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STATE OF NEW MEXICO
CHAVES COUNTY

Financial Statements
With Independent Auditor's Report Thereon
June 30, 2005

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State of New Mexico
OFFICE OF THE STATE AUDITOR

Domingo P. Martinez, CGFM
State Auditor

Carl M. Baldwin, CPA, CFE
Deputy State Auditor

January 5, 2006

SAO Ref. No. 5003

Stanton L. Riggs, County Manager
and
Members of the County Commission
Chaves County
PO Box 1817
Roswell, NM 88202-1817

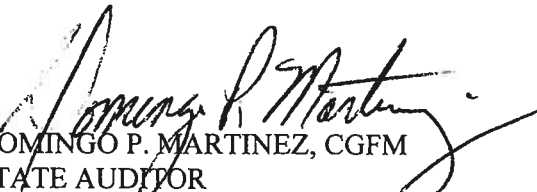
SUBJECT: Audit Report—Chaves County—2004-2005 Fiscal Year—Prepared by Miller & Associates, CPA, PC

Your agency audit report was received by the Office of the State Auditor (Office) on November 15, 2005. The State Auditor examination of the audit report required by Section 12-6-14 (D), NMSA 1978, has been completed. This letter is the authorization to make the final payment to the independent public accountant (IPA) who contracted to perform the agency's financial and compliance audit. In accordance with the Section 2 (B) of the audit contract, the IPA will deliver the specified number of copies of the audit to the agency.

Per Section 12-6-5 (A), NMSA 1978, **the audit report does not become public record until ten days after the date of this letter.** Once the ten day waiting period has passed the audit report shall be:

- released by the Office of the State Auditor to the Legislative Finance Committee, and the Department of Finance and Administration; and
- presented by the agency to a quorum of the agency's governing authority at a public meeting, for approval, per Section 2.2.2.10.J.(3)(d) of 2.2.2 NMAC *Requirements for Contracting and Conducting Audits of Agencies.*

The independent public accountant's findings and comments are included in the audit report on page 165. **It is ultimately the responsibility of the governing authority of the agency to take corrective action on all findings and comments.**


DOMINGO P. MARTINEZ, CGFM
STATE AUDITOR

cc: Legislative Finance Committee
Department of Finance and Administration-
Local Government Division
Miller & Associates, CPA, PC

2113 Warner Circle, Santa Fe, New Mexico 87505-5499
(505) 827-3500 (800) 432-5517 Fax (505) 827-3512
<http://www.saonm.org>

INTRODUCTORY SECTION

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CHAVES COUNTY
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**STATE OF NEW MEXICO
CHAVES COUNTY
OFFICIAL ROSTER
June 30, 2005**

BOARD OF COMMISSIONERS

Michael A. Trujillo
Harold Hobson
Alice Eppers
Richard C. Taylor
Sue Gutierrez

District 1
District 2
District 3
District 4
District 5

ELECTED OFFICIALS

Pat Jennings
Anita Manor Hernandez
Rhoda Coakley
Mark Willard

County Sheriff
County Treasurer
County Clerk
County Assessor

APPOINTED STAFF

Stanton L. Riggs
Mary Lou Chacon
Roger L. Cooper
Jim Messick
Grant Pinkerton
Sonny Chancey
Richard "Dick" Smith
Esther Apodaca
Michael T. Gallagher

County Manager
Finance Director
Public Works Director
Data Processing Director
Planning & Zoning Director
Maintenance Superintendent
Flood Control Superintendent
Adult Detention Administrator
Juvenile Detention Administrator

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FINANCIAL SECTION

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MILLER & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION

400 NORTH PENNSYLVANIA - SUITE 800
POST OFFICE BOX 2504
ROSWELL, NEW MEXICO 88202-2504

RONALD L. MILLER, C.P.A., C.V.A.
STACIE L. MILLER, C.P.A.
LARI E. GALLAGHER, C.P.A.
RYAN L. MILLER, C.P.A.
THOMAS E. BROWN, C.P.A.

INDEPENDENT AUDITOR'S REPORT

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
TELEPHONE 505-622-4667
FAX 505-622-5166
E-MAIL: miller@dfn.com

Domingo P. Martinez, CGFM
New Mexico State Auditor
The Office of Management and Budget
To the Honorable Mayor and County Commissioners
Chaves County
Roswell, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the State of New Mexico, Chaves County (the "County"), as of and for the year ended June 30, 2005 which collectively comprise the County's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the County's nonmajor governmental funds and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2005, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the State of New Mexico, Chaves County as of June 30, 2005, and the respective changes in financial position where applicable, thereof and the respective budgetary comparisons for the general and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental and nonmajor fiduciary fund of Chaves County as of June 30, 2005, and the respective changes in financial statements, where applicable, thereof and the respective budgetary comparison for each nonmajor special revenue fund, capital projects funds, debt service fund,

and permanent fund 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 September 29, 2005, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis 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 financial statements that collectively comprise the County's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons for each nonmajor special revenue, capital projects funds, and debt service fund. The accompanying financial information listed as supporting Schedules I through VIII in the table of contents is presented for purposes of additional analysis and Schedule VII, Schedule of Expenditures of Federal Awards and Schedule VIII, Schedule of Findings and Questioned Costs as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations in the table of contents are presented for purposes of additional analysis, and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Miller & Associates, CPA, PC

Miller & Associates, CPA, P.C.

September 29, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Chaves County, we offer readers of Chaves County financial statements this narrative overview and analysis of the financial activities of Chaves County for the fiscal year ended June 30, 2005. We encourage readers to consider the information presented here in conjunction with the financial statements of Chaves County and additional information provided.

FINANCIAL HIGHLIGHTS

- The assets of CHAVES COUNTY exceeded its liabilities at the close of the most recent fiscal year by \$162,451,516 (*net assets*). Of this amount, \$10,821,038 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$2,776,335. The majority of this increase is due to changes in estimates of capital assets and the realization of an extraordinary gain.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$6,156,955, or 53.6 percent of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

Both the government-wide financial statements distinguish functions of Chaves County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Chaves County include general government, public safety, public works, culture and recreation, and health and welfare.

The government wide-financial statements can be found at exhibit A-1 and A-2 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. Chaves County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Chaves County can be divided into two categories: governmental funds and fiduciary funds.

GOVERNMENTAL FUNDS

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

Chaves County maintains thirty-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund, road fund, indigent hospital claims fund, county income fund, courthouse construction project fund, other grants and contracts fund, and county permanent fund, all of which are considered to be major funds. Data from the other twenty-seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Chaves County adopts an annual appropriated budget for its general fund and all other funds. A budgetary comparison statement has been provided for the general fund, road fund, indigent hospital claims fund, county income fund, county permanent fund, other grants and contracts funds, and courthouse construction project fund to demonstrate compliance with this budget. In addition, the individual financial statements of the non-major governmental fund types include budgetary comparison data.

