,052

13. DUE TO LOCAL GOVERNMENTS

Fund Description	Fund Number	Due To	Total
Enterprise Funds:			
State Infrastructure Fund	89300	Silver City	\$ 180,000
		Town of Peralta	883,000
Total Enterprise Funds			1,063,000
Total Government-wide			\$ 1,063,000

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

14. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2015:

Governmental Activities	Balance at June 30, 2014	Increase	Decrease	Ending Balance June 30, 2015	Amounts due within one year
2004A GRIP Bonds	\$ 61,255,000	\$ -	\$ (61,255,000)	\$ -	\$ -
2006A GRIP Bonds	83,270,000	-	(71,965,000)	11,305,000	3,535,000
2006B GRIP Bonds	24,085,000	-	(21,150,000)	2,935,000	1,435,000
2008A GRIP Bonds	115,200,000	-	-	115,200,000	-
2008B GRIP Bonds	220,000,000	-	-	220,000,000	-
2008C GRIP Bonds	84,800,000	-	-	84,800,000	-
2009A Refunding Bonds	15,080,000	-	(4,820,000)	10,260,000	5,195,000
2010A Refunding Bonds	107,235,000	-	(12,015,000)	95,220,000	12,595,000
2010B Refunding Bonds	444,800,000	-	-	444,800,000	395,000
2012A Refunding Bonds	217,455,000	-	(900,000)	216,555,000	45,485,000
2014A Revenue Bonds	70,110,000	-	-	70,110,000	-
2014B Refunding Bonds	-	79,405,000	-	79,405,000	-
Debentures	1,443,290,000	79,405,000	(172,105,000)	1,350,590,000	68,640,000
Compensated absences payable	5,960,118	5,321,761	(5,108,745)	6,173,134	6,173,134
Total obligations	1,449,250,118	\$ 84,726,761	\$ (177,213,745)	1,356,763,134	\$ 74,813,134
Less current portion	(90,040,118)			(74,813,134)	
Net long-term obligations	<u>\$ 1,359,210,000</u>			<u>\$ 1,281,950,000</u>	
Unamortized bond premium	\$ 136,971,699	\$ 17,026,113	\$ (19,440,339)	\$ 134,557,473	\$ 13,961,982

As discussed in Note 1, Deferred amount on refunding is presented as a deferred outflow of resources on the financial statements and is not presented net of related debentures.

Governmental Activities	Balance at June 30, 2014	Increase	Decrease	Ending Balance June 30, 2015	Amounts due within one year
Deferred outflow of resources	\$ 78,273,770	3,972,239	(23,139,283)	\$ 59,106,726	5,972,100

The State Road Fund (#20100) is used to liquidate other long-term liabilities, such as compensated absences and capital leases. The Department is authorized to issue bonds from time to time, payable from the proceeds of the collection of gasoline excise taxes, motor vehicle registration fees, and other fees that are required by law to be paid into the State Road Fund and not otherwise pledged solely to the payment of outstanding bonds and debentures. The total aggregate outstanding bonds issued are in accordance with the authorizing legislation for the bonds and other debt with the approval of the State Board of Finance, which includes Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA) (1978), as amended; and the Supplemental Public Securities Act constituting Sections 6-15-8 through 6-14-11 of the NMSA (1978), as amended.

14. LONG-TERM OBLIGATIONS - continued

Series 2004A GRIP

The Department issued \$700,000,000 through the New Mexico Finance Authority's (NMFA) State Transportation Revenue Bonds (Senior Lien), Series 2004A, in May 2004. The gross proceeds to the Department were \$738,787,815, including \$43,556,815 of an original issue premium. The cost of issuance including underwriter fees was \$6,368,367. The Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Series 2004A Bonds were issued to provide funds for certain transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable.

In October 2010, \$451,690,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

In December 2012, \$167,695,000 was refunded by the 2012A Refunding Revenue Bonds.

On June 15, 2015, the Series 2004A GRIP Bonds were retired with the \$61,255,000 principal payment.

14. LONG-TERM OBLIGATIONS - continued

Refundings

NMFA, on behalf of the Department, has issued multiple series of refunding bonds in prior years to advance refund certain older debt issues of the Department. The net proceeds of those issuances less any new amounts borrowed plus, at times, additional funds provided by the Department, were used to purchase U.S. Governmental securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the older debt issues. As a result, the advance refundings of the older debt are considered to be defeased and the liability for those bonds has been removed from long-term obligations. The bonds outstanding of \$154,065,000 were considered defeased in substance as of June 30, 2015.

The cumulative deferred amount on the refundings of \$59,106,725 recorded, as a deferred outflow, is the difference between the reacquisition price (funds required to refund the old debt including call provisions) and the net carrying amount of the old debt. The deferred amount on the refunding is recorded to the government-wide financial statements and is required to be amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Derivative Instruments

At the time of the 2004 GRIP bond issuance, NMFA, on behalf of the Department, entered into interest rate exchange agreements ("swaps") with respect to both of the adjustable rate bonds then issued and the adjustable rate bonds anticipated to be issued in 2006. All of the 2004 adjustable rate bonds were hedged at issuance with immediately-starting swaps and approximately one-half of the anticipated total 2006 issuance was hedged with forward-starting swaps that became effective in 2006.

In all of the swaps, NMFA, on behalf of the Department, receives a variable-interest rate payment based on an index, and makes a fixed-rate interest payment. This arrangement has the effect of converting the variable rate bonds to "synthetic fixed-rate" issues.

As in the case of the GRIP bonds, NMFA has entered into the swaps as an agent for the Department. These swap agreements remained in effect following the 2008 refunding and reissuance of the 2004 and 2006 adjustable rate bonds as Variable Rate Demand Notes (the 2008A through D series).

Objectives of the Swaps

The objective in entering into the swap agreements was to obtain a lower interest cost for the 2004 bonds than could have been obtained at the time had they been issued as fixed-rate bonds. With respect to the planned 2006 issuance, NMFA believed in 2004 that it would be desirable to "lock in" a synthetic fixed rate of 5% or less for a portion of the bonds anticipated to be issued in 2006.

14. LONG-TERM OBLIGATIONS - continued

Significant Terms

2004 Swaps:

<u>Counterparty</u>	<u>Royal Bank of Canada</u>	<u>Goldman Sachs</u>	<u>Deutsche Bank</u>
Notional Amount	\$100,000,000	\$50,000,000	\$50,000,000
Receipt Rate	68 % of 1 month LIBOR	68 % of 1 month LIBOR	68 % of 1 month LIBOR
Payment Rate (Synthetic Fixed Rate)	3.934%	3.934%	3.934%
Embedded Option(s)	None	None	None
Effective Date	May 20, 2004	May 20, 2004	October 6, 2008
Termination Date:	June 15, 2024	June 15, 2024	June 15, 2024

2006 Forward Starting Swaps:

<u>Counterparty</u>	<u>JP Morgan Chase Bank</u>	<u>UBS AG</u>
Notional Amount	\$110,000,000	\$110,000,000
Receipt Rate	SIFMA Municipal Swap Index	SIFMA Municipal Swap Index
Payment Rate	5.072%	5.072%
Embedded Option(s)	"Knockout" option – Counterparty may cancel if the index remains above 7% for more than 180 days	"Knockout" option – Counterparty may cancel if the index remains above 7% for more than 180 days
Option premium to NMFA	0.34%	0.34%
Net payment rate ("Synthetic Fixed Rate"), equals the payment rate less option premium	4.732%	4.732%
Effective Date	December 15, 2006	December 15, 2006
Termination Date:	December 15, 2026	December 15, 2026

No cash was paid or received at the initiation of any of the above swaps.

14. LONG-TERM OBLIGATIONS - continued

Fair Value

The estimated fair value of the swaps at June 30, 2015 was as follows:

Counterparty	Notional Value	Fair Value *
Goldman Sachs	\$ 50,000,000	\$ (9,765,210)
Deutsche	50,000,000	(9,765,210)
Royal Bank of Canada	100,000,000	(19,530,419)
JPMorgan Chase Bank	110,000,000	(30,553,263)
UBS AG	110,000,000	(30,553,263)
	<u>\$ 420,000,000</u>	<u>\$ (100,167,365)</u>

* The Fair Value is the estimated amount that would have been received by or paid by the Department if the agreements had been terminated at June 30, 2015 under the terms of the agreement. This value is the net present value of the receipts and payments anticipated to be made pursuant to the agreements. The net present values are calculated based on discount rates indicated by actual swap transactions that occurred on or around June 30, 2015. Negative amounts indicate payments that would have been made by the Department to the counterparties.

The SWAPs Fair Value are disclosed as a liability for the year ended June 30, 2015 in the amount of \$100,167,365.

Management evaluated the effectiveness of the SWAP agreements and found Goldman Sachs, Deutsche and Royal Bank of Canada to be ineffective in the prior year. As a result, the change in Fair Value of the ineffective SWAPs are reported as income in the amount of \$303,785. The remaining effective SWAPs are deemed a hedge and reported as a deferred outflow of resources in the amount of \$61,106,526, which consists of the JP Morgan Chase Bank and UBS AG SWAP agreements.

Associated Debt

Variable Rate Debt*	Par Value	2015 Debt Service		Net Variable Made (Received)	Total Net Interest Paid	Effective Interest Rate
		Principal	Fixed Interest			
Series 2008A and C	\$ 200,000,000	\$ -	\$ 7,846,144	\$ 1,065,352	\$ 8,911,496	4.456%
Series 2008B	220,000,000	-	11,127,404	118,517	11,245,921	5.112%

* The interest and swap payments for these bonds include the payments for the 2004 and 2006 Series bonds that the 2008 series bonds replaced during the prior fiscal year.

The interest includes amounts paid within the fiscal year without regard to the costs associated with the swap collateral (Taxable) Line of Credit.

14. LONG-TERM OBLIGATIONS - continued

Risks

Credit Risk

Credit risk is the possibility that a counterparty will not fulfill its obligations.

The credit ratings of the counterparties, at June 30, 2015, were:

	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
Goldman Sachs	Aa2	AAA	N/A
Deutsche	A3	BBB+	A
Royal Bank of Canada	Aa3	AA-	AA
JP Morgan Chase	Aa3	A+	AA-
UBS AG	A2	A	A

Presently, the Department has no exposure to loss with respect to the counterparties, as the termination values of the swaps are negative. That is, no amounts would be owed to the Department if any swaps were terminated at present. Each swap agreement contains provisions requiring the posting of collateral in the event that termination values exceed certain amounts. Termination values currently exceeded these limits, and, accordingly, collateral was posted for \$7,390,000 at UBS, \$7,330,000 at JPM, and \$4,450,000 at RBC as of June 30, 2015. The swap agreements permit the netting of amounts owed between the Department and a counterparty, mitigating, to some extent, the level of credit risk. The Department believes it has an adequate degree of diversification with regard to counterparties.

Swap Collateral Requirements – Taxable Line of Credit

Negative balances at the end of the fiscal year were such that collateral needed to be posted. For that purpose a short-term Taxable Line of Credit was established. There was \$10,500,000 outstanding on the line of credit at the end of the fiscal year, with no beginning balance, \$10,500,000 borrowed and no amounts repaid during the year.

SHARE Fund 10410 - 2008A GRIP Bond Debt Service Fund	\$ 2,880,000
SHARE Fund 10420 - 2008B GRIP Bond Debt Service Fund	5,500,000
SHARE Fund 10430 - 2008C GRIP Bond Debt Service Fund	2,120,000
Total Short-term Notes Payable (Taxable Line of Credit)	<u>\$ 10,500,000</u>

Interest Rate Risk

The knock-out option in the 2006 swaps leaves the Department open to interest rate risk. If the SIFMA municipal swap index averages above 7% for 180 consecutive days, then, as provided by the terms of the knockout option, swap agreements could be cancelled by the counterparties and the Department would have outstanding unhedged variable rate debt in a 7% interest rate environment.

14. LONG-TERM OBLIGATIONS - continued

Basis Risk

Basis risk is the possibility that the variable rate paid on the bonds may not be adequately offset by the variable index payment received under the swap agreement. The Department has little or no such risk with respect to the 2006 bonds as the 2006 swaps pay a variable rate equal to the SIFMA Municipal Swap index which has very closely approximated, historically, to the rates paid on variable rate municipal debt. The Department has basis risk, however, with respect to the 2004 swaps. The variable rate the Department receives with respect to the 2004 swaps is 68% of one-month LIBOR. While this rate has closely tracked the SIFMA Municipal Swap Index for a long period of time, there has recently been some divergence between the two indices. There is no guarantee that the two indices will remain as closely correlated in the future as they were in the past. There is a possibility, therefore, of a mismatch between actual variable rate bond debt service payments and the variable rate receipts under the 2004 swap agreements, resulting in a failure to achieve the synthetic fixed rate expected when the swaps initiated.

One event that would cause a divergence between the indices would be a significant change in U.S. income tax rates. This might result in 68% of LIBOR no longer approximating the tax-exempt rate set by the market for the Department's variable rate debt.

Termination Risk

The unplanned termination of one or more of the swaps exposes the Department to the possibility that the synthetic fixed rate expected to be obtained on the variable rate debt will not, in fact, be achieved. The swap agreements contain the standard ISDA provisions for termination, including events such as bankruptcy, ratings downgrades, and failure to post collateral when required. In addition, the Department, but not the counterparties, can terminate the swaps at any time with 30-day notice.

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA

The following bonds were issued by the New Mexico Finance Authority (Authority) in an agency capacity on behalf of the Department of Transportation during the fiscal year:

Series 2006A GRIP

On September 19, 2006, the Authority issued \$150,000,000 of State Transportation, Series 2006A Revenue Bonds. The Series 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of GRIP transportation projects. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.6% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2023.

In December 2012, \$66,040,000 was refunded by the 2012A Refunding Revenue Bonds.

In December 2014, \$68,250,000 was refunded by the 2014B Refunding Revenue Bonds.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$954,482, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006A GRIP:			
2016	\$ 3,535,000	\$ 459,413	\$ 3,994,413
2017	3,550,000	287,388	3,837,388
2018	3,570,000	114,775	3,684,775
2019	150,000	22,906	172,906
2020	-	20,000	20,000
2021-2025	500,000	50,000	550,000
Total	<u>\$ 11,305,000</u>	<u>\$ 954,482</u>	<u>\$ 12,259,482</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2006B GRIP

On September 19, 2006, the Authority issued \$40,085,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The Series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2017.

In December 2014, \$19,775,000 was refunded by the 2014B Refunding Revenue Bonds.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$122,788, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006B GRIP:			
2016	\$ 1,435,000	\$ 93,244	\$ 1,528,244
2017	<u>1,500,000</u>	<u>29,544</u>	<u>1,529,544</u>
Total	<u>\$ 2,935,000</u>	<u>\$ 122,788</u>	<u>\$ 3,057,788</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008A GRIP

The Department issued \$115,200,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008A in April of 2008. There was no original issue premium. The cost of issuance was \$457,260.

The \$115,200,000 Series 2008A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$39,866,318, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008A GRIP:			
2016	\$ -	\$ 5,051,968	\$ 5,051,968
2017	-	4,549,301	4,549,301
2018	-	4,531,968	4,531,968
2019	-	4,531,968	4,531,968
2020	-	4,531,968	4,531,968
2021-2025	115,200,000	16,669,145	131,869,145
Total	<u>\$ 115,200,000</u>	<u>\$ 39,866,318</u>	<u>\$ 155,066,318</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008B GRIP

The Department issued \$220,000,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008B in April of 2008. There was no original issue premium. The cost of issuance was \$873,240.

The \$220,000,000 Series 2008B Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$109,495,308, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008B GRIP:			
2016	\$ -	\$ 11,190,400	\$ 11,190,400
2017	-	10,436,400	10,436,400
2018	-	10,410,400	10,410,400
2019	-	10,410,400	10,410,400
2020	-	10,410,400	10,410,400
2021-2025	106,900,000	50,992,032	157,892,032
2026-2030	113,100,000	5,645,276	118,745,276
Total	<u>\$ 220,000,000</u>	<u>\$ 109,495,308</u>	<u>\$ 329,495,308</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008C GRIP

The Department issued \$84,800,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008C in May of 2008. There was no original issue premium. The cost of issuance was \$448,194.

The \$84,800,000 Series 2008C Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$29,520,076, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008C GRIP:			
2016	\$ -	\$ 3,887,232	\$ 3,887,232
2017	-	3,354,405	3,354,405
2018	-	3,336,032	3,336,032
2019	-	3,336,032	3,336,032
2020	-	3,336,032	3,336,032
2021-2025	84,800,000	12,270,343	97,070,343
Total	<u>\$ 84,800,000</u>	<u>\$ 29,520,076</u>	<u>\$ 114,320,076</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2009A Refunding

The Department issued \$112,345,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2009A in November 2009. The gross proceeds to the Department were \$120,756,035, including \$8,411,035 of an original issue premium. The cost of issuance, including the underwriter's discount, was \$899,329.

The Series 2009A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 2.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2017.

The Department's future scheduled annual requirement to amortize the Bonds, including interest payments of \$613,000, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2009A Refunding:			
2016	\$ 5,195,000	\$ 410,400	\$ 5,605,400
2017	<u>5,065,000</u>	<u>202,600</u>	<u>5,267,600</u>
Total	<u>\$ 10,260,000</u>	<u>\$ 613,000</u>	<u>\$ 10,873,000</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2010A Revenue and Refundings

The Department issued \$174,625,000 NMFA State Transportation Revenue and Refunding Revenue Bonds (Subordinate and Senior Lien) Series 2010A in September 2010. The gross proceeds to the Department were \$200,494,152 including an original issuance premium of \$26,745,858. The cost of issuance, including the underwriters' discount, was \$1,320,666.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 1.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2025.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$20,247,875, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010A Refunding:			
2016	\$ 12,595,000	\$ 4,202,600	\$ 16,797,600
2017	13,265,000	3,585,375	16,850,375
2018	8,770,000	3,060,625	11,830,625
2019	8,990,000	2,674,625	11,664,625
2020	9,210,000	2,279,600	11,489,600
2021-2025	42,390,000	4,445,050	46,835,050
Total	<u>\$ 95,220,000</u>	<u>\$ 20,247,875</u>	<u>\$ 115,467,875</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2010B Revenue and Refundings

The Department issued \$461,075,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2010B in October 2010. The gross proceeds to the Department were \$543,315,911 including an original issuance premium of \$84,632,805. The cost of issuance, including the underwriters' discount, was \$3,096,740.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$97,866,600, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010B Refunding:			
2016	\$ 395,000	\$ 21,832,100	\$ 22,227,100
2017	69,180,000	21,820,250	91,000,250
2018	78,075,000	18,361,250	96,436,250
2019	82,385,000	14,457,500	96,842,500
2020	86,520,000	10,738,250	97,258,250
2021-2025	128,245,000	10,657,250	138,902,250
Total	<u>\$ 444,800,000</u>	<u>\$ 97,866,600</u>	<u>\$ 542,666,600</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2012A Revenue and Refundings

The Department issued \$220,400,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2012A in December 2012. The gross proceeds to the Department were \$261,769,370 including an original issuance premium of \$42,693,105. The cost of issuance, including the underwriters' discount, was \$1,259,026.

Proceeds from the sale of the Series 2012A Bonds, together with other legally available funds from current year principal set asides, were used to refund (i) all of the New Mexico State Highway Commission Highway Infrastructure Fund Revenue Bonds, in the current outstanding amount of \$5,930,000 (The "Series 2002C Bonds"), (ii) all of the New Mexico State Transportation Commission Senior Subordinate Lien Tax Revenue Highway Bonds, in the current outstanding amount of \$1,575,000 (The "Series 2002D Bonds"), (iii) a portion of the Authority State Transportation Revenue Bonds totaling \$167,695,000 currently outstanding in the aggregate amount of \$248,310,000 (The "Series 2004A GRIP Bonds"), and (iv) a portion of the Authority State Transportation Revenue Bonds totaling \$66,040,000 currently outstanding in the aggregate amount of \$149,760,000 (The "Series 2006A GRIP Bonds"). Proceeds from the Series 2012A Bonds were also be used to pay costs of issuing the Series 2012A Bonds.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 1.25% to 5.00% per annum, is payable semi-annually on June 15 and December 15 through the year 2026.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$58,711,289, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2012A Refunding:			
2016	\$ 45,485,000	\$ 8,764,663	\$ 54,249,663
2017	1,095,000	7,454,963	8,549,963
2018	1,305,000	7,411,163	8,716,163
2019	4,640,000	7,394,850	12,034,850
2020	4,975,000	7,209,250	12,184,250
2021-2025	136,835,000	19,587,600	156,422,600
2026-2030	22,220,000	888,800	23,108,800
Total	<u>\$ 216,555,000</u>	<u>\$ 58,711,289</u>	<u>\$ 275,266,289</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2014A Revenue

The Department issued \$70,110,000 NMFA State Transportation Highway Revenue Bonds (Subordinate Lien) Series 2014A in March 2014. The gross proceeds to the Department were \$80,001,236 including an original issuance premium of \$10,532,347. The cost of issuance, including the underwriters' discount, was \$470,989.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the financing plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails. Proceeds from the Series 2014A Bonds were also used to pay costs of issuing the Series 2014A Bonds.

Principal of the Bonds is payable as follows on June 15. Interest, with a rate of 5.00% per annum, is payable semi-annually on June 15 and December 15 through the year 2032.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$41,306,750, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2014A Revenue:			
2016	\$ -	\$ 3,505,500	\$ 3,505,500
2017	-	3,505,500	3,505,500
2018	3,775,000	3,505,500	7,280,500
2019	3,855,000	3,316,750	7,171,750
2020	4,155,000	3,124,000	7,279,000
2021-2025	8,445,000	14,031,250	22,476,250
2026-2030	34,715,000	9,219,000	43,934,000
2031-2032	15,165,000	1,099,250	16,264,250
Total	<u>\$ 70,110,000</u>	<u>\$ 41,306,750</u>	<u>\$ 111,416,750</u>

14. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2014B Revenue and Refundings

The Department issued \$79,405,000 NMFA State Transportation Refunding Revenue Bonds (Subordinate and Senior Lien) Series 2014B in December 2014. The gross proceeds to the Department were \$95,763,847 including an original issuance premium of \$17,026,113. The cost of issuance, including the underwriters' discount, was \$523,811.

Proceeds from the sale of the Series 2014B Bonds were used to refund (i) a portion of the Authority State Transportation Revenue Bonds totaling \$68,250,000 of the currently outstanding in the aggregate amount of \$83,270,000 (The "Series 2006A GRIP Bonds"), and (ii) a portion of the Authority State Transportation Revenue Bonds totaling \$19,775,000 of the currently outstanding in the aggregate amount of \$24,085,000 (The "Series 2006B GRIP Bonds"). Proceeds from the Series 2014B Bonds were also be used to pay costs of issuing the Series 2014B Bonds.