The basic governmental fund financial statements can be found at exhibits B-1 through D-1 of this report.

FIDUCIARY FUND

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

Chaves County fiduciary funds account for the collection of property taxes and special fees and their remittance to other governmental agencies.

The basic fiduciary fund financial statements can be found at exhibit D-1 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 - 57 of this report.

OTHER INFORMATION

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 62 - 122 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Chaves County, assets exceeded liabilities by \$162,451,516 at the close of the most recent fiscal year.

The largest portion of Chaves County's net assets (27.9 percent) reflects the net assets of the Permanent Fund. As a result of Ordinance #54, the County commissioners established a Permanent Fund. Monies in the Permanent Fund may be appropriated or expended only pursuant to approval of the voters of Chaves County, accordingly, these assets are reported as nonexpendable assets and are not available for future spending. In addition 50.1 percent of net assets represent the County's investment in capital assets (e.g., land, buildings, equipment, furnishings, and infrastructure), less any related debt used to acquire those assets that is still outstanding. Chaves County used these capital assets to provide services to citizens' consequently, these assets are not available for future spending. Although Chaves County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be sued to liquidate these liabilities.

An additional portion of Chaves County's net assets (6.6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$10,821,038) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Chaves County is able to report positive balances in both categories of net assets, for the government as a whole. The same situation held true for the prior fiscal year.

CHAVES COUNTY'S NET ASSETS
(in thousands)

	Governmental Activities	
	June 30, 2005	June 30, 2004
Assets:		
Current and Other Assets		
Capital Assets	\$ 74,312	\$ 75,776
Total Assets	<u>105,025</u>	<u>101,637</u>
	<u>179,337</u>	<u>177,413</u>
Liabilities:		
Current Liabilities		
Long-term Liabilities Outstanding	2,849	2,241
Total Liabilities	<u>14,037</u>	<u>15,497</u>
	<u>16,886</u>	<u>17,738</u>
Fund equity	<u>\$ 162,451</u>	<u>\$ 159,675</u>

GOVERNMENTAL ACTIVITIES

Governmental activities decreased Chaves County's net assets by \$2,776 (in thousands). Key elements of this decrease are as follows:

CHAVES COUNTY'S CHANGES IN NET ASSETS
(in thousands)

	Governmental Activities	
	June 30, 2005	June 30, 2004
REVENUES:		
Taxes	\$ 14,406	\$ 14,062
Intergovernmental	3,120	3,904
Charges for services	1,121	1,268
Interest	3,108	1,002
Other	6,066	5,867
Total Revenues	<u>27,821</u>	<u>26,103</u>
EXPENSES:		
General government	7,888	6,422
Public safety	7,706	8,579
Highways and streets	3,318	3,244
Conservation of natural resources	799	772
Health and welfare	3,861	3,915
Special grants and projects	626	671
Culture and recreation	150	296
Interest	667	1,046
Permanent transfers	30	-
Total Expenses	<u>25,045</u>	<u>24,945</u>
Increase (decrease) in net assets	<u>\$ 2,776</u>	<u>\$ 1,158</u>

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, Chaves County's governmental funds reported combined ending fund balances of \$72,526,513, a decrease of \$1,199,619 in comparison with the prior year. Approximately 68.9 percent of this total amount constitutes amounts reserved for the permanent fund and 2.2 percent of this total represents amounts reserved for the debt service funds. Approximately 25.5 percent of this total amount, \$18,525,650, constitutes unreserved, undesignated fund balance, which is available for spending at the government's discretion, and 3.3 percent of this total amount, \$2,372,752 is unreserved, designated for subsequent year's expenditures that is an internal designation of unreserved fund balance.

The general fund is the chief operating fund of Chaves County. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$6,156,955, while total fund balance was \$6,854,676. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 53.6 percent of the total general fund expenditures, while total fund balance represents 59.6 percent of that same amount.

The general fund balance of Chaves County's decreased by \$268,863 during the current fiscal year.

The road fund has a total fund balance of \$804,737, all of which is unreserved. The net decrease in fund balance during the current year in the road fund is \$167,667.

The indigent hospital claims fund has a total fund balance of \$808,159, all of which is unreserved. The net increase in fund balance during the current year in the indigent hospital claims fund was \$73,567.

The county income fund has a total fund balance of \$6,677,938, all of which is unreserved and of that total \$1,666,714 is designated for subsequent year's expenditures. The net increase in fund balance during the current year in the county income fund was \$2,161,861 and is primarily due to the settlement of a civil lawsuit.

The courthouse construction project fund has a total fund balance of \$8,317, all of which is unreserved and of that total \$8,317 is designated for subsequent year's expenditures. The net decrease in fund balance during the current year in the courthouse construction project fund was \$3,100,754. This decrease is due primarily to purchase of capital outlay.

The other grants and contracts fund has a total fund balance of \$(79,053), all of which is unreserved. The net increase in fund balance during the current year in the other grants and contracts fund was \$25,913. This increase is due primarily to an increase in grant revenues.

The county permanent fund has a total fund balance of \$50,000,000, all of which is reserved for the purpose of the permanent fund. As a result of Ordinance #54, the County Commissioners established a Permanent Fund. Monies in the Permanent Fund may be appropriated or expended only pursuant to approval of the voters of Chaves County. Accordingly, these assets are reported as reserved fund balances and are not a resource available for current or future spending. There is not change in fund balance during the current year in the county permanent fund.

BUDGETARY HIGHLIGHTS

County budgets reflect the same pattern as seen in the revenue and expenditures of the County. The State of New Mexico budget process is defined under state law and regulation. To enhance the process of developing a budget at the county level, Chaves County utilizes goals and objectives defined by the County Commissioners, community input meetings, long term plans and input from various staff groups to develop the County budget. County priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

Major budgetary funds in this report with percentage of total fund dollar amounts are as follows: The General Fund 42.9%, Road Fund 13.1%, Indigent Hospital Claims Funds 13.1%, County Income Fund 0.6%, Courthouse Construction Project Fund 12.3%, Other Grants and Contracts Fund 4.2%, County Permanent Fund 0%, and other Governmental Fund 13.8%.

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2005. Detail budget performance is examined through the Schedule of Revenues and Expenditures Budget and Actual for each major fund and for the non-major funds.

FUNDS EXPENDITURES BUDGET PERFORMANCE

	Final Budget	Actual	Variance
General Fund	\$ 12,023,771	\$ 11,325,394	\$ 698,377
Road Fund	3,671,831	3,581,775	90,056
Indigent Hospital Claims Fund	3,671,566	3,660,687	10,879
County Income Fund	165,000	21,612	143,388
Courthouse Construction Project Fund	3,441,152	3,441,149	3
Other Grants and Contracts Fund	1,176,241	578,418	597,823
Other Governmental Funds	5,434,701	4,614,736	819,965
Total	<u>\$ 29,584,262</u>	<u>\$ 27,223,771</u>	<u>\$ 2,360,491</u>

Major differences between the original budget and the final amended budget (in thousands) are briefly summarized as follows:

- \$151 in increases allocated to support of other agencies in the general fund

- \$205 in increases allocated to general government in the general fund
- \$3,323 in increases allocated to capital outlay in the courthouse construction project fund
- \$262 in increases allocated to health and welfare in the indigent hospital claims fund
- \$164 in increases allocated to general government in other contracts and grants fund
- \$226 in increases allocated to capital outlay in other contracts and grants fund

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The County's capital assets for its governmental activities as of June 30, 2005, amounts to \$105,024,705 (net of accumulated depreciation). This investment in capital assets includes land and buildings, infrastructure, equipment and furnishings, and construction in progress.

Chaves County Capital Assets (net of depreciation)

	Governmental Activities	
	June 30, 2005	June 30, 2004
Land and buildings	\$ 34,182,432	\$ 33,838,738
Equipment and furnishings	19,556,667	18,143,476
Infrastructure	57,835,297	56,289,477
Construction in progress	16,672,857	12,877,555
	<u>128,247,253</u>	<u>121,149,246</u>
Less: accumulated depreciation	<u>(23,222,548)</u>	<u>(19,512,704)</u>
Total	<u>\$105,024,705</u>	<u>\$ 101,636,542</u>

Major capital asset events during the current fiscal year included construction in progress related to the remodel of the County Courthouse.

Additional information on Chaves County's capital assets can be found in note 6 on page 49 of this report.

Long-Term Debt: At the end of the current fiscal year, Chaves County had a total bonded long-term debt outstanding of \$14,370,000, loans outstanding of \$447,171, and capital leases outstanding of \$354,210 all of which is secured by pledged gross receipts tax revenues.

Chaves County's Outstanding Debt Revenue Bonds, Notes Payable and Capital Leases

	Governmental Activities	
	June 30, 2005	June 30, 2004
Bonds	\$ 14,370,000	\$ 15,000,000
Loans	447,171	629,524
Capital Leases	354,210	42,800
	<u>\$ 15,171,381</u>	<u>\$ 15,672,324</u>
Total		

Additional information on Chaves County's long-term debt can be found in Note 8 on pages 51 - 54 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate of Chaves County is currently 6.1 percent, which is a decrease from a rate of 7.9 percent a year ago. This compares favorably to the state's average unemployment rate of 6.3 percent and unfavorably with the national average rate of 5.2 percent.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing Chaves County's budget for the 2005 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund decreased to \$6,854,676. Chaves County has appropriated \$697,721 of this amount for spending in the 2006 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2006 fiscal year. It also is intended to reduce the need for the transfers of additional resources to and from various funds, as occurred during the 2005 fiscal year.

REQUESTS FOR INFORMATION

The purpose of this financial report is to provide the general public and other interested parties with a general overview of the County's finances and accountability of funds. Questions concerning this report or requests for additional information should be addressed to the Office of the Finance Director, Chaves County, P.O. Box 1772, Roswell, New Mexico 88202-1772.

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
 CHAVES COUNTY
 Statement of Net Assets
 Government -Wide
 June 30, 2005

ASSETS	Governmental Activities
Cash and cash equivalents	
Receivables (net of allowance for uncollectibles)	\$ 18,353,274
Due from fiduciary funds	2,888,229
Prepaid assets	40,000
Cash and cash equivalents temporarily restricted for:	243,249
Debt service	
Bond project fund	1,628,111
Provision of indigent health care	8,317
Cash and cash equivalents permanently restricted for:	925,176
County permanent fund	
Capital assets, net of depreciation:	50,000,000
Land	
Buildings	2,877,268
Machinery and equipment	20,081,526
Infrastructure	7,557,757
Construction in progress	57,835,297
Bond issuance cost	16,672,857
	226,020
Total assets	<u>\$ 179,337,081</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY
Statement of Net Assets
Government -Wide
June 30, 2005**

Exhibit A-1

LIABILITIES

Accounts payable	\$	408,411
Accrued expenses		431,559
Accrued interest		335,325
Accrued compensated absences - current		388,000
Noncurrent liabilities:		
Accrued compensated absences		150,889
Due within one year		1,285,486
Due in more than one year		13,885,895
		13,885,895
 Total liabilities		 16,885,565

NET ASSETS

Invested in capital assets, net of related debt		89,853,324
Restricted for:		
Public safety		1,921,368
Highways and streets		1,342,525
Conservation of natural resources		818,575
Health and welfare		7,694,560
Culture and recreation		126
Special grants and projects		-
Debt service		-
Permanent fund - nonexpendable		50,000,000
Unrestricted		10,821,038
		10,821,038
 Total net assets		 162,451,516
 Total liabilities and net assets	\$	 179,337,081

STATE OF NEW MEXICO
CHAVES COUNTY
Statement of Activities
Government -Wide
For the Year Ended June 30, 2005

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 7,887,980	\$ (695,380)	\$ (369,948)	\$ -
Public safety	7,705,607	(425,271)	(1,133,871)	-
Highways and streets	3,317,814	-	-	(1,057,723)
Conservation of natural resources	798,815	-	-	-
Health and welfare	3,861,132	-	(67,883)	-
Special grants and projects	625,819	-	(64,741)	(425,607)
Culture and recreation	150,000	-	-	-
Permanent transfer to fiduciary fund	30,000	-	-	-
Interest on long-term debt	667,569	-	-	-
Total governmental activities	<u>25,044,736</u>	<u>(1,120,651)</u>	<u>(1,636,443)</u>	<u>(1,483,330)</u>
Total primary government	<u>\$ 25,044,736</u>	<u>\$ (1,120,651)</u>	<u>\$ (1,636,443)</u>	<u>\$ (1,483,330)</u>

General revenues:

- Property taxes
- Gross receipts taxes
- Motor vehicle and fuel taxes
- Miscellaneous
- Unrestricted investment earnings
- Refunds and recoveries
- Other financing sources
- Change in estimate of capital assets
- Total general revenues
- Extraordinary gain - Insurance recovery
- Change in net assets
- Net assets - beginning (as restated)
- Net assets, ending

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

Total

\$	6,822,652
	6,146,465
	2,260,091
	798,815
	3,793,249
	135,471
	150,000
	30,000
	667,569
	<u>20,804,312</u>
	<u>20,804,312</u>

	9,715,846
	4,004,843
	685,501
	2,026,997
	3,108,157
	5,478
	357,900
	1,788,183
	<u>21,692,905</u>
	<u>1,887,742</u>
	2,776,335
	159,675,181
\$	<u><u>162,451,516</u></u>

STATE OF NEW MEXICO
CHAVES COUNTY
Balance Sheet
Major Governmental Funds
June 30, 2005