Principal of the Bonds is payable as follows on June 15. Interest, with a rate of 5.00% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$43,950,000, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2014B Refunding:			
2016	\$ -	\$ 3,970,250	\$ 3,970,250
2017	-	3,970,250	3,970,250
2018	1,430,000	3,970,250	5,400,250
2019	1,505,000	3,898,750	5,403,750
2020	1,580,000	3,823,500	5,403,500
2021-2025	9,165,000	17,850,500	27,015,500
2026-2030	65,725,000	6,466,500	72,191,500
Total	<u>\$ 79,405,000</u>	<u>\$ 43,950,000</u>	<u>\$ 123,355,000</u>

14. LONG-TERM OBLIGATIONS - continued

Total future principal and interest obligation repayments for all long-term payables are as follows:

<u>Year Ended June 30,</u>	<u>Total</u>
2016	\$ 132,007,770
2017	152,850,976
2018	151,626,963
2019	151,568,781
2020	151,913,000
2021-2025	779,033,170
2026-2030	257,979,576
2031-2032	16,264,250
Total	\$ 1,793,244,486

Long-Term Debt Interest Expense

The total amount of interest expense included in direct expenses in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds is \$68,927,820 for the year-ended June 30, 2015.

Capital Leases

There are no future minimum lease obligations to report as of June 30, 2015.

Compensated Absences

An obligation amounting to \$6,173,134 at June 30, 2015 has been recorded to the government-wide financial statements representing the Department's commitment for accrued vacation, sick leave and other compensated absences.

15. NEGATIVE FUND BALANCES

The Department had negative fund balances at the end of the fiscal year as follows:

Fund 10010: Federal Traffic Safety Fund \$2,929,159

This amount represents deferred revenue that will be billed and received in the subsequent fiscal year.

16. REVERSIONS

Reversions are calculated based on an original appropriation amount less total expenditures until the appropriation is expired or closed by the capital projects division.

Current year reversions due to the State General Fund as of June 30, 2015 were as follows:

<u>Fund Description</u>	<u>Fund Number</u>	<u>Total</u>
General Fund Appropriations Fund	10070	<u>\$ 258,732</u>
Total of all reversions		<u><u>\$ 258,732</u></u>

17. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy

Plan members who earn over \$20,000 are required to contribute 8.92% of their gross salary, those who earn up to \$20,000 are required to contribute 7.42% of their gross salary.

The contribution requirements of plan members and the Department are established in State Statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the years ending June 30, 2015, 2014, and 2013 were \$15,109,550, \$14,365,606, and \$12,635,831, respectively, equal to the amount of the required contribution for each year.

18. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Plan Description

The Department contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

18. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN - continued

Plan Description - continued

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy

The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service-based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were member of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1: municipal police member coverage 3, 4, or 5; municipal fire member coverage plan 3, 4, or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislation shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Department's contributions to the RHCA for the years ended June 30, 2015, 2014, 2013 were \$1,886,077, \$1,743,824, and \$1,676,656, respectively, which equal the required contributions for each year.

19. RISK MANAGEMENT

The Department, as a state agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the state of New Mexico. The Department pays annual premiums to the Risk Management Division for coverage provided in the following areas:

1. Liability and civil rights protection for claims made by others against the state of New Mexico.
2. Coverage to protect the state of New Mexico's property and assets.
3. Fringe benefit coverage's for state of New Mexico employees.

During the 2012-2013 fiscal year, the Department paid Risk Management \$3,122,902 in insurance premiums. During the 2013-2014 fiscal year, the Department paid Risk Management \$7,381,657 in insurance premiums. During the 2014-2015 fiscal year, the Department paid Risk Management \$10,236,822 in insurance premiums. The Department's exposure is limited to \$1,000 per any first-party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

After conferring with legal counsel concerning pending litigation and claims, the Department believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the Department. In addition, for the years ended June 30, 2013, 2014 and 2015, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department.

20. LITIGATION

The Department is subject to various legal proceedings, claims and liabilities, including right-of-way condemnation proceedings, contractor claims and employee claims, which arise in the ordinary course of the Department's operations. There are various contractor lawsuits and claims against the Department for various reasons. The Department contests these claims and if a likelihood of a loss is probable and can be reasonably estimated, the Department accrues the loss in the accompanying financial statements. In the opinion of the Department's management and legal counsel, the ultimate resolution of the above matters will not have a material adverse impact on the financial position or results of operations of the Department.

21. OPERATING LEASE COMMITMENT

The Department leases certain equipment and premises under numerous operating leases. Leases are subject to future appropriations and as such are cancelable by the Department at the end of a fiscal year. Rental expense for the year ended June 30, 2015 was \$1,052,888.

The future minimum lease payments under operating leases as of June 30, 2015 are as follows:

Years ending June 30:	Lease Amounts
2015	\$ 183,341
2016	79,615
2017	79,615
2018	79,615
2019-2023	79,615
	<u>\$ 501,801</u>

22. COMMITMENTS AND CONTINGENCIES

Grant Revenue

The Department participates in numerous federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Department has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2015 may be impaired. In the opinion of the Department, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

23. BUDGETED VS. ACTUAL EXPENDITURES

Transfers, which are shown in the expenditure portion of the Budget and Actual presentation, are the intra-agency transfers only and these net to zero across the entire agency. Any one fund presentation will show a variance over or under budget since in general transfers are not budgeted. See Note 11 for the Transfers Schedule Footnote.

Expenditures related to debt which was incurred during or after 2004 are budgeted and expensed primarily in the fund which generates the revenue for the payments, specifically State Road Fund (#20100) and HIF Bond Fund (#20200). This is for several reasons, not the least of which, it is needed in order to capture the costs for billing entities when the debt costs are reimbursable. If actual debt costs, paid out of the debt trustee accounts, exceed the cash transferred from the primary fund, the debt service fund which records the trustee cash that was used in addition to the cash transferred, then records the debt expenditures.

24. SUBSEQUENT EVENTS

Updated Fair Value of Swaps

The estimated fair value of the swaps and collateral posted as of November 16, 2015 were as follows:

<u>Counterparty</u>	<u>Notional Value</u>	<u>Fair Value</u>	<u>Collateral Posted</u>
Goldman Sachs	\$ 50,000,000	\$ (11,039,261)	\$ -
Deutsche	50,000,000	(11,039,261)	-
Royal Bank of Canada	100,000,000	(22,078,523)	3,360,000
JPMorgan Chase Bank	110,000,000	(34,835,361)	6,670,000
UBS AG	110,000,000	(34,835,361)	6,520,000
Total	<u>\$ 420,000,000</u>	<u>\$ (113,827,767)</u>	<u>\$ 16,550,000</u>

25. INSURANCE COVERAGE

The Department obtains coverage through Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of the Department are covered by blanket fidelity bond up to \$5,000,000 with a \$1,000 deductible per occurrence by the State of New Mexico for the period July 1, 2014, through June 30, 2015.

26. SUBSEQUENT ACCOUNTING STANDARD PRONOUNCEMENTS

GASB has issued the following statements, which are applicable in future years. At this time, management has not determined the impact.

Statement No. 72

Fair Value Measurement and Application

Effective Date: The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015.

This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Statement No. 73

Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68

Effective Date: The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015, except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016.

The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

26. SUBSEQUENT ACCOUNTING STANDARD PRONOUNCEMENTS - continued

Statement No. 73 - continued

This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes.

The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities.

This Statement also clarifies the application of certain provisions of Statements 67 and 68 with regard to the following issues:

1. Information that is required to be presented as notes to the 10-year schedules of required supplementary information about investment-related factors that significantly affect trends in the amounts reported.
2. Accounting and financial reporting for separately financed specific liabilities of individual employers and nonemployer contributing entities for defined benefit pensions.
3. Timing of employer recognition of revenue for the support of nonemployer contributing entities not in a special funding situation.

Statement No. 76

The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments

Effective Date: The provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015. Earlier application is encouraged.

The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

This Statement supersedes Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Earlier application is permitted.

SUPPLEMENTARY INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Traffic Safety Fund Components - Balance Sheet

As of June 30, 2015

	Federal Traffic Safety Fund	Driver Improvement Fund	Motorcycle Training Fund	DWI Prevention and Education Fund
	(SHARE 10010)	(SHARE 10020)	(SHARE 20600)	(SHARE 20700)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash equivalents: (investment in state general fund investment pool)				
Restricted	3,610,730	555,623	45,187	1,053,623
Managed by NMFA	-	-	-	-
Receivables:				
Accounts receivable, net	-	20,832	-	-
Interest receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	3,896,405	-	-	-
Other funds	60,231	-	-	-
Other state agencies	-	-	15,716	43,890
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 7,567,366	\$ 576,455	\$ 60,903	\$ 1,097,513
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ 1,803,753	\$ 220,063	\$ 59,575	\$ 87,756
Due to:				
Other funds	5,623,167	-	1,328	-
Other state agencies	544,322	-	-	-
State general fund	-	-	-	-
Local governments	-	-	-	-
Unearned revenue	-	-	-	-
Other accrued expenses	18,293	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	7,989,535	220,063	60,903	87,756
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	2,506,990	-	-	-
Total Deferred Inflows of Resources	2,506,990	-	-	-
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	-	-	-	1,009,757
Committed	-	356,392	-	-
Unassigned	(2,929,159)	-	-	-
Total Fund Balance	(2,929,159)	356,392	-	1,009,757
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 7,567,366	\$ 576,455	\$ 60,903	\$ 1,097,513

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Traffic Safety Fund Components - Balance Sheet

Traffic Safety Fund (SHARE 20800)	Ignition Interlock Fund (SHARE 82600)	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
\$ -	\$ -	\$ -
638,110	3,937,525	9,840,798
-	-	-
-	-	20,832
-	-	-
-	-	-
-	-	3,896,405
-	-	60,231
95,589	44,056	199,251
-	-	-
-	-	-
-	-	-
<u>\$ 733,699</u>	<u>\$ 3,981,581</u>	<u>\$ 14,017,517</u>
\$ 338,032	\$ 10,007	\$ 2,519,186
-	-	5,624,495
86,641	-	630,963
-	-	-
-	-	-
-	1,593	19,886
-	-	-
-	-	-
<u>424,673</u>	<u>11,600</u>	<u>8,794,530</u>
-	-	2,506,990
-	-	<u>2,506,990</u>
-	-	-
309,026	3,969,981	5,288,764
-	-	356,392
-	-	(2,929,159)
<u>309,026</u>	<u>3,969,981</u>	<u>2,715,997</u>
<u>\$ 733,699</u>	<u>\$ 3,981,581</u>	<u>\$ 14,017,517</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Traffic Safety Fund Components - Statement of Revenues, Expenditures and Changes in
Fund Balance

For the Year Ended June 30, 2015

	Federal Traffic Safety Fund	Driver Improvement Fund	Motorcycle Training Fund	DWI Prevention and Education Fund
	(SHARE 10010)	(SHARE 10020)	(SHARE 20600)	(SHARE 20700)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	10,484,154	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	288,560	134,699	486,659
Charges for services	-	-	-	-
Other revenue	425,239	-	-	-
Interest earnings	-	-	32	-
Total Revenues	<u>10,909,393</u>	<u>288,560</u>	<u>134,731</u>	<u>486,659</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	443,797	-	-	15,874
Out-of-state travel	-	-	-	-
Grants and services	10,410,241	438,517	167,079	885,243
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	422,169	-	-	-
Employee benefits	194,455	-	-	6,173
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>11,470,662</u>	<u>438,517</u>	<u>167,079</u>	<u>907,290</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(561,269)</u>	<u>(149,957)</u>	<u>(32,348)</u>	<u>(420,631)</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	(5,611,921)	-	(1,328)	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>(5,611,921)</u>	<u>-</u>	<u>(1,328)</u>	<u>-</u>
Net Changes in Fund Balance	<u>(6,173,190)</u>	<u>(149,957)</u>	<u>(33,676)</u>	<u>(420,631)</u>
Fund Balance, June 30, 2014	<u>3,244,031</u>	<u>506,349</u>	<u>33,676</u>	<u>1,430,388</u>
Fund Balance, June 30, 2015	<u>\$ (2,929,159)</u>	<u>\$ 356,392</u>	<u>\$ -</u>	<u>\$ 1,009,757</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Traffic Safety Fund Components - Statement of Revenues, Expenditures and Changes in
Fund Balance

Traffic Safety Fund	Ignition Interlock Fund	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
(SHARE 20800)	(SHARE 82600)	
\$ -	\$ -	\$ -
-	-	10,484,154
-	-	-
1,019,435	472,980	2,402,333
-	-	-
-	-	425,239
380	-	412
<u>1,019,815</u>	<u>472,980</u>	<u>13,312,138</u>
-	-	-
-	33,645	493,316
-	-	-
1,109,787	485,409	13,496,276
-	-	-
-	-	-
-	-	-
-	-	422,169
-	25,219	225,847
-	-	-
-	-	-
-	-	-
<u>1,109,787</u>	<u>544,273</u>	<u>14,637,608</u>
(89,972)	(71,293)	(1,325,470)
-	-	-
-	-	-
-	300,000	300,000
-	-	-
-	-	(5,613,249)
-	-	-
-	-	-
<u>-</u>	<u>300,000</u>	<u>(5,313,249)</u>
(89,972)	228,707	(6,638,719)
398,998	3,741,274	9,354,716
<u>\$ 309,026</u>	<u>\$ 3,969,981</u>	<u>\$ 2,715,997</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

As of June 30, 2015

	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Bond Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash equivalents: (investment in state general fund investment pool)				
Restricted	9,840,798	-	6,993,501	23,940,853
Managed by NMFA	-	-	-	-
Receivables:				
Accounts receivable, net	20,832	-	-	19,501
Interest receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	3,896,405	3,557,865	-	-
Other funds	60,231	-	-	-
Other state agencies	199,251	-	1,191,459	3,669,819
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 14,017,517	\$ 3,557,865	\$ 8,184,960	\$ 27,630,173

Liabilities, Deferred Inflows of Resources and Fund Balance:

Liabilities:				
Accounts payable	\$ 2,519,186	\$ 1,669,132	\$ -	\$ 2,296,344
Due to:				
Other funds	5,624,495	-	-	-
Other state agencies	630,963	1,438,623	-	-
State general fund	-	-	-	-
Local governments	-	-	-	-
Unearned revenue	-	-	-	-
Other accrued expenses	19,886	30,063	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	8,794,530	3,137,818	-	2,296,344

Deferred Inflows of Resources:

Amounts unavailable (not received within period of availability)	2,506,990	69,742	-	-
Total Deferred Inflows of Resources	2,506,990	69,742	-	-

Fund Balance:

Non-spendable	-	-	-	-
Restricted	5,288,764	350,305	8,184,960	-
Committed	356,392	-	-	25,333,829
Unassigned	(2,929,159)	-	-	-
Total Fund Balance	2,715,997	350,305	8,184,960	25,333,829

Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 14,017,517	\$ 3,557,865	\$ 8,184,960	\$ 27,630,173
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See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

State Aviation Fund	1993 Bond Project Fund	1999A CHAT Bond Project Fund	WIPP Bond Project Fund	2001A CHAT Bond Project Fund	2002C HIF Bond Project Fund
(SHARE 20500)	(SHARE 39400)	(SHARE 43000)	(SHARE 43100)	(SHARE 00600)	(SHARE 36100)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15,773,565	1,602,608	2,128,354	-	4,741,777	1,310,556
-	-	-	-	-	-
13,918	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
85,278	-	-	-	-	-
300	-	-	-	-	-
888,188	113	150	-	335	92
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 16,761,249</u>	<u>\$ 1,602,721</u>	<u>\$ 2,128,504</u>	<u>\$ -</u>	<u>\$ 4,742,112</u>	<u>\$ 1,310,648</u>
\$ 100,854	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
300	-	-	-	-	-
11,568	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>112,722</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
85,278	-	-	-	-	-
<u>85,278</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	1,602,721	2,128,504	-	4,742,112	1,310,648
16,563,249	-	-	-	-	-
-	-	-	-	-	-
<u>16,563,249</u>	<u>1,602,721</u>	<u>2,128,504</u>	<u>-</u>	<u>4,742,112</u>	<u>1,310,648</u>
<u>\$ 16,761,249</u>	<u>\$ 1,602,721</u>	<u>\$ 2,128,504</u>	<u>\$ -</u>	<u>\$ 4,742,112</u>	<u>\$ 1,310,648</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

As of June 30, 2015

	2002D CHAT Bond Project Fund	2004A GRIP Bond Project Fund	2006A GRIP Bond Project Fund	2006B GRIP Bond Project Fund
	(SHARE 11500)	(SHARE 20400)	(SHARE 10210)	SHARE (10230)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash equivalents: (investment in state general fund investment pool)				
Restricted	640,255	112,078	324,974	49,671
Managed by NMFA	-	-	162,301	10,388
Receivables:				
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	5	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	-
Other state agencies	45	-	-	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 640,300	\$ 112,078	\$ 487,280	\$ 60,059
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to:				
Other funds	-	-	-	-
Other state agencies	-	-	-	-
State general fund	-	-	-	-
Local governments	-	-	-	-
Unearned revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	640,300	112,078	487,280	60,059
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	640,300	112,078	487,280	60,059
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 640,300	\$ 112,078	\$ 487,280	\$ 60,059

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

2006C GRIP Bond Project Fund	2006D GRIP Bond Project Fund	2010A Bond Project Fund	Total Special Revenue Funds
(SHARE 10250)	(SHARE 10270)	(SHARE 10450)	
\$ -	\$ -	\$ -	\$ -
-	-	2,802,814	70,261,804
179,168	-	8,398,902	8,750,759
-	-	-	54,251
6	-	318	329
-	-	-	-
-	-	-	7,539,548
-	-	-	60,531
-	-	-	5,949,452
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 179,174</u>	<u>\$ -</u>	<u>\$ 11,202,034</u>	<u>\$ 92,616,674</u>
\$ -	\$ -	\$ 412,414	\$ 6,997,930
-	-	6,030,952	11,655,447
-	-	-	2,069,586
-	-	-	-
-	-	-	-
-	-	-	300
-	-	-	61,517
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>6,443,366</u>	<u>20,784,780</u>
-	-	-	2,662,010
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,662,010</u>
-	-	-	-
179,174	-	4,758,668	29,845,573
-	-	-	42,253,470
-	-	-	(2,929,159)
<u>179,174</u>	<u>-</u>	<u>4,758,668</u>	<u>69,169,884</u>
<u>\$ 179,174</u>	<u>\$ -</u>	<u>\$ 11,202,034</u>	<u>\$ 92,616,674</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

As of June 30, 2015

	Capital Projects Fund	STB Capital Outlay Fund
	(SHARE 10050)	(SHARE 89200)
Assets:		
Cash:		
Unrestricted	\$ -	\$ -
Cash equivalents: (investment in state general fund investment pool)		
Restricted	832,844	-
Managed by NMFA	-	-
Receivables:		
Accounts receivable, net	-	-
Interest receivable	-	-
Other receivables	-	-
Due from:		
U.S. Department of Transportation	-	-
Other funds	-	770,848
Other state agencies	-	1,528,667
Inventories	-	-
Prepaid expenses - other	-	-
Prepaid expense - NM44 warranty	-	-
Property held for resale	-	-
Total Assets	\$ 832,844	\$ 2,299,515
Liabilities, Deferred Inflows of Resources and Fund Balance:		
Liabilities:		
Accounts payable	\$ 133,613	\$ 350,083
Due to:		
Other funds	-	54,400
Other state agencies	-	1,895,032
State general fund	-	-
Local governments	-	-
Unearned revenue	-	-
Other accrued expenses	-	-
Other liabilities	-	-
Short-term notes payable (taxable line of credit)	-	-
Total Liabilities	133,613	2,299,515
Deferred Inflows of Resources:		
Amounts unavailable (not received within period of availability)	-	-
Total Deferred Inflows of Resources	-	-
Fund Balance:		
Non-spendable	-	-
Restricted	-	-
Committed	699,231	-
Unassigned	-	-
Total Fund Balance	699,231	-
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 832,844	\$ 2,299,515

See Independent Auditors' Report

General Fund Appropriations Fund	GF Capital Outlay Fund	Total Capital Projects Funds
(SHARE 10070)	(SHARE 93100)	
\$ -	\$ -	\$ -
466,257	-	1,299,101
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	770,848
-	-	1,528,667
-	-	-
-	-	-
-	-	-
<u>466,257</u>	<u>-</u>	<u>3,598,616</u>
\$ 207,525	\$ -	\$ 691,221
-	-	54,400
-	-	1,895,032
258,732	-	258,732
-	-	-
-	-	-
-	-	-
-	-	-
<u>466,257</u>	<u>-</u>	<u>2,899,385</u>
-	-	-
-	-	-
-	-	-
-	-	699,231
-	-	-
<u>466,257</u>	<u>-</u>	<u>699,231</u>
\$ 466,257	\$ -	\$ 3,598,616

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

As of June 30, 2015

	1998A WIPP Bond Debt Service Fund	1998A CHAT Bond Debt Service Fund	1999 CHAT Bond Debt Service Fund	2000 CHAT Bond Debt Service Fund
	(SHARE 97200)	(SHARE 54800)	(SHARE 43400)	(SHARE 43200)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash equivalents: (investment in state general fund investment pool)				
Restricted	14,582	142,294	267,540	205,103
Managed by NMFA	-	-	-	-
Receivables:				
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	199,253	86,180	750,144	1,184,452
Other state agencies	1	10	19	14
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 213,836	\$ 228,484	\$ 1,017,703	\$ 1,389,569
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to:				
Other funds	-	-	-	-
Other state agencies	-	-	-	-
State general fund	-	-	-	-
Local governments	-	-	-	-
Unearned revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	213,836	228,484	1,017,703	1,389,569
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	213,836	228,484	1,017,703	1,389,569
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 213,836	\$ 228,484	\$ 1,017,703	\$ 1,389,569

See Independent Auditors' Report

2001A CHAT Bond Debt Service Fund	2002A CHAT Bond Debt Service Fund	2002B WIPP Bond Debt Service Fund	2002C HIF Bond Debt Service Fund	2002D CHAT Bond Debt Service Fund	2004A GRIP Bond Debt Service Fund
(SHARE 00700)	(SHARE 54700)	(SHARE 75000)	(SHARE 36300)	(SHARE 18700)	(SHARE 10080)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
234,947	83,990	111,472	62,550	12,873	-
-	-	-	-	-	2
-	-	-	-	-	-
-	-	-	-	-	961
-	-	-	-	-	-
1,651,520	690,434	702,644	-	-	-
17	6	8	4	1	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 1,886,484	\$ 774,430	\$ 814,124	\$ 62,554	\$ 12,874	\$ 963
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,886,484	774,430	814,124	62,554	12,874	963
-	-	-	-	-	-
-	-	-	-	-	-
1,886,484	774,430	814,124	62,554	12,874	963
\$ 1,886,484	\$ 774,430	\$ 814,124	\$ 62,554	\$ 12,874	\$ 963