ASSETS	<u>General Fund</u>	<u>Road Fund</u>	<u>Indigent Hospital Claims Fund</u>
Cash and cash equivalents	\$ 6,555,682	\$ 858,322	\$ 925,176
Receivables:			
Taxes	397,230	64,111	-
Intergovernmental	183,174	57,256	-
Interest	35,056	-	-
Extraordinary gain	-	-	-
Prepaid expenses	195,356	22,410	837
Due from other funds	525,000	-	-
Total assets	<u>\$ 7,891,498</u>	<u>\$ 1,002,099</u>	<u>\$ 926,013</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	133,868	33,596	114,175
Accrued expenses	311,662	74,567	3,679
Due to other funds	-	-	-
Deferred revenue	292,491	-	-
Compensated absences	298,801	89,199	-
Total liabilities	<u>1,036,822</u>	<u>197,362</u>	<u>117,854</u>
Fund balances:			
Reserved for permanent fund	-	-	-
Reserved for debt service	-	-	-
Unreserved:			
Designated for subsequent year's expenditures, reported in:			
General fund	697,721	-	-
Special revenue funds	-	-	-
Capital projects funds	-	-	-
Undesignated, reported in:			
General fund	6,156,955	-	-
Special revenue funds	-	804,737	808,159
Capital projects funds	-	-	-
Total fund balances	<u>6,854,676</u>	<u>804,737</u>	<u>808,159</u>
Total liabilities and fund balances	<u>\$ 7,891,498</u>	<u>\$ 1,002,099</u>	<u>\$ 926,013</u>

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

County Income Fund	Courthouse Construction Project Fund	Other Grants and Contracts Fund	County Permanent Fund	Other Governmental Funds	Total Governmental Funds
\$ 4,620,294	\$ 8,317	\$ 275,167	\$ 50,000,000	\$ 7,671,920	\$ 70,914,878
-	-	-	-	53,433	514,774
-	-	40,325	-	-	280,755
169,902	-	-	-	-	204,958
1,887,742	-	-	-	-	1,887,742
-	-	-	-	24,646	243,249
-	-	-	-	-	525,000
<u>\$ 6,677,938</u>	<u>\$ 8,317</u>	<u>\$ 315,492</u>	<u>\$ 50,000,000</u>	<u>\$ 7,749,999</u>	<u>\$ 74,571,356</u>
-	-	9,986	-	116,786	408,411
-	-	9,559	-	32,092	431,559
-	-	375,000	-	110,000	485,000
-	-	-	-	39,382	331,873
-	-	-	-	-	388,000
-	-	394,545	-	298,260	2,044,843
-	-	-	50,000,000	-	50,000,000
-	-	-	-	1,628,111	1,628,111
-	-	-	-	-	697,721
1,666,714	-	-	-	-	1,666,714
-	8,317	-	-	-	8,317
-	-	-	-	-	6,156,955
5,011,224	-	(79,053)	-	3,741,006	10,286,073
-	-	-	-	2,082,622	2,082,622
<u>6,677,938</u>	<u>8,317</u>	<u>(79,053)</u>	<u>50,000,000</u>	<u>7,451,739</u>	<u>72,526,513</u>
<u>\$ 6,677,938</u>	<u>\$ 8,317</u>	<u>\$ 315,492</u>	<u>\$ 50,000,000</u>	<u>\$ 7,749,999</u>	<u>\$ 74,571,356</u>

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**STATE OF NEW MEXICO
CHAVES COUNTY**
**Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2005**

Exhibit B-1
(Page 2 of 2)

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

Fund balances - Total Governmental Funds	\$ 72,526,513
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	105,024,705
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:	
Property taxes	331,873
The issuance of long-term debt uses current financial resources to pay for expenditures such as bond issuance costs and therefore are current expenditures in the funds:	
Bond costs	226,020
Accrued interest	(335,325)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	<u>(15,322,270)</u>
Net assets of governmental activities	<u><u>\$ 162,451,516</u></u>

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

STATE OF NEW MEXICO
CHAVES COUNTY
Statement of Revenues, Expenditures and Changes in Fund Balances
Major Governmental Funds
For the Year Ended June 30, 2005

	<u>General Fund</u>	<u>Road Fund</u>	<u>Indigent Hospital Claims Fund</u>
REVENUES			
Taxes	\$ 8,600,763	\$ 685,501	\$ 2,194,566
Intergovernmental	132,518	1,057,723	-
Licenses and permits	104,862	-	-
Charges for services	627,616	-	-
Refunds and recoveries	5,478	-	-
Interest on investments	517,144	-	-
Miscellaneous	319,013	-	44,332
Total revenues	<u>10,307,394</u>	<u>1,774,263</u>	<u>1,496,909</u>
EXPENDITURES			
Current:			
General government	4,521,612	-	-
Public safety	6,135,320	-	-
Highways and streets	-	3,467,430	-
Conservation of natural resources	-	-	-
Health and welfare	-	-	-
Special grants and projects	-	-	3,662,240
Culture and recreation	-	-	-
Capital outlay	150,000	-	-
Debt service:	687,301	71,657	-
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>11,494,233</u>	<u>3,539,087</u>	<u>3,662,240</u>
Excess (deficiency) of revenues over expenditures	(1,186,839)	(1,764,824)	73,567
Other financing sources (uses):			
Operating transfers in (out)	560,076	1,597,157	-
Extraordinary gain	-	-	-
Other	357,900	-	-
Net change in fund balances	<u>(268,863)</u>	<u>(167,667)</u>	<u>73,567</u>
Fund balances - beginning of the year,	7,123,539	972,404	734,592
Fund balances - end of the year	<u>\$ 6,854,676</u>	<u>\$ 804,737</u>	<u>\$ 808,159</u>

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

County Income Fund	Courthouse Construction Project Fund	Other Grants and Contracts Fund	County Permanent Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 2,819,925	\$ 14,300,755
-	-	601,318	-	1,657,170	3,448,729
-	-	-	-	-	104,862
-	-	-	-	59,216	686,832
-	-	-	-	-	5,478
2,449,807	-	-	-	96,874	3,108,157
5,401	17,058	-	-	157,577	2,026,997
<u>2,455,208</u>	<u>17,058</u>	<u>601,318</u>	<u>-</u>	<u>4,790,762</u>	<u>23,681,810</u>
-	108,594	-	-	1,154,060	5,784,266
-	-	-	-	436,230	6,571,550
-	-	-	-	10,741	3,478,171
-	-	-	-	713,878	713,878
21,612	-	-	-	134,811	3,818,663
-	-	261,698	-	-	261,698
-	-	-	-	-	150,000
-	3,009,218	326,707	-	913,094	5,007,977
-	-	-	-	630,000	630,000
-	-	-	-	680,868	680,868
<u>21,612</u>	<u>3,117,812</u>	<u>588,405</u>	<u>-</u>	<u>4,673,682</u>	<u>27,097,071</u>
2,433,596	(3,100,754)	12,913	-	117,080	(3,415,261)
(2,159,477)	-	13,000	-	(40,756)	(30,000)
1,887,742	-	-	-	-	1,887,742
-	-	-	-	-	357,900
<u>2,161,861</u>	<u>(3,100,754)</u>	<u>25,913</u>	<u>-</u>	<u>76,324</u>	<u>(1,199,619)</u>
4,516,077	3,109,071	(104,966)	50,000,000	7,375,415	73,726,132
<u>\$ 6,677,938</u>	<u>\$ 8,317</u>	<u>\$ (79,053)</u>	<u>\$ 50,000,000</u>	<u>\$ 7,451,739</u>	<u>\$ 72,526,513</u>