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

As of June 30, 2015

	2004B GRIP Bond Debt Service Fund	2006A GRIP Bond Debt Service Fund	2006B GRIP Bond Debt Service Fund	2008A GRIP Bond Debt Service Fund
	(SHARE 10090)	(SHARE 10220)	(SHARE 10240)	(SHARE 10410)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Cash equivalents: (investment in state general fund investment pool)				
Restricted	-	-	-	-
Managed by NMFA	1,540,906	2,494	2,795	4,641,846
Receivables:				
Accounts receivable, net	-	-	-	-
Interest receivable	50	4	1	616
Other receivables	-	-	-	13,366
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	-
Other state agencies	-	-	-	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 1,540,956	\$ 2,498	\$ 2,796	\$ 4,655,828
Liabilities, Deferred Inflows of Resources and Fund Balance:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 8,728
Due to:				
Other funds	-	-	-	1,371,193
Other state agencies	-	-	-	-
State general fund	-	-	-	-
Local governments	-	-	-	-
Unearned revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	2,880,000
Total Liabilities	-	-	-	4,259,921
Deferred Inflows of Resources:				
Amounts unavailable (not received within period of availability)	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balance:				
Non-spendable	-	-	-	-
Restricted	1,540,956	2,498	2,796	395,907
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	1,540,956	2,498	2,796	395,907
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,540,956	\$ 2,498	\$ 2,796	\$ 4,655,828

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

2008B GRIP Bond Debt Service Fund	2008C GRIP Bond Debt Service Fund	2008D GRIP Bond Debt Service Fund	2009A Bond Debt Service Fund	2010A Bond Debt Service Fund	2010B Bond Debt Service Fund
(SHARE 10420)	(SHARE 10430)	(SHARE 10440)	(SHARE 11130)	(SHARE 11140)	(SHARE 20450)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
12,029,106	3,287,821	-	5,517	5,408	5,952
-	-	-	-	-	-
1,169	450	-	84	37	179
25,526	9,839	-	-	-	-
-	-	-	-	-	-
250	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,056,051</u>	<u>\$ 3,298,110</u>	<u>\$ -</u>	<u>\$ 5,601</u>	<u>\$ 5,445</u>	<u>\$ 6,131</u>
\$ 24,795	\$ -	\$ -	\$ -	\$ -	\$ -
6,409,295	1,009,166	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,500,000	2,120,000	-	-	-	-
<u>11,934,090</u>	<u>3,129,166</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
121,961	168,944	-	5,601	5,445	6,131
-	-	-	-	-	-
-	-	-	-	-	-
<u>121,961</u>	<u>168,944</u>	<u>-</u>	<u>5,601</u>	<u>5,445</u>	<u>6,131</u>
<u>\$ 12,056,051</u>	<u>\$ 3,298,110</u>	<u>\$ -</u>	<u>\$ 5,601</u>	<u>\$ 5,445</u>	<u>\$ 6,131</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

As of June 30, 2015

	2012A Bond Debt Service Fund	2014A Bond Debt Service Fund	2014B Bond Debt Service Fund
	(SHARE 30850)	(SHARE 11960)	(SHARE 50110)
Assets:			
Cash:			
Unrestricted	\$ -	\$ -	\$ -
Cash equivalents: (investment in state general fund investment pool)			
Restricted	-	-	-
Managed by NMFA	5,382	55,581	148,289
Receivables:			
Accounts receivable, net	-	-	-
Interest receivable	87	30	36
Other receivables	-	-	-
Due from:			
U.S. Department of Transportation	-	-	-
Other funds	-	-	-
Other state agencies	-	-	-
Inventories	-	-	-
Prepaid expenses - other	-	-	-
Prepaid expense - NM44 warranty	-	-	-
Property held for resale	-	-	-
Total Assets	\$ 5,469	\$ 55,611	\$ 148,325
Liabilities, Deferred Inflows of Resources and Fund Balance:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to:			
Other funds	-	-	4,780
Other state agencies	-	-	-
State general fund	-	-	-
Local governments	-	-	-
Unearned revenue	-	-	-
Other accrued expenses	-	-	-
Other liabilities	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-
Total Liabilities	-	-	4,780
Deferred Inflows of Resources:			
Amounts unavailable (not received within period of availability)	-	-	-
Total Deferred Inflows of Resources	-	-	-
Fund Balance:			
Non-spendable	-	-	-
Restricted	5,469	55,611	143,545
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balance	5,469	55,611	143,545
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 5,469	\$ 55,611	\$ 148,325

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet - By Fund Type - Non Major Funds

Total Debt Service Funds	Total Non Major Governmental Funds
\$ -	\$ -
1,135,351	72,696,256
21,731,099	30,481,858
-	54,251
3,704	4,033
48,731	48,731
-	7,539,548
5,264,877	6,096,256
80	7,478,199
-	-
-	-
-	-
-	-
<u>\$ 28,183,842</u>	<u>\$ 124,399,132</u>
\$ 33,523	\$ 7,722,674
8,794,434	20,504,281
-	3,964,618
-	258,732
-	-
-	300
-	61,517
-	-
10,500,000	10,500,000
<u>19,327,957</u>	<u>43,012,122</u>
-	2,662,010
-	2,662,010
-	-
8,855,885	38,701,458
-	42,952,701
-	(2,929,159)
<u>8,855,885</u>	<u>78,725,000</u>
<u>\$ 28,183,842</u>	<u>\$ 124,399,132</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

For the Year Ended June 30, 2015

	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Bond Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ 5,772,963	\$ 14,313,228
U.S. Department of Transportation	10,484,154	13,048,713	-	-
Fees and fines	-	-	-	-
Licenses and permits	2,402,333	-	1,810,032	7,882,014
Charges for services	-	-	-	-
Other revenue	425,239	11,119	-	47,889
Interest earnings	412	-	6,487	18,835
Total Revenues	13,312,138	13,059,832	7,589,482	22,261,966
Expenditures:				
Current:				
Operating costs	-	3,370	-	-
Personal services	493,316	343,308	-	-
Out-of-state travel	-	12,345	-	-
Grants and services	13,496,276	11,802,796	-	19,080,085
Travel	-	185	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	2,587	-	-
Contractual services	-	-	-	-
Other costs	422,169	153	1	-
Employee benefits	225,847	119,563	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	5,720,000	-
Interest	-	-	4,921,003	-
Debt issuance costs	-	-	-	-
Total Expenditures	14,637,608	12,284,307	10,641,004	19,080,085
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,325,470)	775,525	(3,051,522)	3,181,881
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	300,000	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	(5,613,249)	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	(5,313,249)	-	-	-
Net Changes in Fund Balance	(6,638,719)	775,525	(3,051,522)	3,181,881
Fund Balance, June 30, 2014	9,354,716	(425,220)	11,236,482	22,151,948
Fund Balance, June 30, 2015	\$ 2,715,997	\$ 350,305	\$ 8,184,960	\$ 25,333,829

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

State Aviation Fund	1993 Bond Project Fund	1999A CHAT Bond Project Fund	WIPP Bond Project Fund	2001A CHAT Bond Project Fund	2002C HIF Bond Project Fund
(SHARE 20500)	(SHARE 39400)	(SHARE 43000)	(SHARE 43100)	(SHARE 00600)	(SHARE 36100)
\$ 5,644,108	\$ -	\$ -	\$ -	\$ -	\$ -
160,959	-	-	-	-	-
62,647	-	-	-	-	-
-	-	-	-	-	-
300	-	-	-	-	-
14,020	1,321	1,754	-	3,910	1,080
5,882,034	1,321	1,754	-	3,910	1,080
36,381	-	-	-	-	-
316,200	-	-	-	-	-
7,383	-	-	-	-	-
5,130,714	-	-	-	-	-
2,325	-	-	-	-	-
8,152	-	-	-	-	-
53,350	-	-	-	-	-
747,290	-	-	-	-	-
191	-	-	-	-	-
128,996	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,430,982	-	-	-	-	-
(548,948)	1,321	1,754	-	3,910	1,080
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(548,948)	1,321	1,754	-	3,910	1,080
17,112,197	1,601,400	2,126,750	-	4,738,202	1,309,568
\$ 16,563,249	\$ 1,602,721	\$ 2,128,504	\$ -	\$ 4,742,112	\$ 1,310,648

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

For the Year Ended June 30, 2015

	2002D CHAT Bond Project Fund	2004A GRIP Bond Project Fund	2006A GRIP Bond Project Fund	2006B GRIP Bond Project Fund
	(SHARE 11500)	(SHARE 20400)	(SHARE 10210)	SHARE (10230)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	528	-	22	2
Total Revenues	<u>528</u>	<u>-</u>	<u>22</u>	<u>2</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>528</u>	<u>-</u>	<u>22</u>	<u>2</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>528</u>	<u>-</u>	<u>22</u>	<u>2</u>
Fund Balance, June 30, 2014	<u>639,772</u>	<u>112,078</u>	<u>487,258</u>	<u>60,057</u>
Fund Balance, June 30, 2015	<u>\$ 640,300</u>	<u>\$ 112,078</u>	<u>\$ 487,280</u>	<u>\$ 60,059</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

2006C GRIP Bond Project Fund	2006D GRIP Bond Project Fund	2010A Bond Project Fund	Total Special Revenue Funds
(SHARE 10250)	(SHARE 10270)	(SHARE 10450)	
\$ -	\$ -	\$ -	\$ 25,730,299
-	-	-	23,693,826
-	-	-	62,647
-	-	-	12,094,379
-	-	-	-
-	-	-	484,547
25	-	1,727	50,123
25	-	1,727	62,115,821
-	-	-	39,751
-	-	-	1,152,824
-	-	-	19,728
-	-	-	49,509,871
-	-	-	2,510
-	-	-	8,152
-	-	-	55,937
-	-	248,567	995,857
-	-	-	422,514
-	-	-	474,406
-	-	8,893,120	8,893,120
-	-	-	5,720,000
-	-	-	4,921,003
-	-	-	-
-	-	9,141,687	72,215,673
25	-	(9,139,960)	(10,099,852)
-	-	-	-
-	-	-	-
-	-	-	300,000
-	-	-	-
-	-	-	(5,613,249)
-	-	-	-
-	-	-	-
-	-	-	(5,313,249)
25	-	(9,139,960)	(15,413,101)
179,149	-	13,898,628	84,582,985
\$ 179,174	\$ -	\$ 4,758,668	\$ 69,169,884

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

For the Year Ended June 30, 2015

	Capital Projects Fund	STB Capital Outlay Fund
	(SHARE 10050)	(SHARE 89200)
Revenues:		
User and fuel taxes	\$ -	\$ -
U.S. Department of Transportation	-	-
Fees and fines	-	-
Licenses and permits	-	-
Charges for services	-	-
Other revenue	-	-
Interest earnings	-	-
Total Revenues	<u>-</u>	<u>-</u>
Expenditures:		
Current:		
Operating costs	-	-
Personal services	-	-
Out-of-state travel	-	-
Grants and services	-	-
Travel	-	-
Maintenance and repairs	-	-
Supplies	-	-
Contractual services	-	3,755,614
Other costs	864,256	-
Employee benefits	-	-
Capital outlay	19,092,880	21,126,291
Debt service:		
Principal	-	-
Interest	-	-
Debt issuance costs	-	-
Total Expenditures	<u>19,957,136</u>	<u>24,881,905</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,957,136)</u>	<u>(24,881,905)</u>
Other Financing Sources (Uses):		
Appropriations, net of reversions	-	-
Transfers: severance	-	-
tax bond appropriation	-	24,941,305
Transfers from (to) other agencies	-	-
Transfers from (to) escrow agent	-	-
Transfers: intra-agency	-	-
Face value of debentures payable	-	-
Premiums of debentures payable	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>24,941,305</u>
Net Changes in Fund Balance	<u>(19,957,136)</u>	<u>59,400</u>
Fund Balance, June 30, 2014	<u>20,656,367</u>	<u>(59,400)</u>
Fund Balance, June 30, 2015	<u>\$ 699,231</u>	<u>\$ -</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

General Fund Appropriations Fund		GF Capital Outlay Fund	Total Capital Projects Funds
(SHARE 10070)		(SHARE 93100)	
\$	-	\$ -	\$ -
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	3,755,614
	-	-	864,256
	-	-	-
	-	-	40,219,171
	-	-	-
	-	-	-
	-	-	-
	-	-	44,839,041
	-	-	(44,839,041)
(258,732)	-	-	(258,732)
-	-	-	24,941,305
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(258,732)	-	-	24,682,573
(258,732)	-	-	(20,156,468)
258,732	-	-	20,855,699
\$	-	\$ -	\$ 699,231

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

For the Year Ended June 30, 2015

	1998A WIPP Bond Debt Service Fund	1998A CHAT Bond Debt Service Fund	1999 CHAT Bond Debt Service Fund	2000 CHAT Bond Debt Service Fund
	(SHARE 97200)	(SHARE 54800)	(SHARE 43400)	(SHARE 43200)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	12	117	221	168
Total Revenues	<u>12</u>	<u>117</u>	<u>221</u>	<u>168</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>12</u>	<u>117</u>	<u>221</u>	<u>168</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>12</u>	<u>117</u>	<u>221</u>	<u>168</u>
Fund Balance, June 30, 2014	<u>213,824</u>	<u>228,367</u>	<u>1,017,482</u>	<u>1,389,401</u>
Fund Balance, June 30, 2015	<u>\$ 213,836</u>	<u>\$ 228,484</u>	<u>\$ 1,017,703</u>	<u>\$ 1,389,569</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

2001A CHAT Bond Debt Service Fund	2002A CHAT Bond Debt Service Fund	2002B WIPP Bond Debt Service Fund	2002C HIF Bond Debt Service Fund	2002D CHAT Bond Debt Service Fund	2004A GRIP Bond Debt Service Fund
(SHARE 00700)	(SHARE 54700)	(SHARE 75000)	(SHARE 36300)	(SHARE 18700)	(SHARE 10080)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
194	70	93	50	11	70,092
194	70	93	50	11	4,532
					74,624
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,730,028
-	-	-	-	-	-
-	-	-	-	-	2,730,028
194	70	93	50	11	(2,655,404)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,144,475
-	-	-	-	-	-
-	-	-	-	-	2,144,475
194	70	93	50	11	(510,929)
1,886,290	774,360	814,031	62,504	12,863	511,892
\$ 1,886,484	\$ 774,430	\$ 814,124	\$ 62,554	\$ 12,874	\$ 963

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

For the Year Ended June 30, 2015

	2004B GRIP Bond Debt Service Fund	2006A GRIP Bond Debt Service Fund	2006B GRIP Bond Debt Service Fund	2008A GRIP Bond Debt Service Fund
	(SHARE 10090)	(SHARE 10220)	(SHARE 10240)	(SHARE 10410)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	213	148	48	134,002
Total Revenues	<u>213</u>	<u>148</u>	<u>48</u>	<u>134,002</u>
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	31,994	2,166	667,769
Debt issuance costs	-	-	-	-
Total Expenditures	<u>-</u>	<u>31,994</u>	<u>2,166</u>	<u>667,769</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>213</u>	<u>(31,846)</u>	<u>(2,118)</u>	<u>(533,767)</u>
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	(1,707,113)	-	-	(2,712,633)
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	<u>(1,707,113)</u>	<u>-</u>	<u>-</u>	<u>(2,712,633)</u>
Net Changes in Fund Balance	<u>(1,706,900)</u>	<u>(31,846)</u>	<u>(2,118)</u>	<u>(3,246,400)</u>
Fund Balance, June 30, 2014	<u>3,247,856</u>	<u>34,344</u>	<u>4,914</u>	<u>3,642,307</u>
Fund Balance, June 30, 2015	<u>\$ 1,540,956</u>	<u>\$ 2,498</u>	<u>\$ 2,796</u>	<u>\$ 395,907</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

2008B GRIP Bond Debt Service Fund	2008C GRIP Bond Debt Service Fund	2008D GRIP Bond Debt Service Fund	2009A Bond Debt Service Fund	2010A Bond Debt Service Fund	2010B Bond Debt Service Fund
(SHARE 10420)	(SHARE 10430)	(SHARE 10440)	(SHARE 11130)	(SHARE 11140)	(SHARE 20450)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
855,263	98,542	80	378	395	800
855,263	98,542	80	378	395	800
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,185,552	389,651	-	44,940	38,221	198,812
4,185,552	389,651	-	44,940	38,221	198,812
(3,330,289)	(291,109)	80	(44,562)	(37,826)	(198,012)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,056,431	(266,533)	(514,627)	-	-	-
-	-	-	-	-	-
3,056,431	(266,533)	(514,627)	-	-	-
(273,858)	(557,642)	(514,547)	(44,562)	(37,826)	(198,012)
395,819	726,586	514,547	50,163	43,271	204,143
\$ 121,961	\$ 168,944	\$ -	\$ 5,601	\$ 5,445	\$ 6,131

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

For the Year Ended June 30, 2015

	2012A Bond Debt Service Fund (SHARE 30850)	2014A Bond Debt Service Fund (SHARE 11960)	2014B Bond Debt Service Fund (SHARE 50110)
Revenues:			
User and fuel taxes	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-
Fees and fines	-	-	-
Licenses and permits	-	-	-
Charges for services	-	-	-
Other revenue	-	-	-
Interest earnings	389	136	89
Total Revenues	<u>389</u>	<u>136</u>	<u>89</u>
Expenditures:			
Current:			
Operating costs	-	-	-
Personal services	-	-	-
Out-of-state travel	-	-	-
Grants and services	-	-	-
Travel	-	-	-
Maintenance and repairs	-	-	-
Supplies	-	-	-
Contractual services	-	-	-
Other costs	-	115,897	-
Employee benefits	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	60,048	-	-
Debt issuance costs	-	-	204,294
Total Expenditures	<u>60,048</u>	<u>115,897</u>	<u>204,294</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(59,659)</u>	<u>(115,761)</u>	<u>(204,205)</u>
Other Financing Sources (Uses):			
Appropriations, net of reversions	-	-	-
Transfers: severance	-	-	-
tax bond appropriation	-	-	-
Transfers from (to) other agencies	-	-	-
Transfers from (to) escrow agent	-	-	(96,083,363)
Transfers: intra-agency	-	-	-
Face value of debentures payable	-	-	79,405,000
Premiums of debentures payable	-	-	17,026,113
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>347,750</u>
Net Changes in Fund Balance	<u>(59,659)</u>	<u>(115,761)</u>	<u>143,545</u>
Fund Balance, June 30, 2014	<u>65,128</u>	<u>171,372</u>	<u>-</u>
Fund Balance, June 30, 2015	<u>\$ 5,469</u>	<u>\$ 55,611</u>	<u>\$ 143,545</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type -
Non Major Funds

Total Debt Service Funds	Total Non Major Governmental Funds
\$ -	\$ 25,730,299
-	23,693,826
-	62,647
-	12,094,379
-	-
70,092	554,639
1,095,951	1,146,074
1,166,043	63,281,864
-	39,751
-	1,152,824
-	19,728
-	49,509,871
-	2,510
-	8,152
-	55,937
-	4,751,471
115,897	1,402,667
-	474,406
-	49,112,291
2,730,028	8,450,028
5,619,153	10,540,156
204,294	204,294
8,669,372	125,724,086
(7,503,329)	(62,442,222)
-	(258,732)
-	24,941,305
-	300,000
(96,083,363)	(96,083,363)
-	(5,613,249)
79,405,000	79,405,000
17,026,113	17,026,113
347,750	19,717,074
(7,155,579)	(42,725,148)
16,011,464	121,450,148
\$ 8,855,885	\$ 78,725,000

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

DEPARTMENT OF TRANSPORTATION				
agency wide including enterprise fund excluding multi-year funds				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ 408,612,500	\$ 408,612,500	\$ 408,904,592	\$ 292,092
Other state funds	418,385,400	421,654,970	441,412,285	19,757,315
Transfers outside the agency	-	-	300,000	300,000
Interest revenue	193,100	193,100	1,191,932	998,832
Bond proceeds	-	96,431,113	96,431,113	-
Total Revenues and Other Financing Sources:	827,191,000	926,891,683	948,239,922	\$ 21,348,239
Prior Year Funds Rebudgeted	441,230,994	474,711,936		
	\$ 1,268,421,994	\$ 1,401,603,619		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure:				
Personal services/employee benefits	\$ 26,362,300	\$ 26,133,600	25,621,542	\$ 512,058
Contractual services	675,578,477	677,197,477	376,307,105	300,890,372
Other	260,262,958	272,440,264	199,220,102	73,220,162
Transfers (in) out	-	96,226,819	96,083,364	143,455
	962,203,735	1,071,998,160	697,232,113	374,766,047
Transportation and Highway Ops:				
Personal services/employee benefits	96,123,900	101,211,100	101,067,363	143,737
Contractual services	66,315,128	71,615,128	59,181,170	12,433,958
Other	101,003,131	114,003,131	100,986,665	13,016,466
	263,442,159	286,829,359	261,235,198	25,594,161
Program Support:				
Personal services/employee benefits	26,499,100	26,499,100	26,147,993	351,107
Contractual services	4,035,400	4,035,400	2,629,244	1,406,156
Other	12,241,600	12,241,600	11,050,990	1,190,610
Transfers (in) out	-	-	-	-
	42,776,100	42,776,100	39,828,227	2,947,873
Total Annual Budgeted Expenditures and Other Financing Uses	\$ 1,268,421,994	\$ 1,401,603,619	998,295,538	\$ 403,308,081

Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses \$ (50,055,616)

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	FEDERAL TRAFFIC SAFETY FUND (SHARE 10010)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ 15,742,400	\$ 15,742,400	\$ 10,484,154	\$ (5,258,246)
Other state funds	-	-	425,239	425,239
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	15,742,400	15,742,400	10,909,393	\$ (4,833,007)
Prior Year Funds Rebudgeted	6,673,639	6,673,639		
	<u>\$ 22,416,039</u>	<u>\$ 22,416,039</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ 745,800	\$ 745,800	638,252	\$ 107,548
Contractual services	-	-	-	-
Other	21,670,239	21,670,239	10,832,410	10,837,829
Transfers (in) out	-	-	5,611,921	(5,611,921)
Reversions	-	-	-	-
	<u>22,416,039</u>	<u>22,416,039</u>	<u>17,082,583</u>	<u>5,333,456</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 22,416,039</u>	<u>\$ 22,416,039</u>	<u>17,082,583</u>	<u>\$ 5,333,456</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (6,173,190)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	DRIVER IMPROVEMENT FUND (SHARE 10020)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	330,000	330,000	288,560	(41,440)
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	330,000	330,000	288,560	\$ (41,440)
Prior Year Funds Rebudgeted	545,501	545,501		
	<u>\$ 875,501</u>	<u>\$ 875,501</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	875,501	875,501	438,517	436,984
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>875,501</u>	<u>875,501</u>	<u>438,517</u>	<u>436,984</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 875,501</u>	<u>\$ 875,501</u>	<u>438,517</u>	<u>\$ 436,984</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (149,957)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	MOTORCYCLE TRAINING FUND (SHARE 20600)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	135,000	135,000	134,699	(301)
Interest revenue	-	-	32	32
Total Revenues and Other Financing Sources:	135,000	135,000	134,731	\$ (269)
Prior Year Funds Rebudgeted	33,674	33,674		
	<u>\$ 168,674</u>	<u>\$ 168,674</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	168,674	168,674	167,079	1,595
Transfers (in) out	-	-	1,328	(1,328)
Reversions	-	-	-	-
	<u>168,674</u>	<u>168,674</u>	<u>168,407</u>	<u>267</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 168,674</u>	<u>\$ 168,674</u>	<u>168,407</u>	<u>\$ 267</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (33,676)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	DWI PREVENTION AND EDUCATION FUND (SHARE 20700)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	500,000	500,000	486,659	(13,341)
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	500,000	500,000	486,659	\$ (13,341)
Prior Year Funds Rebudgeted	1,035,876	1,035,876		
	<u>\$ 1,535,876</u>	<u>\$ 1,535,876</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ 80,900	\$ 80,900	22,047	\$ 58,853
Contractual services	-	-	-	-
Other	1,454,976	1,454,976	885,243	569,733
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>1,535,876</u>	<u>1,535,876</u>	<u>907,290</u>	<u>628,586</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 1,535,876</u>	<u>\$ 1,535,876</u>	<u>907,290</u>	<u>\$ 628,586</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (420,631)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	TRAFFIC SAFETY FUND (SHARE 20800)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,273,000	1,273,000	1,019,435	(253,565)
Interest revenue	-	-	380	380
Total Revenues and Other Financing Sources:	1,273,000	1,273,000	1,019,815	\$ (253,185)
Prior Year Funds Rebudgeted	815,551	815,551		
	<u>\$ 2,088,551</u>	<u>\$ 2,088,551</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	2,088,551	2,088,551	1,109,787	978,764
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>2,088,551</u>	<u>2,088,551</u>	<u>1,109,787</u>	<u>978,764</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 2,088,551</u>	<u>\$ 2,088,551</u>	<u>1,109,787</u>	<u>\$ 978,764</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (89,972)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	IGNITION INTERLOCK FUND (SHARE 82600)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	750,000	750,000	472,980	(277,020)
Transfers outside the agency	-	-	300,000	300,000
Total Revenues and Other Financing Sources:	750,000	750,000	772,980	\$ 22,980
Prior Year Funds Rebudgeted	431,672	431,672		
	<u>\$ 1,181,672</u>	<u>\$ 1,181,672</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ 58,000	\$ 58,900	58,864	\$ 36
Contractual services	-	-	-	-
Other	1,123,672	1,122,772	485,409	637,363
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>1,181,672</u>	<u>1,181,672</u>	<u>544,273</u>	<u>637,399</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 1,181,672</u>	<u>\$ 1,181,672</u>	<u>544,273</u>	<u>\$ 637,399</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ 228,707</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	FEDERAL PLANNING AND DEVELOPMENT FUND (SHARE 10030)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ 16,111,500	\$ 16,111,500	\$ 13,048,713	\$ (3,062,787)
Other state funds	-	-	11,119	11,119
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	16,111,500	16,111,500	13,059,832	\$ (3,051,668)
Prior Year Funds Rebudgeted	8,117,524	8,117,524		
	<u>\$ 24,229,024</u>	<u>\$ 24,229,024</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ 456,500	\$ 462,900	462,871	\$ 29
Contractual services	-	-	-	-
Other	23,772,524	23,766,124	11,821,436	11,944,688
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>24,229,024</u>	<u>24,229,024</u>	<u>12,284,307</u>	<u>11,944,717</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 24,229,024</u>	<u>\$ 24,229,024</u>	<u>12,284,307</u>	<u>\$ 11,944,717</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ 775,525</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	HIF BOND FUND (SHARE 20200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	7,312,500	7,312,500	7,582,995	270,495
Interest revenue	-	-	6,487	6,487
Total Revenues and Other Financing Sources:	7,312,500	7,312,500	7,589,482	\$ 276,982
Prior Year Funds Rebudgeted	-	3,500,000		
	<u>\$ 7,312,500</u>	<u>\$ 10,812,500</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	7,312,500	10,812,500	10,641,004	171,496
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>7,312,500</u>	<u>10,812,500</u>	<u>10,641,004</u>	<u>171,496</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 7,312,500</u>	<u>\$ 10,812,500</u>	<u>10,641,004</u>	<u>\$ 171,496</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (3,051,522)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	LOCAL GOVERNMENT ROAD FUND (SHARE 20300)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	21,770,000	21,770,000	22,243,131	473,131
Interest revenue	51,000	51,000	18,835	(32,165)
Total Revenues and Other Financing Sources:	21,821,000	21,821,000	22,261,966	\$ 440,966
Prior Year Funds Rebudgeted	22,704,769	22,704,769		
	<u>\$ 44,525,769</u>	<u>\$ 44,525,769</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	26,921,000	26,921,000	9,355,194	17,565,806
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>26,921,000</u>	<u>26,921,000</u>	<u>9,355,194</u>	<u>17,565,806</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	17,604,769	17,604,769	9,724,891	7,879,878
	<u>17,604,769</u>	<u>17,604,769</u>	<u>9,724,891</u>	<u>7,879,878</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 44,525,769</u>	<u>\$ 44,525,769</u>	<u>19,080,085</u>	<u>\$ 25,445,684</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ 3,181,881</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	STATE AVIATION FUND (SHARE 20500)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ 160,959	\$ 160,959
Other state funds	6,255,000	6,255,000	5,707,055	(547,945)
Interest revenue	-	-	14,020	14,020
Total Revenues and Other Financing Sources:	6,255,000	6,255,000	5,882,034	\$ (372,966)
Prior Year Funds Rebudgeted	15,199,031	15,199,031		
	<u>\$ 21,454,031</u>	<u>\$ 21,454,031</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ 396,300	\$ 460,300	445,196	\$ 15,104
Contractual services	1,801,886	1,737,886	747,290	990,596
Other	19,255,845	19,255,845	5,238,496	14,017,349
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>21,454,031</u>	<u>21,454,031</u>	<u>6,430,982</u>	<u>15,023,049</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 21,454,031</u>	<u>\$ 21,454,031</u>	<u>6,430,982</u>	<u>\$ 15,023,049</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (548,948)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	1993 BOND PROJECT FUND (SHARE 39400)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,321	1,321
Total Revenues and Other Financing Sources:	-	-	1,321	\$ 1,321
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 1,321	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	1999A CHAT BOND PROJECT FUND (SHARE 43000)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,754	1,754
Total Revenues and Other Financing Sources:	-	-	1,754	\$ 1,754
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 1,754	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	WIPP BOND PROJECT FUND (SHARE 43100)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	1,631,718	1,631,718		
	<u>\$ 1,631,718</u>	<u>\$ 1,631,718</u>		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	1,631,718	1,631,718	-	1,631,718
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>1,631,718</u>	<u>1,631,718</u>	<u>-</u>	<u>1,631,718</u>

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	<u>\$ 1,631,718</u>	<u>\$ 1,631,718</u>	<u>-</u>	<u>\$ 1,631,718</u>
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ -</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

2001A CHAT BOND PROJECT FUND (SHARE 00600)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	3,910	3,910
Total Revenues and Other Financing Sources:	-	-	3,910	\$ 3,910
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure:				
Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures				
and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 3,910	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

2002C HIF BOND PROJECT FUND (SHARE 36100)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,080	1,080
Total Revenues and Other Financing Sources:	-	-	1,080	\$ 1,080
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure:				
Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Program Support:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	-	\$ -
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ 1,080	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2002D CHAT BOND PROJECT FUND (SHARE 11500)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	528	528
Total Revenues and Other Financing Sources:	-	-	528	\$ 528
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 528	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2004A GRIP BOND PROJECT FUND (SHARE 20400)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ -
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2006A GRIP BOND PROJECT FUND (SHARE 10210)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	22	22
Total Revenues and Other Financing Sources:	-	-	22	\$ 22
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 22	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2006B GRIP BOND PROJECT FUND (SHARE 10230)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	2	2
Total Revenues and Other Financing Sources:	-	-	2	\$ 2
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 2	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2006C GRIP BOND PROJECT FUND (SHARE 10250)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	25	25
Total Revenues and Other Financing Sources:	-	-	25	\$ 25
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 25	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2006D GRIP BOND PROJECT FUND (SHARE 10270)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ -
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2010A BOND PROJECT FUND (SHARE 10450)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	1,727	1,727
Total Revenues and Other Financing Sources:	-	-	1,727	\$ 1,727
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure:				
Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	9,141,687	(9,141,687)
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	9,141,687	(9,141,687)
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-
Program Support:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures				
and Other Financing Uses	\$ -	\$ -	9,141,687	\$ (9,141,687)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures and Other Financing Sources and Uses			\$ (9,139,960)	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	1998A WIPP BOND DEBT SERVICE (SHARE 97200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	12	12
Total Revenues and Other Financing Sources:	-	-	12	\$ 12
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 12	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	1998A CHAT BOND DEBT SERVICE (SHARE 54800)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	117	117
Total Revenues and Other Financing Sources:	-	-	117	\$ 117
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 117	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	1999 CHAT BOND DEBT SERVICE (SHARE 43400)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	221	221
Total Revenues and Other Financing Sources:	-	-	221	\$ 221
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 221	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2000 CHAT BOND DEBT SERVICE (SHARE 43200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	168	168
Total Revenues and Other Financing Sources:	-	-	168	\$ 168
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 168	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2001A CHAT BOND DEBT SERVICE (SHARE 00700)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	194	194
Total Revenues and Other Financing Sources:	-	-	194	\$ 194
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 194	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2002A CHAT BOND DEBT SERVICE (SHARE 54700)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	70	70
Total Revenues and Other Financing Sources:	-	-	70	\$ 70
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 70	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2002B WIPP BOND DEBT SERVICE (SHARE 75000)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	93	93
Total Revenues and Other Financing Sources:	-	-	93	\$ 93
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 93	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2002C HIF BOND DEBT SERVICE (SHARE 36300)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	50	50
Total Revenues and Other Financing Sources:	-	-	50	\$ 50
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 50	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2002D CHAT BOND DEBT SERVICE (SHARE 18700)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	11	11
Total Revenues and Other Financing Sources:	-	-	11	\$ 11
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses			\$ 11	
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2004A GRIP BOND DEBT SERVICE (SHARE 10080)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	70,092	70,092
Interest revenue	-	-	4,532	4,532
Total Revenues and Other Financing Sources:	-	-	74,624	\$ 74,624
Prior Year Funds Rebudgeted	-	3,997,716		
	\$ -	\$ 3,997,716		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	3,997,716	2,730,028	1,267,688
Transfers (in) out	-	-	(2,144,475)	2,144,475
Reversions	-	-	-	-
	-	3,997,716	585,553	3,412,163

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

\$ -	\$ 3,997,716	585,553	\$ 3,412,163
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (510,929)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2004B GRIP BOND DEBT SERVICE (SHARE 10090)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	213	213
Total Revenues and Other Financing Sources:	-	-	213	\$ 213
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	1,707,113	(1,707,113)
Reversions	-	-	-	-
	-	-	1,707,113	(1,707,113)

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	1,707,113	\$ (1,707,113)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ (1,706,900)
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2006A GRIP BOND DEBT SERVICE (SHARE 10220)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	148	148
Total Revenues and Other Financing Sources:	-	-	148	\$ 148
Prior Year Funds Rebudgeted	-	29,305		
	\$ -	\$ 29,305		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	29,305	31,994	(2,689)
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	29,305	31,994	(2,689)

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

\$ -	\$ 29,305	31,994	\$ (2,689)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (31,846)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2006B GRIP BOND DEBT SERVICE (SHARE 10240)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	48	48
Total Revenues and Other Financing Sources:	-	-	48	\$ 48
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	2,166	(2,166)
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	2,166	(2,166)

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	2,166	\$ (2,166)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ (2,118)
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2008A GRIP BOND DEBT SERVICE (SHARE 10410)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	134,002	134,002
Total Revenues and Other Financing Sources:	-	-	134,002	\$ 134,002
Prior Year Funds Rebudgeted	-	577,570		
	\$ -	\$ 577,570		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	577,570	667,769	(90,199)
Transfers (in) out	-	-	2,712,633	(2,712,633)
Reversions	-	-	-	-
	-	577,570	3,380,402	(2,802,832)

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ 577,570	3,380,402	\$ (2,802,832)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ (3,246,400)
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2008B GRIP BOND DEBT SERVICE (SHARE 10420)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	855,263	855,263
Total Revenues and Other Financing Sources:	-	-	855,263	\$ 855,263
Prior Year Funds Rebudgeted	-	3,240,109		
	\$ -	\$ 3,240,109		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	3,240,109	4,185,552	(945,443)
Transfers (in) out	-	-	(3,056,431)	3,056,431
Reversions	-	-	-	-
	-	3,240,109	1,129,121	2,110,988

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

\$ -	\$ 3,240,109	1,129,121	\$ 2,110,988
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (273,858)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2008C GRIP BOND DEBT SERVICE (SHARE 10430)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	98,542	98,542
Total Revenues and Other Financing Sources:	-	-	98,542	\$ 98,542
Prior Year Funds Rebudgeted	-	292,981		
	\$ -	\$ 292,981		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	292,981	389,651	(96,670)
Transfers (in) out	-	-	266,533	(266,533)
Reversions	-	-	-	-
	-	292,981	656,184	(363,203)

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ 292,981	656,184	\$ (363,203)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ (557,642)
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2008D GRIP BOND DEBT SERVICE (SHARE 10440)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	81	81
Total Revenues and Other Financing Sources:	-	-	81	\$ 81
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	514,628	(514,628)
Reversions	-	-	-	-
	-	-	514,628	(514,628)

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	514,628	\$ (514,628)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (514,547)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2009A BOND DEBT SERVICE (SHARE 11130)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	378	378
Total Revenues and Other Financing Sources:	-	-	378	\$ 378
Prior Year Funds Rebudgeted	-	44,940		
	\$ -	\$ 44,940		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	44,940	44,940	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	44,940	44,940	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

\$ -	\$ 44,940	44,940	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (44,562)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2010A BOND DEBT SERVICE (SHARE 11140)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	395	395
Total Revenues and Other Financing Sources:	-	-	395	\$ 395
Prior Year Funds Rebudgeted	-	38,221		
	\$ -	\$ 38,221		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	38,221	38,221	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	38,221	38,221	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ 38,221	38,221	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (37,826)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2010B BOND DEBT SERVICE FUND (SHARE 20450)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	800	800
Total Revenues and Other Financing Sources:	-	-	800	\$ 800
Prior Year Funds Rebudgeted	-	198,812		
	\$ -	\$ 198,812		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	198,812	198,812	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	198,812	198,812	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

\$ -	\$ 198,812	198,812	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (198,012)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2012A BOND DEBT SERVICE FUND (SHARE 30850)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	389	389
Total Revenues and Other Financing Sources:	-	-	389	\$ 389
Prior Year Funds Rebudgeted	-	60,658		
	\$ -	\$ 60,658		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	60,658	60,048	610
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	60,658	60,048	610

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

\$ -	\$ 60,658	60,048	\$ 610
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	<u>\$ (59,659)</u>
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

2014A BOND DEBT SERVICE FUND (SHARE 11960)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Interest revenue	-	-	136	136
Bond proceeds	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	136	\$ 136
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures and Other Financing Uses - current and capital outlay:				
Programs and Infrastructure				
Programs and Infrastructure:	\$ -	\$ -	-	\$ -
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	115,897	(115,897)
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	115,897	(115,897)
Transportation and Highway Ops:	-	-	-	-
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
	-	-	-	-
Program Support:	-	-	-	-
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Reversions	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	115,897	\$ (115,897)
Excess (Deficiency) of Revenues Over (Under)			\$ (115,761)	
Expenditures and Other Financing Sources and Uses				

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	2014B BOND DEBT SERVICE FUND (SHARE 50110)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Interest revenue	-	-	89	89
Bond proceeds	-	96,431,113	96,431,113	-
Total Revenues and Other Financing Sources:	-	96,431,113	96,431,202	\$ 89
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ 96,431,113		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	204,294	204,294	-
Transfers (in) out	-	96,226,819	96,083,363	143,456
Reversions	-	-	-	-
	-	96,431,113	96,287,657	143,456

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ 96,431,113	96,287,657	\$ 143,456
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ 143,545
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	STATE INFRASTRUCTURE BANK (SHARE 89300)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	16,719	16,719
Total Revenues and Other Financing Sources:	-	-	16,719	\$ 16,719
Prior Year Funds Rebudgeted	-	1,683,000		
	\$ -	\$ 1,683,000		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	1,683,000	-	1,683,000
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	1,683,000	-	1,683,000

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

\$ -	\$ 1,683,000	-	\$ 1,683,000
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ 16,719
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

CAPITAL PROJECTS FUND (SHARE 10050)					
	Budgeted Amounts		Actual		Variance Over (Under)
	Original	Final	Amounts (Modified Accrual)		
Revenues and Other Financing Sources:					
Other state funds	\$ -	\$ -	\$ -	\$ -	-
Transfers outside the agency	-	-	-	-	-
Interest revenue	-	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -	-
Prior Year Funds Rebudgeted	-	-			
	\$ -	\$ -			
Expenditures and Other Financing Uses - current and capital outlay:					
Programs and Infrastructure:					
Personal services/employee benefits	\$ -	\$ -	-	\$ -	-
Contractual services	-	-	19,062,254	(19,062,254)	-
Other	-	-	864,256	(864,256)	-
Transfers (in) out	-	-	-	-	-
Reversions	-	-	-	-	-
	-	-	19,926,510	(19,926,510)	-
Transportation and Highway Ops:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	30,626	(30,626)	-
	-	-	30,626	(30,626)	-
Program Support:					
Personal services/employee benefits	-	-	-	-	-
Contractual services	-	-	-	-	-
Other	-	-	-	-	-
Transfers (in) out	-	-	-	-	-
	-	-	-	-	-
Total Annual Budgeted Expenditures and Other Financing Uses	\$ -	\$ -	19,957,136	\$ (19,957,136)	
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources and Uses				\$ (19,957,136)	

The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	GENERAL FUND APPROPRIATIONS FUND (SHARE 10070)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Interest revenue	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Reversions	-	-	258,732	(258,732)
	-	-	258,732	(258,732)

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	258,732	\$ (258,732)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ (258,732)
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	STB CAPITAL OUTLAY FUND (SHARE 89200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Transfers outside the agency	-	-	24,941,305	24,941,305
Total Revenues and Other Financing Sources:	-	-	24,941,305	\$ 24,941,305
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	24,881,905	(24,881,905)
Other	-	-	-	-
Transfers (in) out	-	-	-	-
	-	-	24,881,905	(24,881,905)

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	24,881,905	\$ (24,881,905)
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ 59,400
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures - Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2015

	GF CAPITAL OUTLAY FUND (SHARE 93100)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues and Other Financing Sources:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
Transfers outside the agency	-	-	-	-
Total Revenues and Other Financing Sources:	-	-	-	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		

Expenditures and Other Financing Uses - current and capital outlay:

Programs and Infrastructure:

Personal services/employee benefits	\$ -	\$ -	-	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Transportation and Highway Ops:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-

Program Support:

Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
	-	-	-	-

**Total Annual Budgeted Expenditures
and Other Financing Uses**

	\$ -	\$ -	-	\$ -
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Excess (Deficiency) of Revenues Over (Under)

Expenditures and Other Financing Sources and Uses	\$ -
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The legal level of budgetary compliance is at the appropriation program level at the entity-wide level, except for multiyear funds.
The Department is compliant with the budgets at the P-code level.