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**STATE OF NEW MEXICO
CHAVES COUNTY**

Exhibit B-2
(Page 2 of 2)

**Reconciliation of Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2005**

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

Net change in fund balances - total governmental funds	\$ (1,199,619)
<p>Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:</p>	
Capital asset purchases capitalized	5,392,149
Depreciation expense	(3,765,897)
Loss on disposal	(384,172)
The effect of cleanup of items included in capital assets is to increase net assets	1,788,183
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:</p>	
Property taxes	105,436
<p>The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the statement of activities:</p>	
Changes in the reserve for compensated absences	(15,200)
Principal payments on bonds	630,000
Principal payments on notes	182,354
Principal payments on capital leases	46,490
Change in accrued interest	10,737
Amortization of bond issuance costs	(14,126)
Change in net assets of governmental activities	<u>\$ 2,776,335</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Exhibit C-1
(Page 1 of 4)

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 8,015,068	\$ 7,880,223	\$ 8,343,334	\$ 463,111
Intergovernmental	279,520	361,397	174,949	(186,448)
Licenses and fees	96,971	96,971	104,862	7,891
Charges for services	1,036,793	1,037,793	662,781	(375,012)
Refunds and recoveries	4,000	4,000	5,478	1,478
Interest on investments	420,000	420,000	500,392	80,392
Miscellaneous	365,314	370,314	319,013	(51,301)
	10,217,666	10,170,698	10,110,809	(59,889)
EXPENDITURES				
Current:				
General government:				
Administration:				
Personnel services	1,102,127	1,146,257	1,105,574	40,683
Operating expenses	566,934	721,068	418,704	302,364
Supplies	23,350	30,175	25,113	5,062
Total administration	1,692,411	1,897,500	1,549,391	348,109
Maintenance and operations:				
Personnel services	777,373	790,163	744,873	45,290
Operating expenses	304,113	264,440	221,592	42,848
Supplies	59,895	66,251	53,075	13,176
Total maintenance and operations	1,141,381	1,120,854	1,019,540	101,314
Recording and filing:				
Personnel services	507,796	541,084	514,591	26,493
Operating expenses	104,514	125,106	119,334	5,772
Supplies	11,930	10,960	10,855	105
Total recording and filing	624,240	677,150	644,780	32,370

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

STATE OF NEW MEXICO
CHAVES COUNTY

Exhibit C-1
(Page 2 of 4)

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Expenditures: (continued)</i>				
General government: (continued)				
Property tax assessments:				
Personnel services	441,931	443,746	445,321	(1,575)
Operating expenses	78,176	76,361	60,972	15,389
Supplies	4,250	4,250	4,673	(423)
Total property tax assessments	524,357	524,357	510,966	13,391
Tax collection:				
Personnel services	244,616	254,037	246,568	7,469
Operating expenses	52,336	49,115	43,528	5,587
Supplies	4,555	4,555	2,348	2,207
Total tax collection	301,507	307,707	292,444	15,263
Other general government:				
Personnel services	25,585	25,585	33,360	(7,775)
Operating expenses	3,622	3,672	5,112	(1,440)
Supplies	250	200	340	(140)
Total other general government	29,457	29,457	38,812	(9,355)
Support to other agencies:				
Special grants and projects	255,230	406,403	370,532	35,871
Supplies	-	448	446	2
Support	26,127	26,127	11,473	14,654
Total other general government	281,357	432,978	382,451	50,527
Total general government	4,594,710	4,990,003	4,438,384	551,619

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

STATE OF NEW MEXICO
CHAVES COUNTY

Exhibit C-1
(Page 3 of 4)

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Expenditures: (continued)</i>				
Public safety:				
Law enforcement:				
Personnel services	2,865,564	2,830,235	2,759,171	71,064
Operating expenses	471,382	439,608	456,712	(17,104)
Supplies	22,500	22,616	24,373	(1,757)
Total law enforcement	<u>3,359,446</u>	<u>3,292,459</u>	<u>3,240,256</u>	<u>52,203</u>
Prisoner detention:				
Personnel services	2,577,463	2,547,230	2,531,483	15,747
Operating expenses	585,778	517,618	495,630	21,988
Supplies	71,290	77,618	76,771	847
Total prisoner detention	<u>3,234,531</u>	<u>3,142,466</u>	<u>3,103,884</u>	<u>38,582</u>
General public safety:				
Personnel services	92,062	47,666	47,174	492
Operating expenses	74,574	12,842	11,817	1,025
Supplies	4,850	3,750	4,478	(728)
Total general public safety	<u>171,486</u>	<u>64,258</u>	<u>63,469</u>	<u>789</u>
Total public safety	<u>6,765,463</u>	<u>6,499,183</u>	<u>6,407,609</u>	<u>91,574</u>
Culture and recreation:				
Economic development:				
Operating expenses	150,000	150,000	150,000	-
Total economic development	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Capital outlay	<u>358,350</u>	<u>384,585</u>	<u>329,401</u>	<u>55,184</u>
Total expenditures	<u>11,868,523</u>	<u>12,023,771</u>	<u>11,325,394</u>	<u>698,377</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Exhibit C-1
(Page 4 of 4)

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Excess (deficiency) of revenues over expenditures	(1,650,857)	(1,853,073)	(1,214,585)	638,488
Other financing sources (uses):				
Designated cash balance	581,659	1,283,534	-	(1,283,534)
Operating transfers in (out)	1,069,198	569,539	560,076	(9,463)
Total other financing sources (uses)	1,650,857	1,853,073	560,076	(1,292,997)
Net change in fund balances	-	-	(654,509)	(654,509)
Fund balances - beginning of year	-	-	7,473,033	7,473,033
Fund balance - end of the year	\$ -	\$ -	\$ 6,818,524	\$ 6,818,524