See Independent Auditors' Report

OTHER INFORMATION - SCHEDULES REQUIRED UNDER 2.2.2 NMAC

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of General Fund Components - Balance Sheet

As of June 30, 2015

	Departmental Services- Inventories Fund (SHARE 10040)	State Road Fund (SHARE 20100)	State Road Fund(s) (SHARE 10040 and 20100)
Assets:			
Cash:			
Unrestricted	\$ -	\$ 2,100	\$ 2,100
Cash equivalents: (investment in state general fund investment pool)			
Restricted	-	83,756,995	83,756,995
Managed by NMFA	-	-	-
Receivables:			
Accounts receivable, net	-	2,285,643	2,285,643
Interest receivable	-	-	-
Other receivables	-	12,903	12,903
Due from:			
U.S. Department of Transportation	-	29,173,467	29,173,467
Other funds	875,481	9,550,504	10,425,985
Other state agencies	-	63,932,034	63,932,034
Inventories	14,664,961	-	14,664,961
Prepaid expenses - other	-	1,422	1,422
Prepaid expenses - NM44 warranty	-	16,937,015	16,937,015
Property held for resale	-	11,220,868	11,220,868
Total Assets	\$ 15,540,442	\$ 216,872,951	\$ 232,413,393
Liabilities, Deferred Inflows of Resources and Fund Balance:			
Liabilities:			
Accounts payable	\$ 503,530	\$ 74,052,907	\$ 74,556,437
Due to:			
Other funds	342,051	1,016,669	1,358,720
Other state agencies	10,626,002	1,155,672	11,781,674
State general fund	-	-	-
Local governments	-	-	-
Unearned revenue	-	174,406	174,406
Other accrued expenses	-	3,997,137	3,997,137
Other liabilities	561,362	161,449	722,811
Short-term notes payable (taxable line of credit)	-	-	-
Total Liabilities	12,032,945	80,558,240	92,591,185
Deferred Inflows of Resources:			
Amounts unavailable (not received within period of availability)	-	44,294	44,294
Total Deferred Inflows of Resources	-	44,294	44,294
Fund Balance:			
Non-spendable	14,664,961	28,159,305	42,824,266
Restricted	-	-	-
Committed	-	108,111,112	108,111,112
Unassigned	(11,157,464)	-	(11,157,464)
Total Fund Balance	3,507,497	136,270,417	139,777,914
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 15,540,442	\$ 216,872,951	\$ 232,413,393

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of General Fund Components - Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2015

	Departmental Services- Inventories Fund (SHARE 10040)	State Road Fund (SHARE 20100)	State Road Fund(s) (SHARE 10040 and 20100)
Revenues:			
User and fuel taxes	\$ -	\$ 377,789,017	\$ 377,789,017
U.S. Department of Transportation	-	385,210,766	385,210,766
Fees and fines	-	-	-
Licenses and permits	-	10,662,616	10,662,616
Charges for services	-	3,219,363	3,219,363
Other revenue	10,567	11,288,758	11,299,325
Interest earnings	-	39,507	39,507
Total Revenues	<u>10,567</u>	<u>788,210,027</u>	<u>788,220,594</u>
Expenditures:			
Current:			
Operating costs	-	11,131,104	11,131,104
Personal services	-	97,651,134	97,651,134
Out-of-state travel	-	185,450	185,450
Grants and services	-	1,791,462	1,791,462
Travel	-	19,241,102	19,241,102
Maintenance and repairs	-	12,382,207	12,382,207
Supplies	-	36,336,815	36,336,815
Contractual services	-	155,454,514	155,454,514
Other costs	(401,889)	5,435,710	5,033,821
Employee benefits	-	53,558,534	53,558,534
Capital outlay	-	303,684,737	303,684,737
Debt service:			
Principal	-	75,630,272	75,630,272
Interest	-	58,387,664	58,387,664
Debt issuance costs	-	-	-
Total Expenditures	<u>(401,889)</u>	<u>830,870,705</u>	<u>830,468,816</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>412,456</u>	<u>(42,660,678)</u>	<u>(42,248,222)</u>
Other Financing Sources (Uses):			
Appropriations, net of reversions	-	-	-
Transfers: severance	-	-	-
tax bond appropriation	-	-	-
Transfers from (to) other agencies	-	-	-
Transfers from (to) escrow agent	-	-	-
Transfers: intra-agency	-	5,613,249	5,613,249
Face value of debentures payable	-	-	-
Premiums of debentures payable	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>5,613,249</u>	<u>5,613,249</u>
Net Changes in Fund Balance	<u>412,456</u>	<u>(37,047,429)</u>	<u>(36,634,973)</u>
Fund Balance, June 30, 2014	<u>3,095,041</u>	<u>173,317,846</u>	<u>176,412,887</u>
Fund Balance, June 30, 2015	<u>\$ 3,507,497</u>	<u>\$ 136,270,417</u>	<u>\$ 139,777,914</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

As of June 30, 2015

	Budgeted Amounts		Current Year Expenditures
	Original	Final	
Expenditures for 2011 multi-year projects			
Capital outlay	\$ 350,000	\$ 350,000	\$ -
Expenditures for 2012 multi-year projects			
Capital outlay	350,000	350,000	30,626
Expenditures for 2014 multi-year projects			
Capital outlay	-	50,442,894	19,062,254
Total Expenditures	\$ 700,000	\$ 51,142,894	\$ 19,092,880

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

Life-to-Date Outstanding Encumbrances	Total Actual	Prior Year Actual	Total Expenditures	Variance From Final Budget (Over) Under
\$ 4,400	\$ 4,400	\$ 215,814	\$ 220,214	\$ 129,786
1,198	31,824	317,709	349,533	467
<u>18,548</u>	<u>19,080,802</u>	<u>30,433,412</u>	<u>49,514,214</u>	<u>928,680</u>
<u>\$ 24,146</u>	<u>\$ 19,117,026</u>	<u>\$ 30,966,935</u>	<u>\$ 50,083,961</u>	<u>\$ 1,058,933</u>

Capital Projects Funds

Under the Laws of 2011 Special Session, Chapter 5, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2016 fiscal year will revert to the State Road Fund. The appropriation period is for 4 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, Chapter 64, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2016 fiscal year will revert to the State Road Fund. The appropriation period is for 4 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2012, HB 191, Section 27 and a capital budget adjustment (CBAR) approved by the State Transportation Commission in September of 2013. The Department received \$45,442,894 from the City of Albuquerque and \$5,000,000 from Bernalillo County as a local match towards the I-25 and Paseo Del Norte interchange reconstruction project.

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

As of June 30, 2015

Chapter	Laws	Bonds Appropriated	Bonds Sold	Amounts AIPP	Funds Reauthorized
105	2010	\$ -	\$ -	\$ -	\$ 8,635,000
63	2012	-	-	-	188,941
64	2012	34,273,051	34,273,051	-	-
353	2012	-	-	-	247,500
3	2013	-	-	-	190,477
9	2013	-	-	-	6,887,242
92	2013	-	-	-	473,963
226	2013	11,683,070	11,683,070	-	(175,000)
66	2014	15,610,387	15,610,387	(4,250)	-
226	2014	638,000	638,000	-	-
3	2015	125,376	125,376	-	-
147	2015	35,000	35,000	-	165,000
		<u>\$ 62,364,884</u>	<u>\$ 62,364,884</u>	<u>\$ (4,250)</u>	<u>\$ 16,613,123</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

Funds Reverted	Bond Balance After Reauthorization	Funds Received	Expended To Date	Balance Available	Due from Board of Finance
\$ (31,397)	\$ 8,603,603	\$ 8,603,603	\$ 8,603,603	\$ -	\$ -
(18,100)	170,841	170,841	170,841	-	-
-	34,273,051	31,788,252	32,137,446	2,484,799	349,194
-	247,500	-	-	247,500	-
-	190,477	-	-	190,477	-
-	6,887,242	6,219,613	6,906,769	807,355	807,355
-	473,963	445,911	445,911	28,052	-
-	11,508,070	3,004,230	3,304,251	8,503,840	300,021
-	15,606,137	150,000	208,901	15,456,137	58,901
-	638,000	20,678	33,874	617,322	13,196
-	125,376	-	-	125,376	-
-	200,000	-	-	200,000	-
<u>\$ (49,497)</u>	<u>\$ 78,924,260</u>	<u>\$ 50,403,128</u>	<u>\$ 51,811,596</u>	<u>\$ 28,660,858</u>	<u>\$ 1,528,667</u>

Balance Available (Note 4)	\$ 28,660,858
Due from Board of Finance (Note 4)	<u>1,528,667</u>
Total	<u><u>\$ 30,189,525</u></u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

As of June 30, 2015

	Appropriation Amount	Expenditures Inception to June 30, 2015
Special Revenue Funds		
Laws of 2007 Special Session, Chapter 3	\$ 35,000,000	\$ 26,241,547
	<u>35,000,000</u>	<u>26,241,547</u>
Capital Projects Funds		
Laws of 2011, Chapter 5	350,000	215,814
Laws of 2012, Chapter 64	350,000	348,335
Laws of 2012, HB 191 Section 27 and CBAR 2013	50,442,894	49,495,666
	<u>51,142,894</u>	<u>50,059,815</u>
Total all Fund Types	<u>\$ 86,142,894</u>	<u>\$ 76,301,362</u>

* Laws of 2007 Special Session, Chapter 3 shows a negative balance as of FY15 due to interest income earned on the appropriation reverted to the State General Fund.

** Note: State House and Senate Memorials are directions on how appropriated monies should be spent. They are not laws.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

Encumbrances Balance as of June 30, 2015	Re-appropriation Amount	Reversion Amount	Balance as of June 30, 2015
\$ -	\$ -	\$ 8,758,732	\$ (279)
-	-	8,758,732	(279)
4,400	-	-	129,786
1,198	-	-	467
18,548	-	-	928,680
24,146	-	-	1,058,933
\$ 24,146	\$ -	\$ 8,758,732	\$ 1,058,654

See Independent Auditors' Report

Special Revenue Funds

Under the Laws of Special Session 2007, Chapter 3, the Department was appropriated \$35,000,000 for GRIP 1 and New Mexico Spaceport projects. Any unexpended or unencumbered balance remaining at the end of the 2011 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation. The appropriation is reverting to the State General Fund in the current fiscal year due to litigation being resolved from prior years.

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Revenue - Bond Projects

As of June 30, 2015

	Budgeted Amounts		Received Prior Year(s)	Received Current Year
	Original	Final		
Special Revenue Funds				
2010A Bond Project Fund	\$ 200,000,000	\$ 200,000,000	\$ 200,120,676	\$ 1,727
2014A Bond Project Fund	-	80,000,000	80,002,398	10,771
Total	<u>\$ 200,000,000</u>	<u>\$ 280,000,000</u>	<u>\$ 280,123,074</u>	<u>\$ 12,498</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Revenue - Bond Projects

Total Revenue	Variance From Final Budget Over (Under)	Expended Prior Year(s)	Expended Current Year	Total Expenditures	Variance From Final Budget (Over) Under
\$ 200,122,403	\$ 122,403	\$ 186,222,048	\$ 9,141,687	\$ 195,363,735	\$ 4,636,265
<u>80,013,169</u>	<u>13,169</u>	<u>-</u>	<u>2,953,253</u>	<u>2,953,253</u>	<u>77,046,747</u>
<u>\$ 280,135,572</u>	<u>\$ 135,572</u>	<u>\$ 186,222,048</u>	<u>\$ 12,094,940</u>	<u>\$ 198,316,988</u>	<u>\$ 81,683,012</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

As of June 30, 2015

	SHARE Fund Number	Bank Balance	Book Balance	Book Total
Cash				
State Road Fund(s)	10040 and 20100	\$ 2,100	\$ 2,100	
Total Cash				<u>\$ 2,100</u>
(Restricted)				
2001A CHAT Bond Project Fund	00600	\$ 4,741,777	\$ 4,741,777	
2001A CHAT Bond Debt Service Fund	00700	234,947	234,947	
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	9,840,798	9,840,798	
State Road Fund(s)	10040 and 20100	83,756,995	83,756,995	
Capital Projects Fund	10050	832,844	832,844	
General Fund Appropriations	10070	466,257	466,257	
2006A GRIP Bond Project Fund	10210	324,974	324,974	
2006B GRIP Bond Project Fund	10230	49,671	49,671	
2010A Bond Project Fund	10450	2,802,814	2,802,814	
2002D CHAT Bond Project Fund	11500	640,255	640,255	
2002D CHAT Bond Debt Service Fund	18700	12,873	12,873	
HIF Bond Fund	20200	6,993,501	6,993,501	
Local Government Road Fund	20300	23,940,853	23,940,853	
2004A GRIP Bond Project Fund	20400	112,078	112,078	
State Aviation Fund	20500	15,773,565	15,773,565	
2002C HIF Bond Project Fund	36100	1,310,556	1,310,556	
2002C HIF Bond Debt Service Fund	36300	62,550	62,550	
1993 Bond Project Fund	39400	1,602,608	1,602,608	
1999A CHAT Bond Project Fund	43000	2,128,354	2,128,354	
2000 CHAT Bond Debt Service Fund	43200	205,103	205,103	
1999 CHAT Bond Debt Service Fund	43400	267,540	267,540	
2002A CHAT Bond Debt Service Fund	54700	83,990	83,990	
1998A CHAT Bond Debt Service Fund	54800	142,294	142,294	
2002B WIPP Bond Debt Service Fund	75000	111,472	111,472	
1998A WIPP Bond Debt Service Fund	97200	14,582	14,582	
Total Restricted				<u>\$ 156,453,251</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

As of June 30, 2015

	SHARE Fund Number	Bank Balance	Book Balance	Book Total
Managed by NMFA:				
Bank of Albuquerque, trustee account				
2004A GRIP Bond Debt Service Fund	10080	\$ 2	\$ 2	
2004B GRIP Bond Debt Service Fund	10090	1,540,906	1,540,906	
2006A GRIP Bond Project Fund	10210	162,301	162,301	
2006A GRIP Bond Debt Service Fund	10220	2,494	2,494	
2006B GRIP Bond Project Fund	10230	10,388	10,388	
2006B GRIP Bond Debt Service Fund	10240	2,795	2,795	
2006C GRIP Bond Project Fund	10250	179,168	179,168	
2008A GRIP Bond Debt Service Fund	10410	4,641,846	4,641,846	
2008B GRIP Bond Debt Service Fund	10420	12,029,106	12,029,106	
2008C GRIP Bond Debt Service Fund	10430	3,287,821	3,287,821	
2010A Bond Project Fund	10450	8,398,902	8,398,902	
2009A Bond Debt Service Fund	11130	5,517	5,517	
2010A/LOC Bond Debt Service Fund	11140	5,408	5,408	
2014A Bond Debt Service Fund	11960	55,581	55,581	
2014A Bond Project Fund	11970	80,010,553	80,010,553	
2010B GRIP Bond Debt Service Fund	20450	5,952	5,952	
2012A Bond Debt Service Fund	30850	5,382	5,382	
2014B Bond Debt Service Fund	50110	148,289	148,289	
Total Managed by NMFA				<u><u>\$ 110,492,411</u></u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Pledged State Revenues

As of June 30, 2015

Pledged State Revenues

Pledged User & Fuel Taxes:

Special fuel	\$ 114,726,352
Gasoline excise	112,845,620
Weight/distance tax	79,985,005
Motor vehicle registrations	75,454,793
Vehicle transaction	8,735,455
Trip (mileage) tax	5,231,900
Oversize/oversight permit fees	5,228,841
Drivers license	3,691,098
Tire recycling fees	1,810,032
Total Pledged User & Fuel Taxes	<u>407,709,096</u>

Other Pledged Revenue:

PRC fees	8,865,760
Leased vehicles gross receipts tax	7,697,284
Road fund interest income	39,507
HIF interest income	6,487
Total Other Pledged Revenue	<u>16,609,038</u>

Total Pledged State Revenues	<u><u>\$ 424,318,134</u></u>
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See Independent Auditors' Report

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2015

	2004A GRIP (SHARE 10080)	2006A GRIP (SHARE 10220)	2006B GRIP (SHARE 10240)	2008A GRIP (SHARE 10410)
Special Fuel Excise Taxes	\$ 9,560,529	\$ 9,560,529	\$ 9,560,529	\$ 9,560,529
Gasoline Excise Taxes	9,403,802	9,403,802	9,403,802	9,403,802
Weight/Distance Taxes	6,665,417	6,665,417	6,665,417	6,665,417
Motor Vehicle Registration Fees	6,287,899	6,287,899	6,287,899	6,287,899
Vehicle Transaction Fees	727,955	727,955	727,955	727,955
Trip (Mileage) Tax	435,992	435,992	435,992	435,992
Oversize/Oversight Permit Fees	435,737	435,737	435,737	435,737
Driver's License Fees	307,592	307,592	307,592	307,592
Tire Recycling Fees	150,836	150,836	150,836	150,836
Public Regulation Commission Fees	738,813	738,813	738,813	738,813
Leased Vehicle Gross Receipts Taxes	641,440	641,440	641,440	641,440
FHWA Revenues	32,100,897	32,100,897	32,100,897	32,100,897
	<u>67,456,909</u>	<u>67,456,909</u>	<u>67,456,909</u>	<u>67,456,909</u>
Interest on Cash Balances*	<u>3,833</u>	<u>3,833</u>	<u>3,833</u>	<u>3,833</u>
Total Pledged Revenues				
Received**	<u><u>\$ 67,460,742</u></u>	<u><u>\$ 67,460,742</u></u>	<u><u>\$ 67,460,742</u></u>	<u><u>\$ 67,460,742</u></u>

	2004A GRIP	2006A GRIP	2006B GRIP	2008A GRIP
Debt Service Principal Expenditures	\$ 61,255,000	\$ 3,715,000	\$ 1,375,000	\$ 100
Debt Service Interest Expenditures	<u>3,215,888</u>	<u>2,346,913</u>	<u>645,038</u>	<u>5,165,826</u>
Total Debt Service	<u><u>\$ 64,470,888</u></u>	<u><u>\$ 6,061,913</u></u>	<u><u>\$ 2,020,038</u></u>	<u><u>\$ 5,165,926</u></u>
Debt Service Coverage	1.05	11.13	33.40	13.06

* Note: In addition to state road fund revenues, pledged revenues include interest earned in the HIF fund.

** Note: Total pledged revenues are also available and used for capital and operating expenditures of the Department, refer to the basic financial statements.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

2008B GRIP (SHARE 10420)	2008C GRIP (SHARE 10430)	2009A Bond (SHARE 11130)	2010A Bond (SHARE 11140)	2010B Bond (SHARE 20450)	2012A Bond (SHARE 30850)
\$ 9,560,529	\$ 9,560,529	\$ 9,560,529	\$ 9,560,529	\$ 9,560,530	\$ 9,560,530
9,403,802	9,403,802	9,403,802	9,403,802	9,403,801	9,403,801
6,665,417	6,665,417	6,665,417	6,665,417	6,665,417	6,665,417
6,287,899	6,287,899	6,287,899	6,287,900	6,287,900	6,287,900
727,955	727,955	727,955	727,954	727,954	727,954
435,992	435,992	435,992	435,992	435,991	435,991
435,737	435,737	435,737	435,737	435,737	435,736
307,592	307,592	307,591	307,591	307,591	307,591
150,836	150,836	150,836	150,836	150,836	150,836
738,813	738,813	738,813	738,813	738,814	738,814
641,440	641,440	641,440	641,440	641,441	641,441
32,100,897	32,100,897	32,100,897	32,100,897	32,100,897	32,100,897
67,456,909	67,456,909	67,456,908	67,456,908	67,456,909	67,456,908
3,833	3,833	3,833	3,833	3,833	3,833
<u>\$ 67,460,742</u>	<u>\$ 67,460,742</u>	<u>\$ 67,460,741</u>	<u>\$ 67,460,741</u>	<u>\$ 67,460,742</u>	<u>\$ 67,460,741</u>

2008B GRIP	2008C GRIP	2009A Bond	2010A Bond	2010B Bond	2012A Bond
\$ 100	\$ 100	\$ 4,820,000	\$ 12,015,000	\$ -	\$ 900,000
12,118,316	3,993,629	651,400	4,764,650	21,832,100	8,791,663
<u>\$ 12,118,416</u>	<u>\$ 3,993,729</u>	<u>\$ 5,471,400</u>	<u>\$ 16,779,650</u>	<u>\$ 21,832,100</u>	<u>\$ 9,691,663</u>
5.57	16.89	12.33	4.02	3.09	6.96

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2015

	2014A Bond (SHARE 11960)	2014B Bond (SHARE 50110)	TOTAL
Special Fuel Excise Taxes	\$ 9,560,530	\$ 9,560,530	\$ 114,726,352
Gasoline Excise Taxes	9,403,801	9,403,801	112,845,620
Weight/Distance Taxes	6,665,417	6,665,418	79,985,005
Motor Vehicle Registration Fees	6,287,900	6,287,900	75,454,793
Vehicle Transaction Fees	727,954	727,954	8,735,455
Trip (Mileage) Tax	435,991	435,991	5,231,900
Oversize/Oversight Permit Fees	435,736	435,736	5,228,841
Driver's License Fees	307,591	307,591	3,691,098
Tire Recycling Fees	150,836	150,836	1,810,032
Public Regulation Commission Fees	738,814	738,814	8,865,760
Leased Vehicle Gross Receipts Taxes	641,441	641,441	7,697,284
FHWA Revenues	32,100,898	32,100,898	385,210,766
	<u>67,456,909</u>	<u>67,456,910</u>	<u>809,482,906</u>
Interest on Cash Balances*	<u>3,832</u>	<u>3,832</u>	<u>45,994</u>
Total Pledged Revenues			
Received**	<u><u>\$ 67,460,741</u></u>	<u><u>\$ 67,460,742</u></u>	<u><u>\$ 809,528,900</u></u>

	2014A Bond	2014B Bond	TOTAL
Debt Service Principal Expenditures	\$ -	\$ -	\$ 84,080,300
Debt Service Interest Expenditures	<u>3,505,500</u>	<u>1,896,897</u>	<u>68,927,820</u>
Total Debt Service	<u><u>\$ 3,505,500</u></u>	<u><u>\$ 1,896,897</u></u>	<u><u>\$ 153,008,120</u></u>
Debt Service Coverage	19.24	35.56	5.29

* Note: In addition to state road fund revenues, pledged revenues include interest earned in the HIF fund.

** Note: Total pledged revenues are also available and used for capital and operating expenditures of the Department, refer to the basic financial statements.

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

The State Legislature and the State Highway Commission have approved certain agreements between the Department and various counties, municipalities and other agencies to construct or improve public highways, school grounds, parking areas, and for the purpose of litter control. The Department's funding responsibility varies from zero to 100%. When related to Public Transportation Services, the Department's funding responsibility is 50% operating and 80% capital. None of these cooperative and joint powers agreements have created legally separate organizations that need to be included as component units or joint ventures in the Department's financial statements.