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Exhibit C-2

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Road Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 660,000	\$ 660,000	\$ 652,291	\$ (7,709)
Intergovernmental	1,263,616	1,122,426	1,106,548	(15,878)
Miscellaneous	31,000	31,000	24,150	(6,850)
	<u>1,954,616</u>	<u>1,813,426</u>	<u>1,782,989</u>	<u>(30,437)</u>
EXPENDITURES				
Current:				
Highways and streets:				
Personnel services	2,021,438	2,044,383	2,076,071	(31,688)
Operating expenses	1,457,282	1,496,519	1,351,676	144,843
Supplies	77,000	78,904	82,371	(3,467)
Total highways and streets	<u>3,555,720</u>	<u>3,619,806</u>	<u>3,510,118</u>	<u>109,688</u>
Captial Outlay	119,735	52,025	71,657	(19,632)
Total expenditures	<u>3,675,455</u>	<u>3,671,831</u>	<u>3,581,775</u>	<u>90,056</u>
Excess (deficiency) of revenues over expenditures	<u>(1,720,839)</u>	<u>(1,858,405)</u>	<u>(1,798,786)</u>	<u>59,619</u>
Other financing sources (uses):				
Designated cash balance	95,523	257,711	-	(257,711)
Operating transfers in (out)	1,625,316	1,600,694	1,597,157	(3,537)
Total other financing sources (uses)	<u>1,720,839</u>	<u>1,858,405</u>	<u>1,597,157</u>	<u>(261,248)</u>
Net change in fund balances	-	-	(201,629)	(201,629)
Fund balance - beginning of year	-	-	997,726	997,726
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 796,097</u>	<u>\$ 796,097</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Exhibit C-3

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Indigent Hospital Claims Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,201,570	\$ 2,201,570	\$ 2,343,472	\$ 141,902
Interest on investments	18,000	18,000	44,332	26,332
Miscellaneous	1,062,992	1,062,992	1,496,909	433,917
	<u>3,282,562</u>	<u>3,282,562</u>	<u>3,884,713</u>	<u>602,151</u>
 EXPENDITURES				
Current:				
Health and welfare:				
Personnel services	135,734	141,177	141,185	(8)
Operating expenses	3,273,742	3,527,428	3,516,643	10,785
Supplies	-	2,961	2,859	102
Total health and welfare	<u>3,409,476</u>	<u>3,671,566</u>	<u>3,660,687</u>	<u>10,879</u>
Captial outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,409,476</u>	<u>3,671,566</u>	<u>3,660,687</u>	<u>10,879</u>
Excess (deficiency) of revenues over expenditures	<u>(126,914)</u>	<u>(389,004)</u>	<u>224,026</u>	<u>613,030</u>
Other financing sources (uses):				
Designated cash balance	<u>126,914</u>	<u>389,004</u>	<u>-</u>	<u>(389,004)</u>
Total other financing sources (uses)	<u>126,914</u>	<u>389,004</u>	<u>-</u>	<u>(389,004)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>224,026</u>	<u>224,026</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>585,017</u>	<u>585,017</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 809,043</u>	<u>\$ 809,043</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Exhibit C-4

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
County Income Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ 2,000,000	\$ 1,700,000	\$ 2,279,904	\$ 579,904
Miscellaneous	-	-	5,401	5,401
	<u>2,000,000</u>	<u>1,700,000</u>	<u>2,285,305</u>	<u>585,305</u>
EXPENDITURES				
Current:				
Health and welfare:				
Personnel services	15,000	15,000	-	15,000
Operating expenses	150,000	150,000	21,612	128,388
	<u>165,000</u>	<u>165,000</u>	<u>21,612</u>	<u>143,388</u>
Excess (deficiency) of revenues over expenditures	<u>1,835,000</u>	<u>1,535,000</u>	<u>2,263,693</u>	<u>728,693</u>
Other financing sources (uses):				
Designated cash balance	864,514	624,477	-	(624,477)
Operating transfers in (out)	(2,699,514)	(2,159,477)	(2,159,477)	-
	<u>(1,835,000)</u>	<u>(1,535,000)</u>	<u>(2,159,477)</u>	<u>(624,477)</u>
Net change in fund balances	-	-	104,216	104,216
Fund balance - beginning of year	-	-	4,516,077	4,516,077
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,620,293</u>	<u>\$ 4,620,293</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Exhibit C-5

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Other Grants and Contracts Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 786,000	\$ 1,409,622	\$ 799,493	\$ (610,129)
	786,000	1,409,622	799,493	(610,129)
EXPENDITURES				
Current:				
General government:				
Personnel services	24,975	37,996	18,428	19,568
Operating expenses	128,525	261,746	215,912	45,834
Supplies	1,500	19,351	17,371	1,980
Total expenditures	155,000	319,093	251,711	67,382
Capital outlay	631,000	857,148	326,707	530,441
Total expenditures	786,000	1,176,241	578,418	597,823
Excess (deficiency) of revenues over expenditures	-	233,381	221,075	(12,306)
Other financing sources (uses):				
Designated cash balance	-	(233,381)	-	233,381
Operating transfers in (out)	-	-	13,000	13,000
Total other financing sources (uses)	-	(233,381)	13,000	246,381
Net change in fund balances	-	-	234,075	234,075
Fund balance - beginning of year	-	-	(343,466)	(343,466)
Fund balance - end of the year	\$ -	\$ -	\$ (109,391)	\$ (109,391)

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

STATE OF NEW MEXICO
CHAVES COUNTY
Statement of Assets and Liabilities
Fiduciary Funds
June 30, 2005

Exhibit D

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 283,294
Receivables:	
Taxes	161,322
	<hr/>
Total assets	\$ 444,616
	<hr/> <hr/>
LIABILITIES	
Accrued liabilities	\$ 4,571
Due to other funds	40,000
Due to other taxing units	400,045
	<hr/>
Total liabilities	\$ 444,616
	<hr/> <hr/>

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

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Chaves County (the County) is a political sub-division of the State of New Mexico established and regulated by the constitution of the State of New Mexico. The County operates under a Board of County commissioners form of government and provides the following services as authorized by public law: public safety (police and fire), roads, health and social services, farm and range, recreation, tourist promotion and general administrative services.

This summary of significant accounting policies of the County is presented to assist in the understanding of the County's financial statements. The financial statements and notes are the representation of the County's management who is responsible for their integrity and objectivity. The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB-14. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

The Road Fund accounts for the motor vehicle fees flowing through the state, general fund transfers and other miscellaneous sources used to maintain county roads. (4-55A-40 through 43 NMSA 1978)

The Indigent Hospital Claims Fund is used to account for monies received from a countywide tax levy. Expenditures are restricted to the payment of approved claims and administrative costs. (Ordinance #18-6-85, 27-5-7 NMSA 1978)

The County Income Fund is used to account for earnings from the investments of the Permanent Fund. The money may be budgeted and appropriated for any purpose the County commissioners deem appropriate. (Ordinance #55)

The Courthouse Construction Project Fund is used to account for the remodeling of the courthouse.

The Other Grants and Contracts Fund is used to account for revenues and expenditures to assist in meeting the cost of special grants and projects. (Resolution 95-41)

The County Permanent Fund is used to account for monies transferred to the Permanent Fund. As a result of Ordinance #54, the County commissioners established a Permanent Fund. Monies in the Permanent fund may be appropriated or expended only pursuant to approval of the voters of Chaves County. The amount which may be deposited in the Permanent Fund is any portion of the unappropriated general fund surplus which is in excess of 50% of the prior year's budget of the County. At June 30, 1999, \$50,000,000 was transferred to the Permanent Fund which is maintained within the County Income Fund. Overall, it is the County's intention that certain assets resulting from the sale of Eastern New Mexico Medical Center (effective April 1, 1998), and currently reported in the County Income Fund be deposited into the Permanent Fund.

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the government reports the following fund types:

The Fiduciary Funds account for the collection and payment of property taxes and special fees to other governmental agencies.

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

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

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

D. Cash and Cash Equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the County are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e., the current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

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

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Receivables and Payables (Continued)

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are not recorded as revenue until received.

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after May 10th are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

F. Prepaid Items

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

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government-wide statements. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9C(5).

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. However, infrastructure assets are not depreciated. The County has elected to use the modified method in accounting for infrastructure assets. The modified method allows governments to report as expenses in lieu of depreciation, infrastructure expenditures which maintain the asset but do not add to nor improve the asset. Additions and improvements to infrastructure assets are capitalized. The County uses an asset management system to rate the condition of infrastructure assets and quantify the results of maintenance efforts. Additional information is shown in the Required Supplemental Information section of this report.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets (Continued)

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

Buildings and improvements	40 years
Vehicles and equipment (including software)	5-20 years
Infrastructure	40 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

H. Deferred Revenues

Accounting principles generally accepted in the United States of America require that grant revenue be recognized at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as deferred revenues.

I. Compensated Absences

The County's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources.

The county permits eligible employees to accumulate a limited amount of earned but unused vacation, which will be paid if not used, upon termination from the County. A long-term liability of \$150,889 of accrued vacation at June 30, 2005, has been recorded in the government-wide financial statements as non-current liabilities. Vacation pay that is expected to be liquidated within the next twelve months is reported in the government fund that will pay it.

J. Long-Term Debt

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists of compensated absences, notes payable and bonds payable. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Debt (Continued)

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principle and interest are reported as expenditures.

K. Equity Classifications

Government-wide statements

Equity is classified as net assets in three components:

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

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the County first uses restricted resources then unrestricted resources.

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Designated funds are for subsequent year expenditures.

L. Use of Estimates

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

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

L. Use of Estimates (Continued)

Budgetary Information

Annual budgets of the County are prepared prior to June 1 and must be approved by resolution of the Board of County commissioners, and submitted to the Department of Finance and Administration for State approval. Once the budget has been formally approved, any amendments must also be approved by the County Commissioners and the Department of Finance and Administration. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

The Board of County Commissioners throughout the year properly amended the appropriated budget for the year ended June 30, 2005. These amendments resulted in the following changes:

	Designated Cash Generated (Required) to Balance Budget	
	Original Budget	Final Budget
Budgeted funds:		
General	\$ 581,659	\$ 1,283,534
Road	95,523	257,711
Indigent Hospital Claims	126,914	389,004
County Income	864,514	624,477
Courthouse Construction Project	2,699,514	5,595,629
Other Grants and Contracts	-	(233,381)
County Permanent	-	-
Other	271,053	903,780
	\$ 4,639,177	\$ 8,820,754

The County is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

The following is a reconciliation between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund type.

	General Fund	Road	Indigent Hospital Claims	County Income	Courthouse Construction Project	Other Grants & Contracts	County Permanent Fund	Other Govt. Fund
Net Change in Fund Balance (GAAP basis)	\$ (268,863)	\$ (167,667)	\$ 73,567	\$ 2,161,861	\$ (3,100,754)	\$ 25,913	\$ -	\$ 76,324
Adjustments:								
Receivables	(489,075)	8,726	148,905	(169,903)	-	198,175	-	171,263
Prepays	(25,422)	(7,525)	(168)	-	-	-	-	(3,651)
Accounts payable	132,386	33,491	1,721	-	-	9,986	-	107,314
Accrued expenses	(297,926)	(72,704)	-	-	-	-	-	-
Deferred revenue	292,491	-	-	-	-	-	-	39,382
Warrants payable	(33,137)	-	-	-	(323,338)	-	-	(44,719)
Comp. absences	35,037	4,049	-	-	-	-	-	-
Other	-	1	1	(1,887,742)	-	1	-	3
Net Change in Fund Balance (Budget Basis)	\$ (654,509)	\$ (201,629)	\$ 224,026	\$ 104,216	\$ (3,424,092)	\$ 234,075	\$ -	\$ 345,916

NOTE 3. DEPOSITS AND INVESTMENTS

Credit Risk, Custodial Credit Risk, Concentration of Credit Risk and Interest Rate Risk—Segmented Time Distribution

State statutes authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States government obligations. All invested funds of the County properly followed State investment requirements as of June 30, 2005.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loans associations within the geographical boundaries of the County. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States Treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily be invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2005 the carrying amount of the County's deposits was \$8,390,865. The total cash and temporary investment balance per the financial institutions was \$9,271,500 and consisted of demand deposits and certificates of deposit. Of this balance, \$800,000 was covered by federal depository insurance and \$6,178,720 was covered by collateral held in joint safekeeping by a third party in the County's name. The remaining \$1,412,145 is comprised of amounts in excess of those required to be collateralized under State law and cash on hand. Because this amount is uninsured and uncollateralized, it is exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

	First Federal Bank	Pioneer Bank	Wells Fargo Bank	Bank of America	Valley Bank of Commerce	First National Bank	Total
Total amount of deposits	\$ 2,000,000	\$ 4,156,397	\$ 600,000	\$ 1,115,103	\$ 900,000	\$ 500,000	\$ 9,271,500
FDIC coverage	100,000	200,000	200,000	100,000	100,000	100,000	800,000
Total uninsured public funds	\$ 1,900,000	\$ 3,956,397	\$ 400,000	\$ 1,015,103	\$ 800,000	\$ 400,000	\$ 8,471,500
Collateral requirement	\$ 950,000	\$ 1,978,199	\$ 200,000	\$ 507,552	\$ 400,000	\$ 200,000	\$ 4,235,751
Pledged security	1,086,767	2,522,575	720,433	1,023,578	495,469	329,898	6,178,720
Over collateralized	\$ 136,767	\$ 544,376	\$ 520,433	\$ 516,026	\$ 95,469	\$ 129,898	\$ 1,942,969

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

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$100,000 in aggregate and separate from the \$100,000 coverage for public demand deposits at the same institution.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment funds in securities that are issued by the United States government or by its departments or agencies and are either backed by the full faith and credit of the United States government or are agencies sponsored by the United State government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares; at the end of each month, all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts of the fund were invested. Any unrealized gain or loss on the portfolio is distributed through the investment yield on distribution dates. The carrying amount of the portfolio approximates the fair value of all investments at June 30, 2005. The State of New Mexico is the regulatory oversight entity and participation in the pool is voluntary.