Contract			Expended
Number	Contractor	Description	in 2015
J00811	Pueblo of Acoma	Design Reconstruction	\$ -
J00812	Pueblo of Laguna	Design Reconstruction/ Rehabilitation	-

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements**

<u>Date of Agreement</u>		Total Estimated	Portion Applicable	Party Responsible	Audit	Fiscal Agent	Agency Where Revenues/Expenditures are Reported
<u>Beginning</u>	<u>Ending</u>						
		<u>Amt of Project</u>	<u>To Agency</u>	<u>for Operations</u>	<u>Responsibility</u>	<u>(if applicable)</u>	
9/16/2014	12/31/2015	\$ 56,250	75%	Contractor	Department		Department
9/23/2014	12/31/2015	140,541	75%	Contractor	Department		Department

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Contract			Expended
Number	Contractor	Description	in 2015
M01313	Bowman, Wanda Ruth	Use of Parking Lot Agreement	\$ 3,000
M01316	Good Shepherd Lutheran Church	Use of Parking Lot Agreement	5,800
M01319	NM Transit Association	Training, Newsletters	89,166
M01320/1	Corrections Department	Litter Control Program	51,277
M01320/2	Corrections Department	Litter Control Program	10,383
M01320/3	Corrections Department	Litter Control Program	86,050
M01320/4	Corrections Department	Litter Control Program	6,235
M01322	Las Cruces Public Schools	Safe Routes to Schools	10,336
M01325	Pay n Save Inc	Use of Parking Lot Agreement	2,250
M01328	The University of New Mexico	State & Regional Forecasting	9,594
M01330	Mid-Region Council of Governments	Digital Orthophotography	50,000
M01331	City of Carlsbad	Safe Routes to Schools	11,850
M01332	Golden Spread Rural Frontier	Public Transportation Services	67,012
M01333	Town of Red River	Public Transportation Services	55,623
M01334	Zia Therapy Ctr Inc	Public Transportation Services	317,707
M01336	Town of Taos	Public Transportation Services	182,044
M01337	North Central Regional Transit District	Public Transportation Services	1,037,307
M01338	The Community Pantry	Public Transportation Services	117,980
M01339	ARCA	Purchase Capital Equipment	44,530
M01342	Rio Metro Regional Transit District	Public Transportation Services	425,442
M01344	City of Socorro	Public Transportation Services	68,423
M01345	Village of Milan	Public Transportation Services	110,453
M01346	City of Las Vegas	Public Transportation Services	77,686
M01350	City of Clovis	Public Transportation Services	315,417
M01351	Hatch Area Medical Center Foundation	Public Transportation Services	124,700
M01353	Pueblo of Laguna	Public Transportation Services	28,925
M01354	City of Carlsbad	Public Transportation Services	183,507
M01355	City of Roswell	Public Transportation Services	420,864
M01359	County of Los Alamos	Public Transportation Services	1,071,194
M01360	City of Ruidoso Downs	Public Transportation Services	66,028
M01361	USGS National Center MS270	Water Resources Investigations	46,110
M01362	City of Portales	Public Transportation Services	60,605
M01363	City of Hobbs	Public Transportation Services	237,319
M01367	County of Grant	Purchase Capital Equipment	281,300
M01370	Navajo Nation	Public Transportation Services	251,206

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements

Date of Agreement		Total Estimated Amt of Project	Portion Applicable	Party Responsible for Operations	Audit Responsibility	Fiscal Agent (if applicable)	Agency Where Revenues/Expenditures are Reported
Beginning	Ending		To Agency				
8/1/2014	7/31/2016	\$ 7,200	100%	Contractor	Department		Department
7/1/2014	6/30/2015	9,000	64%	Contractor	Department		Department
6/27/2014	6/30/2015	108,300	100%	Contractor	Department		Department
6/27/2014	6/30/2018	600,000	100%	Contractor	Department		Department
6/28/2014	6/30/2018	234,140	100%	Contractor	Department		Department
6/29/2014	6/30/2018	400,000	100%	Contractor	Department		Department
6/30/2014	6/30/2018	130,000	100%	Contractor	Department		Department
10/1/2014	10/1/2016	60,000	85%	Contractor	Department		Department
9/1/2014	8/31/2019	18,000	100%	Contractor	Department		Department
9/5/2014	6/30/2015	12,792	100%	Contractor	Department		Department
5/30/2014	9/30/2014	50,000	100%	Contractor	Department		Department
10/1/2014	10/1/2016	55,800	85%	Contractor	Department		Department
9/11/2014	9/30/2015	174,396	100%	Contractor	Department		Department
9/11/2014	9/30/2015	141,880	100%	Contractor	Department		Department
9/12/2014	9/30/2015	693,761	100%	Contractor	Department		Department
9/10/2014	9/30/2015	521,069	100%	Contractor	Department		Department
9/10/2014	9/30/2015	1,845,971	100%	Contractor	Department		Department
9/11/2014	9/30/2015	374,622	100%	Contractor	Department		Department
9/15/2014	9/30/2015	196,815	100%	Contractor	Department		Department
9/12/2014	9/30/2015	1,000,600	100%	Contractor	Department		Department
9/15/2014	9/30/2015	251,379	100%	Contractor	Department		Department
9/17/2014	9/30/2015	203,391	100%	Contractor	Department		Department
9/15/2014	9/30/2015	195,535	100%	Contractor	Department		Department
9/18/2014	9/30/2015	509,229	100%	Contractor	Department		Department
9/9/2014	9/30/2015	207,386	100%	Contractor	Department		Department
9/24/2014	9/30/2015	101,095	100%	Contractor	Department		Department
9/24/2014	9/30/2015	402,853	100%	Contractor	Department		Department
9/19/2014	9/30/2015	846,212	100%	Contractor	Department		Department
10/3/2014	9/30/2015	1,927,489	44%	Contractor	Department		Department
9/23/2014	9/30/2015	83,600	100%	Contractor	Department		Department
10/1/2014	3/31/2016	184,444	100%	Contractor	Department		Department
10/7/2014	9/30/2015	190,230	100%	Contractor	Department		Department
10/6/2014	9/30/2015	520,277	100%	Contractor	Department		Department
10/28/2014	9/30/2015	825,645	100%	Contractor	Department		Department
11/6/2014	9/30/2015	1,051,188	61%	Contractor	Department		Department

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
15-01	RFP	Parson Brinckerhoff	\$ 1,971,573	\$ 1,624,808
15-02	RFP	Bohannon Houston Inc.	300,000	-
		HDR Engineering Inc.	500,000	-
		WHPacific Inc.	300,000	-
15-03	RFP	Advisory Inspection and Operations Co. Inc	297,550	-
		Bohannon Houston Inc.	297,550	-
		Souder Miller & Associates	297,550	-
		WH Pacific Inc.	297,550	-
15-04	RFP	Souder Miller & Associates	340,629	-
15-06	RFP	Bohannon Houston Inc.	12,075	-
15-07	RFP	Parametrix	1,592,153	-
15-08	RFP	Huitt-Zollars Inc	296,162	-
15-09	RFP	HDR Engineering Inc.	1,430,669	-

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
6100 Uptown Blvd. NE, Ste 700 Alb NM 87110	Y	N/A	US82 Artesia to Lovington Align
Bohanan Houston Courtyard I. 7500 Jefferson St. NE Alb NM 87109	Y	N/A	
Larkin Group 8500 Manual Blvd. NE Ste A440 Alb NM 87112	Y	N/A	
Molzen Corbin 2701 Miles Rd SE Alb 87106	Y	N/A	
S&B Infrastructure 1155 Westmoreland Dr Ste 114 El Paso TX. 79925	N	N/A	
Wilson & Company 4900 Lang Ave. NE Alb NM 87109	Y	N/A	
Courtyard I. 7500 Jefferson St. NE Alb NM 87109-4335	Y	N	Statewide On-Call Bridge Design
Huitt- Zollars 333 Rio Rancho Dr. NE Ste. 101 Rio Rancho NM 87124	Y	N/A	Services
6501 Americas Parkway NE Ste. 400 Alb NM 87110	Y	N	
460 St. Micheal's Drive Ste. 801 Santa Fe NM 87505	Y	Yes	Statewide On-Call General
Courtyard I. 7500 Jefferson St. NE Alb NM 87109-4335	Y	N	Engineering Services
3451 Candaleria Road NE, Suite D Alb NM 87107	Y	N	
6501 Americas Parkway NE Ste. 400 Alb NM 87110	Y	N	
Wilson & Company 4900 Lang Ave. NE Alb NM 87109	Y	N/A	
Ideals Inc. 644 Papen Memorial Plaza Las Cruces, NM 88001	Y	N/A	
3451 Candaleria Road NE, Suite D Alb NM 87107	Y	N/A	NM 564 from NM 118 to Manor
Advisory Insp & Oper Co. Inc 460 St.Micheal's Dr Ste.801 Santa Fe NM 8	Y	N/A	Dr., City of Gallup
Courtyard I. 7500 Jefferson St. NE Alb NM 87109-4335	Y	N	US 550 – NM 313 to NM 528
Ideals Inc. 644 Papen Memorial Plaza Las Cruces, NM 88001	Y	N/A	
Parametrix 8801 Jefferson NE, Building B Abq 87113	Y	N/A	
8801 Jefferson NE, Building B Abq 87113	Y	N/A	NM-159 Drainage and Roadway
Wilson & Company 4900 Lang Ave. NE Abq NM 87109	Y	N/A	Reconstruction Mogollon, NM
Advisory Insp & Oper Co. Inc 460 St.Micheal's Dr Ste.801 Santa Fe NM 8	Y	N/A	Phase I Services (MP 8-10)
Smith Engineering 201 N Chruch St, Ste. 310 Las Cruces NM 88001	Y	N/A	
Huitt- Zollars 333 Rio Rancho Dr. NE Ste. 101 Rio Rancho NM 87124	Y	N/A	
Engineers Inc. 3400 Highway 180 E Ste, A Silver City NM 88061	Y	N/A	
333 Rio Rancho Dr. NE Ste. 101 Rio Rancho NM 87124	Y	N	Village of Cuba Drainage Study
Larkin Group 8500 Menaul Blvd NE Ste. A -440 Abq NM 87112	Y	N/A	and Master Plan
Golder & Assoc Inc. 5200 Pasadena Ave, NE Ste. C Abq NM 87113	Y	N/A	
Western Soulutions Inc. 3840 Commons Ave. NE Alq NM 87109	Y	N/A	
2155 Louisiana Blvd NE Ste. 9500 Abq NM 87110-5483	Y	N	I-25 Jefferson Blvd to San Mateo
Wilson & Company 4900 Lang Ave. NE Abq NM 87109	Y	N/A	Blvd. Interchange
Parson Brinckerhoff 6100 Uptown Blvd. NE, Ste 700 Abq NM 87110	Y	N/A	

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
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RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
15-10	RFP	SAFER New Mexico Now	2,464,935	-
15-11	RFP	Wilson & Company	867,047	-
15-12	RFP	WHPacific Inc.	248,535	-
15-13	RFP	Souder Miller & Associates	645,210	-
15-14	RFP	AeroTech Mapping Inc.	200,000	-
15-15	RFP	Cardno Inc.	200,000	-
15-16	RFP	T.Y. Lin International	904,446	-
15-17	RFP	Parson Brinckerhoff	1,283,995	-

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Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
9400 Holly Ave NE Ste. 201 Abq NM 87122	Y	N/A	OCCUPANT PROTECTION/ OLDER DRIVER
4900 Lang Ave. NE Abq NM 87109	Y	N/A	US 64 NM 56.00 – 58.00 Engineering Design Services (Phase II Services)
6501 Americas Parkway NE Ste. 400 Abq NM 87110	Y	N/A	I-25 Business Loop, BL-11
Bohanan Houston Courtyard I. 7500 Jefferson St. NE Abq NM 87109-4336	Y	N/A	
Smith Engineering 201 N Chruch St, Ste. 310 Las Cruces NM 88001	Y	N/A	
Civil Trasformation Inc. 2929 Coors Blvd. NW Ste. 102F Abq NM 87120	Y	N/A	
S & B Infrastructure 1155 Westmoreland Drive Ste 114 El Paso TX. 79925	N	N/A	
Larkin Group 8500 Menaul Blvd NE Ste. A -440 Abq NM 87112	Y	N/A	
Parametrix 8801 Jefferson NE, Building B Abq 87113	Y	N/A	
Molzen Corbin 2701 Miles Rd SE Abq 87106	Y	N/A	
3451 Candalaria Road NE, Suite D Abq NM 87107	Y	N/A	NM 41, MP 46.10 – 56.00
Parametrix 8801 Jefferson NE, Building B Abq 87113	Y	N/A	Engineering Design Services (Phase II)
Advisory Inspection & Oper Co. Inc 460 St. Micheal's Dr Ste. 801 Santa Fe	Y	N/A	
CH2Mill 3721 Rutledge Road NE Ste. B-1 Abq NM 87109	Y	N/A	
6565 America Parkway NE, Ste 200 Abq NM 87110	Y	N	Statewide On-Call Aerial
Bohanan Houston Courtyard I. 7500 Jefferson St. NE Abq NM 87109-4336	Y	N/A	Photography and Photogrammetry Services
Wilson & Company 4900 Lang Ave. NE Abq NM 87109	Y	N/A	
Sanborn 6701 Carmel Rd. Ste 301 Charlotte NC 28226	N	N/A	
Copper Aerial Surveys Co 11402 North Cave Creek Rd. Phoenix A.Z 8502	N	N/A	
2815 Broadbent NE Ste Abq NM 87107	Y	N/A	Statewide On-Call Subsurface
Half associates Inc. 1708 N. Dal Paseo #3 Hobbs, NM 88240	Y	N/A	Utility Engineering Services
CobbFendley & Associates Inc. 5541 Midway Park Place NE Abq NM 87111	Y	N/A	
500 Fourth St. NW Ste 406 Abq NM 87102	Y	N/A	US 64, San Juan Bridge Crossing in Shiprock, NM Alignment Study
WH Pacific 6501 Americas Parkway NE Ste. 400 Alb NM 87110	Y	N/A	Evaluation of Alternatives,
URS Corporation 6501 America Parkway NE Ste. 900 Abq NM 87110	Y	N/A	Environmental Study, Preliminary
Huitt- Zollars 333 Rio Rancho Dr. NE Ste. 101 Rio Rancho NM 87124	Y	N/A	Engineering & Engineering Design
HDR Engineering Inc. 2155 Louisiana Blvd NE Ste. 9500 Abq, NM 87110-	Y	N/A	
Radian Engineering LLC. 509 Camino De Los Marquez Ste. 2 Santa Fe. N	Y	N/A	
6100 Uptown Blvd. NE, Ste 700 Alb NM 87110	Y	N/A	NM 528 Rio Rancho Blvd.
Wilson & Company 4900 Lang Ave. NE Abq NM 87109	Y	N/A	Improvements from Ridgecrest Drive to Northern Boulevard

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RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
15-18	RFP	Terracon Consultants Inc.	200,000	-
		Daniel B. Stephens & Assoc.	200,000	-
15-19	RFP	Golder Associates Inc.	125,000	-
		Kleinfelder Inc.	125,000	-
15-20	RFP	Parametrix	299,994	-
15-21	RFP		197,782	-
15-22	RFP	SWCA Enviromental Consultants	350,000	-
15-23	RFP	Parson Brinckerhoff	173,059	-
		Wilson & Company	173,059	-
		Souder Miller & Associates	49,445	-
15-24	RFP	WHPacific Inc.	500,975	-

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4905 Hawkins NE Abq NM 87109	Y	N/A	Statewide On-Call Hazardous Material Services
6020 Academy NE, Ste 100 Abq NM 87109	Y	N/A	
AMEC Enviromental & Infrastructure Inc. 8519 Jefferson NE Abq NM 8711	Y	N/A	
Conestoga- Rovers & Assoc 6121 Indian School Rd. NE Ste 200 Abq NM	Y	N/A	
URS 6501 America Parkway NE Ste. 900 Abq NM 87110	Y	N/A	
X8eVinyard 8916- A Adams St NE Abq, NM 87113	Y	N/A	
5200 Passadena Ave, NE Ste. C Abq NM 87113	Y	N	Statewide On-Call Geotechnical Engineering Services
Kleinfelder 9019 Washington St. NE Ste A abq NM 87113	Y	N	
AMEC Enviromental & Infrastructure Inc. 8519 Jefferson NE Abq NM 8711	Y	N/A	
Terracon Consultants Inc. 4905 Hawkins NE Abq NM 87109	Y	N/A	
8801 Jefferson NE, Building B Abq 87113	Y	N	NM 6 – MP 7.75 to MP 9.4
Bohanan Houston Courtyard I. 7500 Jefferson St. NE Abq NM 87109-4335	Y	N/A	
Advisory Inspection & Oper Co. Inc 460 St. Micheal's Dr Ste. 801 Santa Fe	Y	N/A	
WH Pacific 6501 Americas Parkway NE Ste. 400 Alb NM 87110	Y	N/A	
URS Corporation 6501 America Parkway NE Ste. 900 Abq NM 87110	Y	N/A	Statewide On-Call Bridge Design Services
WH Pacific 6501 Americas Parkway NE Ste. 400 Alb NM 87110	Y	N/A	
Bohanan Houston Courtyard I. 7500 Jefferson St. NE Abq NM 87109-4335	Y	N/A	
HDR Engineering Inc. 2155 Louisiana Blvd NE Ste. 9500 Abq, NM 87110-	Y	N/A	
5647 Jefferson St NE Abq, NM 87109	Y	N/A	Statewide On-Call Cultural Resources/ Mitigation Services
PaleoWest Archaeology 115 W. Main St. Farmington NM 87401	Y	N/A	
Epsilon Systems Solutions Inc. 9442 Lightwave Avenue Ste. 100 San dieg	N	N/A	
DMG Four Corners Research Inc. PO Box 1265 Tularosa NM 88352	Y	N/A	
Statistical Research Inc. 4425 Juan Tabo Blvd. NE Ste. 112 Abq NM 8711	Y	N/A	
Parametrix 8801 Jefferson NE, Building B Abq 87113	Y	N/A	
6100 Uptown Blvd. NE, Ste 700 Alb NM 87110	Y	N	Statewide On-Call Surveying & Mapping Services
4900 Lang Ave. NE Abq NM 87109	Y	N	
3451 Candaleria Road NE, Suite D Alb NM 87107	Y	N	
Bohanan Houston Courtyard I. 7500 Jefferson St. NE Abq NM 87109-4335	Y	N/A	
Terra Land Surveys LLC PO Box 2532 Corrales NM 87048	Y	N/A	
WH Pacific 6501 Americas Parkway NE Ste. 400 Alb NM 87110	Y	N/A	
CobbFendley & Associates Inc. 5541 Midway Park Place NE Abq NM 871	Y	N/A	
Precision Surveys Inc. 5571 Midway Park Place NE Abq. NM 87109	Y	N/A	
6501 Americas Parkway NE Ste. 400 Alb NM 87110	Y	N/A	
Molzen Corbin 2701 Miles Rd SE Alb 87106	Y	N/A	Las Vegas Grand Avenue (FR 2137) Study
OCCAM Consulting Engineering Inc. 994 Old Pecos Trail Santa Fe NM 87	Y	N/A	

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RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
15-25	RFP	Souder Miller & Associates	71,636	-
15-26	RFP	HDR Engineering Inc.	100,000	-
		Wilson & Company	100,000	-
15-27	RFP	Parametrix	250,000	-
15-28	RFP	Wilson & Company	954,402	-
15-29	RFP	Parametrix	250,000	-
		Parson Brinckerhoff	250,000	-
15-30	RFP	Wilson & Company	455,512	-
15-31	RFP	Terracon Consultants Inc.	125,000	-
		AMEC Enviromental & Infrastructure Inc.	125,000	-

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Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
3451 Candaleria Road NE, Suite D Alb NM 87107	Y	N	NM 612 Remediation Design
Larkin Group 8500 Manual Blvd. NE Ste A440 Alb NM 87112	Y	N/A	
Engineers Inc. 3400 Highway 180 E Ste, A Silver City NM 88061	Y	N/A	
Advisory Insp & Oper Co. Inc 460 St.Micheal's Dr Ste.801 Santa Fe NM 87501	Y	N/A	
Weston Solutions Inc. 3840 Commons Ave. NE Abq NM 87109	Y	N/A	
2155 Louisiana Blvd NE Ste. 9500 Abq NM 87110-5483	Y	N	Railroad On-Call General Design Services
4900 Lang Ave. NE Alb NM 87109	Y	N	
8801 Jefferson NE, Building B Abq 87113	Y	N/A	Statewide On-Call Environmental Services
SWCA Enviromental Consultants 5647 Jefferson St NE Abq, NM 87109	Y	N/A	
Sites Southwest 121 Tijeras NE Ste. 3100 Abq, NM 877102	Y	N/A	
Zia Engineering & Environ Consultants LLC. 755 S. Telshor Blvd Ste. F-21	Y	N/A	
Epsilon Systems Solutions Inc. 9442 Lightwave Avenue Ste. 100 San dieg	N	N/A	
Ecosphere Eviromental Services 1660 Old Pecos Trail Santa Fe NM 87506	Y	N/A	
4900 Lang Ave. NE Abq NM 87109	Y	N/A	Interstate 25 Exit 454 to Colorado State Line
Advisory Insp & Oper Co. Inc 460 St.Micheal's Dr Ste.801 Santa Fe NM 87501	Y	N/A	
Huitt- Zollars 333 Rio Rancho Dr. NE Ste. 101 Rio Rancho NM 87124	Y	N/A	
Louis Berger 2019 Galisteo St. Unit M-1 Santa Fe NM 87505	Y	N/A	
8801 Jefferson NE, Building B Abq 87113	Y	N/A	Statewide On-Call Traffic Engineering Services
6100 Uptown Blvd. NE, Ste 700 Alb NM 87110	Y	N/A	
Wilson & Company 4900 Lang Ave. NE Abq NM 87109	Y	N/A	
Lee Engineering 8220 San Pedro Dr. NE Ste. 150 Abq, NM 87113	Y	N/A	
Santa Fe Engineering Consultants LLC. 1599 S St. Francis Dr. Ste. B San	Y	N/A	
URS Corporation 6501 America Parkway NE Ste. 900 Abq NM 87110	Y	N/A	
Smith Engineering 201 N Chruch St, Ste. 310 Las Cruces NM 88001	Y	N/A	
OCCAM Consulting Engineering Inc. 994 Old Pecos Trail Santa Fe NM 87505	Y	N/A	
HDR Engineering Inc. 2155 Louisiana Blvd NE Ste. 9500 Abq, NM 87110-	Y	N/A	
4900 Lang Ave. NE Abq NM 87109	Y	N/A	Tucumcari US 54 Study, from Exit 333 at I-40 to MP 306.000
Advisory Insp & Oper Co. Inc 460 St.Micheal's Dr Ste.801 Santa Fe NM 87501	Y	N/A	
Bohanan Houston Courtyard I. 7500 Jefferson St. NE Alb NM 87109-4335	Y	N/A	
WH Pacific 6501 Americas Parkway NE Ste. 400 Alb NM 87110	Y	N/A	
4905 Hawkins NE Abq NM 87109	Y	N/A	Statewide On-Call Geotechnical Engineering Services
8519 Jefferson NE Abq NM 87113	Y	N/A	
Golder & Associates Inc. 5200 Passadena Ave, NE Ste. C Abq NM 87113	Y	N/A	
Professional Service Industries Inc. 4601 Ripley Dr. El Paso TX. 79922	N	N/A	

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15-33	RFP	Wilson & Company	500,000	-
		Parson Brinckerhoff	500,000	-
		HDR Engineering Inc.	500,000	-
15-34	RFP	Molzen Corbin	739,420	-
15-35	RFP	Beam, Longest and Neff, LLC	541,563	-
15-36	RFP	Parametrix	420,582	-
15-37	RFP	Motorcycle Safety Foundation	192,600	-
15-38	RFP	Preusser Research Group, Inc.	199,547	-
15-39	RFP	Wilson & Company	432,030	-
15-40	RFP	Souder Miller & Associates	100,000	-
		Intera Geoscience and Engineering Solutions	100,000	-
		NV5 Inc.	100,000	-

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4900 Lang Ave. NE Abq NM 87109	Y	N/A	Statewide On-Call General
6100 Uptown Blvd. NE, Ste 700 Alb NM 87110	Y	N/A	Engineering Services
2155 Louisiana Blvd NE Ste. 9500 Abq NM 87110-5483	Y	N/A	
Huitt- Zollars 333 Rio Rancho Dr. NE Ste. 101 Rio Rancho NM 87124	Y	N/A	
Souder Miller & Associates 3451 Candaleria Road NE, Suite D Alb NM 87	Y	N/A	
Ideals Inc. 644 Papen Memorial Plaza Las Cruces, NM 88001	Y	N/A	
Zia Engineering & Environmental Consultants LLC. 755 S. Telshor Blvd S	Y	N/A	
2701 Miles Rd SE Abq 87106	Y	N/A	US 54 Roadway Improvements
Huitt- Zollars 333 Rio Rancho Dr. NE Ste. 101 Rio Rancho NM 87124	Y	N/A	Phase I Services Carrizozo,
Larkin Group 8500 Manual Blvd. NE Ste A440 Alb NM 87112	Y	N/A	New Mexico (MP 123 to 123.7)
Ideals Inc. 644 Papen Memorial Plaza Las Cruces, NM 88001	Y	N/A	
Souder Miller & Associates 3451 Candaleria Road NE, Suite D Alb NM 87	Y	N/A	
Smith Engineering 201 N Church St, Ste. 310 Las Cruces NM 88001	Y	N/A	
OCCAM Consulting Engineering Inc. 994 Old Pecos Trail Santa Fe NM 87	Y	N/A	
Molzen Corbin 2701 Miles Rd SE Alb 87106	Y	N/A	
8126 Castleton Road Indianapolis, IN 56250	N	N/A	Engineering Plan and Quality Review Services
8801 Jefferson NE, Building B Abq 87113	Y	N	Development of the NMDOT
Bohanan Houston Courtyard I. 7500 Jefferson St. NE Alb NM 87109-4335	Y	N/A	Design Manual
2 Jenner St. Ste. 150 Irvine CA, 92618-3806	N	N/A	Motorcycle Training Program
UNM extended Learning 1634 University NE Abq, NM 87131	Y	N/A	
7100 Main St. Trumell, CT 06611	N	N	New Mexico Occupant Seat Belt Observation Study
4900 Lang Ave. NE Abq NM 87109	Y	N/A	Santa Teresa Border Area
Molzen Corbin 2701 Miles Rd SE Alb 87106	Y	N/A	Transportation (STBAT) Needs
Cambridge Systematics 10415 Morado Circle, Bld II Ste. 340 Austin, TX 7	N	N/A	Assessment and Strategic Plan
3451 Candaleria Road NE, Suite D Alb NM 87107	Y	N	Site Monitoring and Maintenance
600 uptown Blvd NE Suite 220 Abq NM 87110	Y	N	for NMDOT Petroleum Storage
9019 Washington St. NE Ste. A Abq, NM 87113	Y	N	Tank Sites
Daniel B. Stephens & Assoc. 6020 Academy NE Ste. 100 Abq, NM 87109	Y	N/A	
Aecom 6501 Americas Parkway NE Ste 900 Abq NM 87110	Y	N/A	
Talcon LPE 921 N Bivins Amarillo TX 79107	N	N/A	

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CN-M300518-2015-RB1	IFB	Star Paving Company	129,429	-
CN-M400566-2015	IFB	Jim Sena Construction Company Inc.	183,720	-
CN-5101130-2015	IFB	Bixby Electric, Inc	231,767	-
CN 1101050	July ITB	Villalobos Construction Co., Inc.	3,488,349	461,022
CN 4100980	July ITB	Hasse Contracting Co. Inc.	489,434	(100,804)
CN 6101020	July ITB	James Hamilton Construction Co.	1,818,918	74,870
CN 2100551	July ITB	G. Sandoval Construction Inc.	5,333,491	596,919
CN E100060	July ITB	Smith Aguirre Construction Co., Inc.	2,454,314	205,908
CN A300411	July ITB	Mountain States Constructor, Inc.	4,355,198	540,331
CN 1100600	July ITB	La Calerita Construction, LLC	758,009	(19,606)
CN 4100970	July ITB	Hasse Contracting Co. Inc.	592,847	(34,480)

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3109 Love Road S.W Albuquerque, NM 87105	Y	N/A	I-40 WB Frontage Rd./Atrisco
Albuquerque Asphalt Inc. PO Box 66450 Abq, NM 87193	Y	N/A	Vista Intersection
AUI Inc. PO Box 9825 Abq, NM 87119	Y	N/A	(Bernalillo County, NM)
Salls Brothers Construction, Inc Po Box 66239 Abq, NM 87193-6239	Y	N/A	
Po Box Drawer 350 Santa Rosa NM 88435	Y	N/A	Groundwater Spring Mitigation
Blueline Construction Inc, #20 Reata Rd. Santa Fe, NM 87507	Y	N/A	Project (Santa Rosa, NM)
521 Wheeler Ave. SE Abq, NM 87102	Y	N/A	US 64/Rio Grande Gorge Bridge
Vis-Com Inc. 101 Menaul NE Abq NM 87107	Y	N/A	Phone System (Taos County, NM)
PO Box 6188 Las Cruces, NM 88006	Y	N	NM 187 Bridge Rehabilitation
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	Sierra County
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
PO Box 26808 Albuquerque, NM 87125	Y	N	I-25 Bridge Rehabilitation Colfax County
PO Box 1287 Silver City, NM 88062	Y	N	US 60 Roadway Rehabilitation
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	Catron County
Russel Sand & Gravel Inc. PO Box 296 Los Ojos, NM 87551	Y	N	
2000 E. Lohman, Ste. C Las Cruces, NM 88001	Y	N	
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	
P. O. Drawer 2276 Las Cruces, NM 88004	Y	N	NM 460 Roadway Rehabilitation
James Hamilton Construction Co. PO Box 1287 Silver City, NM 88062	Y	N	Dona Ana County
3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	NM 333 Roadway Rehabilitation
Albuquerque Asphalt, Inc. PO Box 66450 Albuquerque, NM 87193	Y	N	Bernalillo County
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	
P. O. Box 756 Las Cruces, NM 88004	Y	N	NM 185 Roadway Reconstruction
Hasse Contracting Co. Inc. PO Box 26808 Albuquerque, NM 87125	Y	N	Dona Ana County
PO Box 26808 Albuquerque, NM 87125	Y	N	NM 119 Bridge Rehabilitation
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	Guadalupe County

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CN 4100990	July ITB	Hasse Contracting Co. Inc.	357,504	12,110
CN 6100783	August ITB	Fisher Sand & Gravel -NM, Inc.	84,448,388	8,653,286
CN 6100420	August ITB	FNF Construction, Inc.	3,095,400	199,115
CN A300075	August ITB	Star Paving Company	1,141,260	131,679
CN 5100910	August ITB	Mountain States Constructor, Inc.	7,254,464	1,070,962
CN 5100793	August ITB	Vital Consulting Group, LLC	526,708	15,747
CN 6100824	August ITB	G. Sandoval Construction Inc.	535,231	33,000
CN 2101280	August ITB	James Hamilton Construction Co.	8,752,506	1,409,483
CN 6100298R	August ITB	Albuquerque Asphalt, Inc.	1,361,942	78,938

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PO Box 26808 Albuquerque, NM 87125	Y	N	Frontage Road 4088 over I-40
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174			Bridge Rehabilitation Guadalupe County
PO Box 2340 Placitas, NM 87043	Y	N	US 491 Roadway New
Skanska USA Civil West Rocky Mountain District Inc. PC	N	N	Construction McKinley County
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
115 S. 48th Street Tempe, AZ 85281	N	N	I-40 Roadway Rehabilitation
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	McKinley County
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
Albuquerque Asphalt, Inc. PO Box 66450 Albuquerque, NM 87193	Y	N	
P. O. Box 12333 Albuquerque, NM 87195	Y	N	I-40 Miscellaneous Construction
Albuquerque Asphalt, Inc. PO Box 66450 Albuquerque, NM 87193	Y	N	Bernalillo County
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
G. Sandoval Construction Inc. 2000 E. Lohman, Ste. C Las Cruces, NM 88001	Y	N	
3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	I-40 Roadway Rehabilitation
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	Santa Fe & Torrance County
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
P. O. Box 20817 Albuquerque, NM 87154	Y	N	US 64 Bridge Rehabilitation Rio Arriba & Taos County
2000 E. Lohman, Ste. C Las Cruces, NM 88001	Y	N	NM 602 Bridge Rehabilitation
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	McKinley County
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
PO Box 1287 Silver City, NM 88062	Y	N	NM 176 Roadway Rehabilitation
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	Lea County
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	
Constructors, Inc. 3003 South Boyd Drive Carlsbad, NM 88220	Y	N	
PO Box 66450 Albuquerque, NM 87193	Y	N	Stockpiling Various Location in
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	District 6
C & E Concrete, Inc. 500 Elkins, Grants, NM 87020	Y	N	
Brasier Asphalt, Inc. 4500 Broadway Blvd. SE Albuquerque, NM 87105	Y	N	

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CN 1101051	Sept. ITB	Villalobos Construction Co., Inc.	1,890,393	610,554
CN 1101052	Sept. ITB	AUI, Inc.	1,253,294	(66,330)
CN 2100881	Sept. ITB	Constructors, Inc.	1,578,327	48,826
CN 2100910	Sept. ITB	Fisher Sand & Gravel -NM, Inc.	14,889,350	776,811
CN 5100990R	Sept. ITB	Bixby Electric, Inc	901,197	83,063
CN 410156723/4101050 4101060/4101070 4101120/4101130	Sept. ITB	Apache Construction Co. Inc. dba Valley Fence Company	3,938,775	147,708
CN 6100220	October ITB	FNF Construction, Inc.	7,404,844	444,122
CN 4100111/4101080	October ITB	Norther Mountain Constructors Inc.	11,065,921	1,040,629
CN LC00100	October ITB	FNF Construction, Inc.	17,284,243	1,278,161

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
PO Box 6188 Las Cruces, NM 88006	Y	N	I-25 Bridge Rehabilitation
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	Socorro County
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
PO Box 9825 Albuquerque, NM 87119	Y	N	I-10 Bridge Rehabilitation Hidalgo County
3003 South Boyd Drive Carlsbad, NM 88220	Y	N	US 380 Roadway Rehabilitation
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	Chaves County
James Hamilton Construction Co. PO Box 1287 Silver City, NM 88062	Y	N	
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
PO Box 2340 Placitas, NM 87043	Y	N	NM 529 Roadway Reconstruction
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	Lea County
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
Constructors, Inc. 3003 South Boyd Drive Carlsbad, NM 88220	Y	N	
521 Wheeler SE Albuquerque, NM 87102	Y	N	NM 68 Signalization Taos County
1932 Coors SW Albuquerque, NM 87121	Y	N	Safety Post & Cable Barrier
J-H Supply LLC 6221 Chappell Road NE Albuquerque, NM 87113	Y	N	Installation Various Locations in
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	District 4
San Bar Construction Corp. 9101 Broadway SE Albuquerque, NM 87105	Y	N	
115 S. 48th Street Tempe, AZ 85281	N	N	I-40/NM 122 Road Construction
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	McKinley County
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
PO Box 348 El Prado, NM 87529	Y	N	I-25 South Interchange Road
Kirkland Construction RLLC PO Box 580 Rye, CO 81069	N	N	Construction Colfax County.
115 S. 48th Street Tempe, AZ 85281	N	N	I-25 Roadway Reconstruction
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	Dona Ana County
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
Smith Aguirre Construction Co., Inc. PO Box Drawer 2276 Las Cruces, NM	Y	N	

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
CN 1100650	October ITB	Meridian Contracting, Inc.	274,603	(20,760)
CN 1100540	October ITB	Meridian Contracting, Inc.	726,670	7,469
CN 5100170	October ITB	The Truesdell Corporation	588,214	35,777
CN 2101501	October ITB	Hasse Contracting Co. Inc.	1,517,401	(344,134)
CN 2100760	October ITB	AUI, Inc.	4,028,841	133,265
CN 1100560	October ITB	Interstate Highway Construction, Inc.	8,636,988	673,248
CN 2101440	October ITB	Constructors, Inc.	448,261	79,121
CN 2100940	October ITB	Interstate Highway Construction, Inc.	2,826,279	193,450
CN A301010/A301610	Nov ITB	Mountain States Constructor, Inc.	22,049,635	1,353,473
CN A300530	Nov ITB	AUI, Inc.	2,986,636	(73,144)

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
3223 Los Arboles NE Albuquerque, NM 87107	Y	N	I-25 Structures Concrete Box,
Hasse Contracting Co. Inc. PO Box 26808 Albuquerque, NM 87125	Y	N	Culvert Repair Dona Ana County
G. Sandoval Construction Inc. 2000 E. Lohman, Ste. C Las Cruces, NM 88006	Y	N	
Villalobos Construction Co., Inc. PO Box 6188 Las Cruces, NM 88006	Y	N	
Smith Aguirre Construction Co., Inc. PO Box Drawer 2276 Las Cruces, NM 88006	Y	N	
3223 Los Arboles NE Albuquerque, NM 87107	Y	N	I-25 Structures Concrete Box,
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	Culvert Repair Socorro County
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	
Hasse Contracting Co. Inc. PO Box 26808 Albuquerque, NM 87125	Y	N	
Villalobos Construction Co., Inc. PO Box 6188 Las Cruces, NM 88006	Y	N	
1310 West 23rd Street Tempe, AZ 85282	N	N	US 64/84, NM371 & NM106 Bridge Rehabilitation Santa Fe, Rio Arriba & Santa Fe Counties
PO Box 26808 Albuquerque, NM 87125	Y	N	US 54/70 & US 285 Bridge
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	Rehabilitation Otero & Eddy County
PO Box 9825 Albuquerque, NM 87119	Y	N	NM 209 Bridge Replacement
K. Barnett & Sons, Inc. PO Box 960 Clovis, NM 88102	Y	N	Curry County
PO Box 4356 Englewood, CO 80155	N	N	NM 90 Bridge Replacement
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	Grant County
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
3003 South Boyd Drive Carlsbad, NM 88220	Y	N	NM 18/248 Roadway Rehabilitation
James Hamilton Construction Co. PO Box 1287 Silver City, NM 88062	Y	N	Lea County
PO Box 4356 Englewood, CO 80155	N	N	FL-4685-P Bridge Rehabilitation
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	Chaves County
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	I-25 Roadway Reconstruction
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	Bernalillo County
Kiewit NM Co. 5130 Masthead NE Albuquerque, NM 87109	Y	N	
PO Box 9825 Albuquerque, NM 87119	Y	N	I-25 Roadway Reconstruction
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	Bernalillo County
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
Kiewit NM Co. 5130 Masthead NE Albuquerque, NM 87109	Y	N	

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
CN 6100761	Nov ITB	Albuquerque Asphalt, Inc.	1,317,811	217,298
CN 5100150	Nov ITB	AUI, Inc.	1,644,053	275,960
CN 4100640	Nov ITB	El Terrero Construction, LLC	3,280,252	300,411
CN A300920	Nov ITB	El Terrero Construction, LLC	5,805,921	580,996
CN S100310	Nov ITB	AUI, Inc.	1,178,548	135,943
CN 4100790	Dec ITB	Fisher Sand & Gravel -NM, Inc.	7,486,147	57,986
CN 4100590	Dec ITB	Fisher Sand & Gravel -NM, Inc.	4,417,380	85,245
CN 3100340	Dec ITB	El Terrero Construction, LLC	10,039,520	853,251
CN 6101030	Dec ITB	Kimo Constructors, Inc.	776,703	44,571
CN 6100721	Dec ITB	AUI, Inc.	4,311,345	214,649

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
PO Box 66450 Albuquerque, NM 87193	Y	N	NM 124 Roadway Reconstruction
Star Paving Company 3109 Love Road SW Albuquerque, NM 87105	Y	N	Cibola County
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
PO Box 9825 Albuquerque, NM 87119	Y	N	NM 170 Roadway Reconstruction
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	San Juan County
PO Box 46185 Rio Rancho, NM 87174	Y	N	NM 419 Bridge Replacement
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	San Miguel County
Meridian Contracting, Inc. 3223 Los Arboles NE Albuquerque, NM 87107	Y	N	
PO Box 46185 Rio Rancho, NM 87174	Y	N	NM 556 Bridge Replacement
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	Benalillo County
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
PO Box 9825 Albuquerque, NM 87119	Y	N	CR 58 Seton Village Road over
Kiewit NM Co. 5130 Masthead NE Albuquerque, NM 87109	Y	N	I-25 Bridge Rehabilitation
Hasse Contracting Co. Inc. PO Box 26808 Albuquerque, NM 87125	Y	N	Santa Fe County
PO Box 2340 Placitas, NM 87043	Y	N	I-40 Roadway Rehabilitation
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	Guadalupe County
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
PO Box 2340 Placitas, NM 87043	Y	N	I-25 Roadway Rehabilitation
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	San Miguel County
Norther Mountain Constructors Inc. PO Box 348 El Prado, NM 87529	Y	N	
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
PO Box 46185 Rio Rancho, NM 87174	Y	N	NM 314 Bridge Replacement
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	Valencia County
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
3681 HWY 47 Bosque Farms, NM 87068	Y	N	NM 197 Erosion Control Measures
Star Paving Company 3109 Love Road SW Albuquerque, NM 87105	Y	N	Sandoval County
Guzman Construction Solutions LL 6020 Industry Way SE Albuquerque, N	Y	N	
Meridian Contracting, Inc. 3223 Los Arboles NE Albuquerque, NM 87107	Y	N	
Century Club Construction LLC 8201 Golf Course NW Ste. D3-295 Albuqu	Y	N	
PO Box 9825 Albuquerque, NM 87119	Y	N	NM 12 Roadway New Construction
James Hamilton Construction Co. PO Box 1287 Silver City, NM 88062	Y	N	Catron County

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
CN 6100421	Jan ITB	FNF Construction, Inc.	5,146,788	404,835
CN 2100026	Jan ITB	Constructors, Inc.	2,397,537	145,521
CN M500796	Jan ITB	Kimo Constructors, Inc.	177,030	7,929
CN 3100300	Jan ITB	AUI, Inc.	13,292,104	964,311
CN M200496	Jan ITB	Constructors, Inc.	487,672	26,439
CN A301260A	Feb ITB	Mountain States Constructor, Inc.	9,678,794	1,988,266
CN S100140	Feb ITB	FNF Construction, Inc.	21,772,387	1,665,263
CN 1100830	Feb ITB	La Calerita Construction, LLC	7,485,880	538,307
CN A300815	Feb ITB	Mountain States Constructor, Inc.	1,276,066	267,039
CN 2101140	Feb ITB	AUI, Inc.	3,840,965	185,211

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
115 S. 48th Street Tempe, AZ 85281	N	N	I-40 Roadway Rehabilitation
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	McKinley County
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
3003 South Boyd Drive Carlsbad, NM 88220	Y	N	US 70 Roadway Rehabilitation
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	Chaves County
3681 HWY 47 Bosque Farms, NM 87068	Y	Y State Funding	US 64 Drainage Improvements
Century Club Construction LLC 8201 Golf Course NW Ste. D3-295 Albuq	Y	Y State Funding	San Juan County
Hasse Contracting Co. Inc. PO Box 26808 Albuquerque, NM 87125	Y	N	
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	Y State Funding	
PO Box 9825 Albuquerque, NM 87119	Y	N	NM 47 Roadway Reconstruction
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	Valencia County
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
3003 South Boyd Drive Carlsbad, NM 88220	Y	N	Stockpiling Various Locations in
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	District 2
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
James Hamilton Construction Co. PO Box 1287 Silver City, NM 88062	Y	N	
3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	I-40 Roadway Reconstruction
Albuquerque Asphalt, Inc. PO Box 66450 Albuquerque, NM 87193	Y	N	Bernalillo County
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
115 S. 48th Street Tempe, AZ 85281	N	N	I-25/NM 14 Interchange Roadway
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	Reconstruction Santa Fe County
Skanska USA Civil West Rocky Mountain District Inc. PC	N	N	
PO Box 756 Las Cruces, NM 88004	Y	N	I-10 Bridge Rehabilitation
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	Dona Ana County
El Terrero Construction, LLC PO Box 46185 Rio Rancho, NM 87174	Y	N	
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	NM 45 Roadway Rehabilitation
Star Paving Company 3109 Love Road SW Albuquerque, NM 87105	Y	N	Bernalillo County
Albuquerque Asphalt, Inc. PO Box 66450 Albuquerque, NM 87193	Y	N	
PO Box 9825 Albuquerque, NM 87119	Y	N	NM 532 Roadway Reconstruction
Mesa Verde Enterprises, Inc PO Box 907 Alamogordo, NM 88311	Y	N	Various Location in Lincoln County

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
CN 5100810	March ITB	Hasse Contracting Co. Inc.	3,281,193	202,496
CN 4101170	March ITB	Hasse Contracting Co. Inc.	1,001,259	(158,958)
CN 6100825	March ITB	Hasse Contracting Co. Inc.	564,724	62,566
CN 5100810	March ITB	Hasse Contracting Co. Inc.	3,281,193	202,496
CN 6100299	March ITB	C & E Concrete, Inc.	654,732	41,352
CN 2101810	March ITB	Hasse Contracting Co. Inc.	1,069,373	59,264
CN 2100140	April ITB	K. Barnett & Sons, Inc.	10,038,860	715,743
CN 6100470	April ITB	Interstate Highway Construction, Inc.	2,331,512	161,194
CN 4101180	April ITB	Meridian Contracting, Inc.	890,978	51,065
CN F100110	May ITB	Mountain States Constructor, Inc.	11,026,128	-

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
PO Box 26808 Albuquerque, NM 87125	Y	N	I-40 Bridge Replacement
PG Enterprises, LLC 301 Murry SE Albuquerque, NM 87105	Y	N	Torrance County
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
Meridian Contracting, Inc. 3223 Los Arboles NE Albuquerque, NM 87107	Y	N	
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
PO Box 26808 Albuquerque, NM 87125	Y	N	I-40 Bridge Rehabilitation Guadalupe County
PO Box 26808 Albuquerque, NM 87125	Y	N	NM 6 /FR-4046/NM 124 Bridge
The Truesdell Corporation 1310 West 23rd Street Tempe, AZ 85282	N	N	Rehabilitation Cibola County
PO Box 26808 Albuquerque, NM 87125	Y	N	I-25 Bridge Replacement
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	Torrance County
Meridian Contracting, Inc. 3223 Los Arboles NE Albuquerque, NM 87107	Y	N	
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
PG Enterprises, LLC 301 Murry SE Albuquerque, NM 87105	Y	N	
500 Elkins, Grants, NM 87020	Y	N	Stockpiling Various Locations in
Albuquerque Asphalt, Inc. PO Box 66450 Albuquerque, NM 87193	Y	N	District 6 Cibola & McKinley County
Brasier Asphalt, Inc. 4500 Broadway Blvd. SE Albuquerque, NM 87105	Y	N	
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
PO Box 26808 Albuquerque, NM 87125	Y	N	US 82 Bridge Rehabilitation
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	Eddy County
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
PO Box 960 Clovis, NM 88102	Y	N	US 60/70/84 Roadway
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	Reconstruction Curry County
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
PO Box 4356 Englewood, CO 80155	N	N	NM 610 Bridge Replacement McKinley County
3223 Los Arboles NE Albuquerque, NM 87107	Y	N	I-25 Bridge Rehabilitation Mora &
The Truesdell Corporation 1310 West 23rd Street Tempe, AZ 85282	N	N	Colfax County
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	
3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	US 64 Roadway Reconstruction
Skanska USA Civil West Rocky Mountain District Inc.	PC N	N	San Juan County

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

RFP # / RFB #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract
CN 6100650	May ITB	FNF Construction, Inc.	6,909,435	-
CN 1100611	May ITB	James Hamilton Construction Co.	5,922,808	323,307
CN 1101020	May ITB	Mans Construction	2,688,050	156,986
CN 3100460	May ITB	Mountain States Constructor, Inc.	1,937,293	155,470
CN 2100870	May ITB	Vital Consulting Group, LLC	991,724	-
CN S100311	May ITB	Vital Consulting Group, LLC	814,633	-
CN 1100870	June ITB	Hasse Contracting Co. Inc.	1,402,029	-
CN S100380	June ITB	Kimo Constructors, Inc.	982,340	-
CN 5100640	June ITB	San Bar Construction Corp.	725,243	-
CN A300363	June ITB	Mountain States Constructor, Inc.	3,204,622	206,941

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Vendors

Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State Out-of-State Vendor (Y or N)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
115 S. 48th Street Tempe, AZ 85281	N	N	I-40 Roadway Rehabilitation
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	McKinley County
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
PO Box 1287 Silver City, NM 88062	Y	N	I-40 Roadway Reconstruction
La Calerita Construction, LLC PO Box 756 Las Cruces, NM 88004	Y	N	Hidalgo County
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	
PO Box 16620 Las Cruces, NM 88004	Y	N	I-25 Roadway Rehabilitation
James Hamilton Construction Co. PO Box 1287 Silver City, NM 88062	Y	N	Dona Ana County
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
Mountain States Constructor, Inc. 3601 Pan American Feway # 111 Albuq	Y	N	
3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	I-25 Business Loop 13 Roadway
Albuquerque Asphalt, Inc. PO Box 66450 Albuquerque, NM 87193	Y	N	Rehabilitation Valencia County
Star Paving Company 3109 Love Road SW Albuquerque, NM 87105	Y	N	
PO Box 20817 Albuquerque, NM 87154	Y	N	US 54 Bridge Rehabilitation
Interstate Highway Construction, Inc. PO Box 4356 Englewood, CO 80155	N	N	Guadalupe County
Hasse Contracting Co. Inc. PO Box 26808 Albuquerque, NM 87125	Y	N	
PO Box 20817 Albuquerque, NM 87154	Y	N	I-25 Bridge Rehabilitation
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	Santa Fe County
PO Box 26808 Albuquerque, NM 87125	Y	N	I-10 Bridge Rehabilitation
La Calerita Construction, LLC PO Box 756 Las Cruces, NM 88004	Y	N	Hidalgo County
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
3681 HWY 47 Bosque Farms, NM 87068	Y	N	I-25 Bridge Rehabilitation
AUI, Inc. PO Box 9825 Albuquerque, NM 87119	Y	N	Santa Fe County
FNF Construction, Inc. 115 S. 48th Street Tempe, AZ 85281	N	N	
9101 Broadway SE Albuquerque, NM 87105	Y	N	NM 68 Safety Metal Guardrail
JH Supply, Inc. 2132 Osuna Road NE Albuquerque, NM 87113	Y	N	Installation Taos County
Apache Construction Co. Inc., dba Valley Fence Company 1932 Coors S\	Y	N	
3601 Pan American Feway # 111 Albuquerque, NM 87107	Y	N	I-25 Roadway Reconstruction
Albuquerque Asphalt, Inc. PO Box 66450 Albuquerque, NM 87193	Y	N	Valencia County
Fisher Sand & Gravel -NM, Inc. PO Box 2340 Placitas, NM 87043	Y	N	

See Independent Auditors' Report

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SINGLE AUDIT

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
Direct Assistance Programs:		
U.S. Department of Transportation:		
Federal Highway Administration (FHWA)		
Highway Planning and Construction:		
Highway Planning and Construction	20.205	\$ 385,210,766
Total Federal Highway Administration (FHWA)		<u>385,210,766</u>
National Highway Traffic Safety Administration (NHTSA)		
Highway Safety Cluster		
State and Community Highway Safety	20.600	1,945,910
Incentive Grant Program to Increase Motorcyclist Safety	20.612	92,269
National Priority Safety Programs	20.616	1,649,487
Total Highway Safety Cluster		<u>3,687,666</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	<u>7,375,104</u>
Total National Highway Traffic Safety Administration (NHTSA)		<u>11,062,770</u>
Federal Aviation Administrative (FAA)		
Airport Improvement Program	20.106	<u>246,238</u>
Total Federal Aviation Administrative (FAA)		<u>246,238</u>
Federal Transit Administration (FTA)		
Federal Transit Cluster		
Federal Transit Capital Investment Grants	20.500	743,688
Federal Transit Formula Grants	20.526	671,770
Total Federal Transit Cluster		<u>1,415,458</u>
Transit Services Programs Cluster		
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	640,408
Job Access Reverse Commute Job Access	20.516	110,548
New Freedom Program	20.521	493
Total Transit Services Programs Cluster		<u>751,449</u>

See Independent Auditors' Report and Notes to Schedule of Expenditures of Federal Awards

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
U.S. Department of Transportation (continued):		
Federal Transit Administration (FTA) (continued):		
Metropolitan Transportation Planning	20.505	614,718
Formula Grants for Other Than Urbanized Areas	20.509	9,495,139
		<hr/>
Total Federal Transit Administration (FTA)		12,276,764
		<hr/>
Total U.S. Department of Transportation		408,796,538
		<hr/>
Total Federal Financial Assistance	\$	408,796,538
		<hr/> <hr/>

See Independent Auditors' Report and Notes to Schedule of Expenditures of Federal Awards

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the New Mexico Department of Transportation (Department) under programs of the federal government for the year ended June 30, 2012. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Department, it is not intended to and does not present the financial position or changes in net position of the Department.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant revenues collected in advance of the period they are intended to finance expenditures are recorded as deferred revenues, except for the amounts for the State Infrastructure Bank, which are recorded as contributions when they are received. The Department did not receive non-cash assistance from federal sources during the current year.

Note 3 - Reconciliation of Federal Awards

Statement of Revenues, Expenditures and
Changes in Fund Balances:

U.S. Department of Transportation	\$ 408,904,592
Amounts unavailable (not received within period of availability) - FY15	2,661,970
Amounts unavailable (not received within period of availability) - FY14	(2,785,538)
Other Adjustment	<u>15,514</u>

Supplemental Schedule of Expenditures
of Federal Awards

\$ 408,796,538

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards

Federal Highway Administration (FHWA):

CFDA	Program Name	Sub Recipient Name	Amount
20.205	Highway Planning and Construction		
		Artisan Real Property LLC	\$ 8,074
		Brooks Pearsall Zantow LLC	37,025
		City of Alamogordo	127,568
		City of Albuquerque	1,045,031
		City of Artesia	20,594
		City of Aztec	58,623
		City of Belen	289,317
		City of Carlsbad	488,699
		City of Deming	888,284
		City of Eunice	17,932
		City of Farmington	153,901
		City of Grants	1,038,208
		City of Hobbs	1,364,803
		City of Las Cruces	651,282
		City of Lovington	148,054
		City of Lordsburg	32,645
		City of Rio Rancho	730,308
		City of Roswell	151,361
		City of Santa Fe	202,314
		County of Bernalillo	1,068,489
		County of Los Alamos	43,274
		County of Mckinley	16,327
		County of San Juan	785,605
		County of Santa Fe	189,932
		Las Vegas City Schools	652
		Lea County	1,089,360
		New Mexico Institute of Mining & Tech	133,421
		North Central Regional Transit District	27,540
		Pueblo of Acoma	55,327
		Pueblo of Isleta	1,281
		Rio Metro Regional Transit District	341,187
		Santo Domingo Tribe	32,534
		Southern Sandoval Cty Arroyo Fld	108,440
		Southern Sandoval Cty Arroyo Fld Crnl	366,506

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Highway Administration (FHWA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.205	Highway Planning and Construction (continued)		
		Town of Bernalillo	213,620
		Town of Hagerman	6,979
		Town of Peralta	130,686
		Trail of the Mountain	2,705
		Village of Corona	29,060
		Village of Los Lunas	283,007
		Village of Milan	106,619
		Village of Reserve	7,797
		Village of Tijeras	18,352
		Total CFDA 20.205	<u>12,512,723</u>
Total Sub-Recipient Funds passed through FHWA			<u><u>\$ 12,512,723</u></u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA):

CFDA	Program Name	Sub Recipient Name	Amount
20.600	State and Community Highway Safety		
		Administrative Office of the Courts	\$ 4,821
		Chaves County	1,193
		City of Alamogordo	3,573
		City of Albuquerque	90,066
		City of Artesia	2,337
		City of Aztec	1,937
		City of Bayard	4,069
		City of Belen	4,461
		City of Bloomfield	1,592
		City of Carlsbad	4,054
		City of Clovis	6,410
		City of Deming	308
		City of Espanola	2,534
		City of Farmington	67,166
		City of Gallup	2,591
		City of Grants	1,473
		City of Hobbs	5,595
		City of Las Cruces	4,624
		City of Las Vegas	8,209
		City of Lordsburg	444
		City of Moriarty	1,504
		City of Raton	97
		City of Rio Rancho	84,724
		City of Ruidoso Downs	598
		City of Santa Fe	9,527
		City of Santa Rosa	977
		City of Socorro	1,109
		City of Truth or Consequences	2,476
		County of Bernalillo	36,227
		County of Dona Ana	30,504
		County of Los Alamos	6,546
		County of Roosevelt	5,408
		County of San Juan	3,307
		County of Sandoval	1,012

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.600	State and Community Highway Safety (continued)		
		County of Santa Fe	4,119
		County of Taos	4,115
		County of Valencia	2,069
		Department of Public Safety	4,176
		Eddy County	9,443
		Grant County Clerk	7,509
		Guadalupe County	796
		Luna County (Sheriffs Dept.)	950
		Pueblo of Isleta	3,865
		Pueblo of Jemez	1,080
		Pueblo of Sandia	854
		Pueblo of Zuni	1,185
		Silver City/Grant County	4,036
		The University of New Mexico	83,477
		Torrance County	2,438
		Town of Bernalillo	8,575
		Town of Clayton	3,547
		Town of Edgewood	3,470
		Town of Estancia	1,131
		Town of Hurley	773
		Town of Red River	15,448
		Treasurer of Cibola County	2,600
		Treasurer of Sunland Park	0
		Village of Bosque Farms	2,805
		Village of Capitan	3,918
		Village of Cimarron	55
		Village of Cloudcroft	172
		Village of Cuba	396
		Village of Hatch	1,651
		Village of Hope	1,022
		Village of Los Lunas	3,030
		Village of Santa Clara	990
		Total CFDA 20.600	581,168

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount	
20.601	Alcohol Impaired Driving Countermeasures Incentive Grants I			
		Eddy County	(17,385)	
		Total CFDA 20.601		(17,385)
20.616	National Priority Safety Programs			
		Administrative Office of the Courts	198,755	
		City of Albuquerque	95,494	
		Department of Health	62,230	
		Department of Public Safety	67,246	
		The University of New Mexico	386,272	
		Total CFDA 20.616		809,997

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		
		Administrative Office of the Courts	438,618
		Bernalillo County Metro Court	119,894
		Chaves County	11,909
		City of Alamogordo	13,601
		City of Albuquerque	449,728
		City of Anthony	3,817
		City of Artesia	6,590
		City of Aztec	4,552
		City of Bayard	9,425
		City of Belen	6,956
		City of Bloomfield	25,473
		City of Carlsbad	9,657
		City of Clovis	28,519
		City of Deming	6,701
		City of Espanola	949
		City of Farmington	71,159
		City of Gallup	15,814
		City of Grants	11,279
		City of Hobbs	6,289
		City of Hobbs	5,777
		City of Las Cruces	103,808
		City of Las Vegas	6,826
		City of Lordsburg	8,391
		City of Lovington	5,686
		City of Moriarty	8,472
		City of Portales	15,559
		City of Raton	10,704
		City of Rio Rancho	325,312
		City of Ruidoso Downs	3,898
		City of Santa Fe	63,103
		City of Santa Rosa	3,160
		City of Socorro	8,081
		City of Texico	3,311
		City of Truth or Consequences	7,012

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		City of Tucumcari	7,089
		Colfax County	390
		County of Bernalillo	160,501
		County of Dona Ana	113,072
		County of Lincoln	3,509
		County of Mckinley	187,991
		County of Roosevelt	3,448
		County of San Juan	22,602
		County of Sandoval	19,996
		County of Santa Fe	80,056
		County of Taos	10,940
		County of Valencia	31,596
		Department of Health	10,605
		Department of Public Safety	342,343
		Eddy County	61,485
		Grant County Clerk	9,793
		Guadalupe County	2,519
		Hidalgo County	1,457
		Luna County (Sheriffs Dept.)	10,221
		Ohkay Owingeh	7,979
		Otero County	4,602
		Pueblo of Isleta	4,441
		Pueblo of Jemez	925
		Pueblo of Pojoaque	2,410
		Pueblo of Sandia	4,279
		Pueblo of Zuni	4,886
		San Miguel County	2,636
		Santa Ana Pueblo	2,763
		Santa Clara Pueblo	5,149
		Silver City/Grant County	12,463
		Socorro County	10,369
		The University of New Mexico	183,161
		Torrance County	4,115
		Town of Bernalillo	10,360

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Town of Carrizozo	9,660
		Town of Clayton	3,222
		Town of Edgewood	4,581
		Town of Estancia	4,216
		Town of Hurley	4,709
		Town of Red River	3,765
		Town of Taos	6,306
		Treasurer of Cibola County	522
		Treasurer of Loving	1,873
		Treasurer of Sierra County	2,683
		Treasurer of Sunland Park	18,911
		Tularosa Police Department	5,315
		Village of Bosque Farms	19,585
		Village of Capitan	4,488
		Village of Cimarron	1,013
		Village of Cloudcroft	172
		Village of Corrales	1,568
		Village of Cuba	3,551
		Village of Hatch	3,071
		Village of Hope	3,583
		Village of Los Lunas	20,820
		Village of Ruidoso	4,631
		Village of Santa Clara	6,336
		Total CFDA 20.608	3,294,762
Total Sub-Recipient Funds passed through NHTSA			\$ 4,668,542

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA):

CFDA	Program Name	Sub Recipient Name	Amount	
20.500	Federal Transit Capital Investment Grants			
		City of Carlsbad	\$ 14,091	
		County of Los Alamos	531,855	
		North Central Regional Transit District	86,501	
		Total CFDA 20.500		632,447
20.505	Metropolitan Transportation Planning			
		City of El Paso	15,930	
		City of Farmington	15,159	
		City of Las Cruces	73,671	
		City of Santa Fe	88,710	
		City of Socorro	16,000	
		County of Los Alamos	56,438	
		Mid-Region Council of Governments	267,619	
		North Central Regional Transit District	56,898	
		Total CFDA 20.505		590,425
20.509	Formula Grants for Other Than Urbanized Areas			
		City of Carlsbad	310,983	
		City of Clovis	462,346	
		City of Hobbs	335,021	
		City of Las Vegas	141,648	
		City of Portales	115,243	
		City Of Roswell	644,170	
		City of Ruidoso Downs	86,086	
		City of Socorro	103,272	
		County of Grant	509,664	
		County of Los Alamos	1,328,019	
		Gallup Independent Co	124	
		Golden Spread Rural Frontier	107,607	
		Navajo Nation	346,883	
		North Central Regional Transit District	1,419,255	
		Pueblo of Laguna	81,610	
		Rio Metro Regional Transit District	947,682	
		Town of Red River	83,845	

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Note 4 - Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount	
20.509	Formula Grants for Other Than Urbanized Areas (continued)			
		Town of Taos	309,014	
		Union County Leader	157	
		Village of Milan	184,275	
		Zia Therapy Ctr Inc	484,875	
		Total CFDA 20.509		8,001,779
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities			
		ARCA	60,895	
		County of Los Alamos	31,126	
		Total CFDA 20.513		92,021
20.516	Job Access Reverse Commute Job Access			
		ARCA	57,765	
		County of Los Alamos	35,707	
		Total CFDA 20.516		93,472
20.521	New Freedom Program			
		County of Los Alamos	493	
		Total CFDA 20.521		493
20.526	Federal Transit Formula Grants			
		City of Las Cruces	144,414	
		City of Roswell	122,143	
		City of Socorro	5,260	
		County of Los Alamos	236,000	
		Navajo Nation	61,376	
		Pueblo of Laguna	2,054	
		Zia Therapy Ctr Inc	36,833	
		Total CFDA 20.526		608,080
Total Sub-Recipient Funds passed through FTA			\$	10,018,717

See Independent Auditors' Report

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Hector H. Balderas, State Auditor

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue funds of the State of New Mexico Department of Transportation (the "Department") as of and for the year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and the combining and individual funds and the related budgetary comparisons of the Department presented as supplementary information, and have issued our report thereon dated November 23, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Hector H. Balderas, State Auditor

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2015-002.

Responses to Findings

The State of New Mexico Department of Transportation's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the State of New Mexico Department of Transportation's responses and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 23, 2015

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Hector H. Balderas, State Auditor

Report on Compliance for Each Major Federal Program

We have audited the State of New Mexico Department of Transportation's (the Department) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2015. The Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Department's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Department's compliance.

Opinion on Each Major Federal Program

In our opinion, the State of New Mexico Department of Transportation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Mr. Tom Church, Cabinet Secretary
State of New Mexico Department of Transportation
and Mr. Hector H. Balderas, State Auditor

Report on Internal Control Over Compliance

Management of the Department is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Department's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 23, 2015

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Summary of Auditors' Results

For the Year Ended June 30, 2015

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

Unmodified

Internal Control over financial reporting:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☐ Yes ☒ None Reported

Non-compliance material to financials statements noted?

☐ Yes ☒ No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(s) identified?

☐ Yes ☒ None Reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133

☐ Yes ☒ None Reported

Identification of Major Programs:

Name of Federal Program or Cluster

Highway Planning and Construction

Highway Safety Cluster

CFDA Number

20.205

20.600 / 20.612 / 20.616

Dollar threshold used to distinguish between Types A and B programs

\$3,000,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

B. FINDINGS – FINANCIAL STATEMENT AUDIT

There were no findings for the year ended June 30, 2015

C. FINDINGS – FEDERAL AWARDS

There were no findings for the year ended June 30, 2015

D. FINDINGS – COMPLIANCE AND OTHER MATTERS

2014-001 Deposit of Public Funds (Compliance and Other Matters)

CONDITION

During the testing of deposits, we noted that in seven instances out of the 22 tested, a check was deposited into the bank more than 24 hours after it was received. Also, two checks were not included in the check logs, so they could not be tested for compliance with the 24-hour rule.

Management's Progress for Repeat Findings: The Department updated its cash deposit policy during January of 2015 to address this finding.

During review of cash control procedures it was noted that the six District locations throughout the State of New Mexico occasionally collect checks in the mail. Checks received by District officials are then mailed to the Santa Fe location central office where the checks will ultimately be deposited. This process does not allow for compliance with the 24-hour rule.

CRITERIA

According to SS 6-10-3 NMSA 1978, "All public money in the custody or under the control of any state official or agency obtained or received by any official or agency from any source, except as in Section 6-10-54 NMSA 1978 provided, shall be paid into the state treasury. It is the duty of every official or person in charge of any state agency thereof from any source, except as in Section 6-10-54 NMSA 1978 provided, to forthwith and before the close of the next succeeding business day after the receipt of the money to deliver or remit it to the state treasurer. . ."

CAUSE

Management oversight.

EFFECT

Non-compliance with applicable statutes.

RECOMMENDATION

We recommend management evaluate the applicable statutes and review current procedures to ensure compliance. Revised procedures would include a memorandum to all Department employees and vendors stating that all checks need to be mailed directly to the Department's Central Office, located in Santa Fe, NM.

MANAGEMENT RESPONSE

The Financial Control Director has processes and procedures in place to ensure compliance. Updated process and procedures were implemented shortly after notification of FY14 finding, which was received well into FY15. FY15 compliance issues occurred prior to implementation. Also, in mid-January 2015, the department went live with bank Desktop Deposit scanners for electronic check depositing at the department's central office (General Office). Both of these actions have resulted in no subsequent compliance issues and more efficient operations. The most current revision to the process and procedures will include an annual notice and quarterly direction to all department employees and vendors stating that all checks must be mailed directly to the department's central office (General Office) in Santa Fe, NM for deposit. The department is also determining the most cost effective and efficient usage of bank Desktop Deposit scanners or other banking options for specialized department activities in order to ensure compliance.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (Continued)

2015-001 Emergency Procurement (Compliance and Other Matters)

CONDITION

During an internal review, the Agency self-identified an instance where the Emergency Procurement code was improperly used. During this incident there was no exercise conducted for competition in acquiring the contractor. An unauthorized department personnel made the decision to hire a contractor without the receipt of a quote or proper approval, which resulted in a procurement violation. The total expended on this purchase was \$19,785.

CRITERIA

According to SS 13-1-127 NMSA 1978, "Emergency procurements, a central purchasing office may make emergency procurements when there exists a threat to public health, welfare, safety or property requiring procurement under emergency conditions; provided that emergency procurements shall be made with competition as is practicable under the circumstances. . ."

CAUSE

Management oversight.

EFFECT

Non-compliance with applicable statutes.

RECOMMENDATION

As the procurement violation was self-reported, we recommend the Department's procurement office continue reviews of all purchases. In addition we recommend additional education over the New Mexico state procurement code be provided for applicable Department personnel.

MANAGEMENT RESPONSE

The NMDOT Procurement and Facilities Management Division Director will continue to monitor procurement activity throughout the Department. Curriculum is currently being developed for procurement training held by the NMDOT Procurement and Facilities Management Division Director at the District level in the next couple of months. Procurement violations such as this, that are outside of the control of the NMDOT Procurement and Facilities Management Division, will continue to be reported to the external auditor for Department's annual financial and compliance audit.

B. Financial Statement Audit

There were no findings for the year ended June 30, 2014

C. Federal Awards

2014-002 Non-Compliance with FFATA Reporting Requirements - Resolved

D. Compliance and Other Matters

2014-001 Deposit of Public Funds - Repeated and Modified

An exit conference was held with the Department on November 19, 2015. The conference was held at the Department's District 3 offices in Albuquerque, New Mexico. The conference was held in a closed meeting to preserve the confidentiality of the audit information prior to the official release of the financial statements by the State Auditor.

In attendance were:

STATE OF NEW MEXICO DEPARTMENT OF TRANSPORTATION

Tom Church, Cabinet Secretary
Loren Hatch, Deputy Secretary
Ronald Schmeits, Commissioner Chairman
Butch Matthews, Commissioner
Bridgette Long, Chief Financial Officer & Acting Accounting Services Director
Marcos Trujillo, Policy Director
Gilbert Gurule, Senior Accountant Debt Service
Kristen Dorland, Accounting Services Manager

CLIFTONLARSONALLEN, LLP

Raul J. Anaya, CPA, CGFM, CFE, Principal
Andres Gamez, CPA, Senior Associate
Natalie Romero, Associate

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the Department and are the responsibility of management.