As of June 30, 2005, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Bills	\$ 3,243,592	\$ 401,856	\$ 2,841,736	\$ -	\$ -
<u>U.S. Government Agencies</u>					
Federal National Mortgage Association	23,260,691	1,491,720	4,157,690	14,776,256	2,012,341
Federal Home Loan Mortgage Corporation	18,501,137	3,678,540	10,494,248	3,150,794	2,000,240
Federal Home Loan Bank	11,917,760	1,465,554	6,958,140	3,494,065	-
Federal Farm Credit Bank	2,736,495	-	1,237,425	1,499,070	-
Federal Agricultural Mortgage Corporation	2,006,060	-	2,006,060	-	-
State Investment Pool	704,800	-	704,800	-	-
Money Market and Cash Funds	436,123	436,123	-	-	-
Total	\$62,806,658	\$ 7,473,793	\$28,400,099	\$22,920,185	\$ 4,012,581

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the County sets forth specific investment selection criteria in its investment policy. The investment policy states specifically:

1. Cash and cash equivalents may include Treasury bills, certificates of deposit due within 12 months, and money market funds that invest in approved securities.

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

2. The maximum maturity of any individual security cannot be greater than 8 years. Mutual funds and trust funds with a longer maturity may be purchased provided that the aggregate weighted maturity of the entire Fund portfolio is less than 5 years.
3. The weighted duration of the portfolio should never exceed 5 years unless there is prior review by the County Treasurer.

Credit Risk – As previously stated, State statutes allow the County to invest funds in a wide variety of instruments. However, at June 30, 2005 the County had limited the majority of its investments to those back by the full faith and credit of the United States government and its agencies as illustrated above. In addition, the investments in agencies of the United States were rated Aaa/AAA by Moody's Investors Service.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County requires all investment securities to be held in third-party safekeeping by an institution acceptable to the County. The safekeeping institution is required to issue a safekeeping receipt or book entry notice to the County listing the specific instrument, rate, amount, maturity date, instrument number, term and other pertinent information. In addition, any financial institution holding securities for the benefit of the County is required to provide insurance sufficient to cover 100% of the securities.

Concentration of Credit Risk - The County places no limit on the amount the district may invest in any one issuer. GASB Statement 40 requires disclosure when the percent invested is 5% or more in any one issuer. The investment in US Treasury Bills is 5%, while the Federal National Mortgage Association is 37%, the Federal Home Loan Mortgage Corporation is 29%, and the Federal Home Loan Bank is 19%. However, as previously illustrated, 5% of the County's investments are backed by the full faith and credit of the United States government and 93% are guaranteed by agencies sponsored by the United States government. These types of investments are considered to have minimal risk associated with them.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 4. RECEIVABLES

Receivables as of June 30, 2005, are as follows:

	General	Road	County Income	Other Grants and Contracts	Other Govt. Funds	Total
Receivables:						
Taxes:						
State of NM						
Gasoline Tax	\$ -	\$ 64,111	\$ -	\$ -	\$ -	\$ 64,111
Property Tax	397,230	-	-	-	53,433	450,663
Extraordinary Gain	-	-	1,887,742	-	-	1,887,742
Interest	35,056	-	169,902	-	-	204,958
Intergovernmental:						
City of Roswell	152,689	-	-	-	-	152,689
Dept. of Justice	30,485	-	-	-	-	30,485
Dept. of Finance & Administration	-	57,256	-	40,325	-	97,581
Net receivables	\$ 615,460	\$ 121,367	\$ 2,057,644	\$ 40,325	\$ 53,433	\$ 2,888,229

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, unbilled and delinquent property taxes were \$450,663.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund transfers reflect a temporary transfer of cash due to temporary needs within the fund. The composition of interfund transfers during the year ended June 30, 2005 is as follows:

Transfers In	Transfers Out	Amount
Fiduciary Fund	Public Safety Grants	30,000
General Fund	County Income Fund	150,000
Fire & Ambulance	Berrendo Fire Fund	5,000
Fire & Ambulance	Chaves County Fire District #8	1,000
Fire & Ambulance	Dunken Fire Fund	2,000
Fire & Ambulance	East Grand Plains Fund	4,000
Fire & Ambulance	General Fund	5,000
Fire & Ambulance	Midway Fire Fund	4,000
Fire & Ambulance	Penasco Fire Fund	3,000
Fire & Ambulance	Rio Felix Fire Fund	1,000
Fire & Ambulance	Sierra Fire Fund	4,000
General Fund	County Income Fund	448,987
Gross Receipts Tax Bond	Revenue Bonds Debt Service #2	1,012,955
Extraordinary Mandatory Redemption	Revenue Bonds Debt Service #2	760,000
General Fund	General Obligation Bond - Debt Service	24,929
Property Valuation Fund	General Fund	9,173
Road Fund	County Income Fund	1,560,490
Road Fund	General Fund	36,667
Special Grants & Contracts	General Fund	13,000

The County recorded interfund receivables/payables to reflect a temporary loan between funds. These funds are expected to be paid back within a year.

Transfers Out	Transfers In	Amount
General Fund	Public Safety Grants	\$ 10,000
General Fund	Other Grants and Contracts	375,000
General Fund	CDBG	100,000
General Fund	Community DWI	40,000

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2005, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land is not subject to depreciation.

	Balance at July 1, 2004	Additions	Disposals	Adjustments	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 2,838,909	\$ 79,548	\$ (41,189)	\$ -	\$ 2,877,268
Construction in progress	12,877,555	3,795,302	-	-	16,672,857
Infrastructure	56,289,477	1,545,820	-	-	57,835,297
Total capital assets, not being depreciated	72,005,941	5,420,670	(41,189)	-	77,385,422
Capital assets, being depreciated:					
Buildings	30,999,829	405,430	(100,095)	-	31,305,164
Machinery and equipment	18,143,476	1,296,485	(298,941)	415,647	19,556,667
Total capital assets, being depreciated	49,143,305	1,701,915	(399,036)	415,647	50,861,831
Less accumulated depreciation:					
Buildings and improvements	(8,974,482)	(2,249,156)	-	-	(11,223,638)
Machinery and Equipment	(10,538,222)	(1,480,951)	56,053	(35,790)	(11,998,910)
Total accumulated depreciation	(19,512,704)	(3,730,107)	56,053	(35,790)	(23,222,548)
Total capital assets, being depreciated, net	29,630,601	(2,028,192)	(342,983)	379,857	27,639,283
Governmental capital assets, net	\$101,636,542	\$3,392,478	\$ (384,172)	\$ 379,857	\$ 105,024,705

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 6. CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 2,136,077
Public safety and judiciary	1,138,292
Transportation	42,469
Cultural and recreation	84,937
Health and welfare	364,121
Total depreciation expense	<u>\$3,765,896</u>

NOTE 7. LEASES

A. Rental Income Under Operating Leases

The County leases various real estate to others. These leases are operating leases which expire over various periods from 1 to 15 years, excluding renewal options.

The carrying amounts of the County's property held for leasing are as follows:

	<u>Governmental Activities</u>
Assets:	
Land	\$1,879,501
Buildings, net of accumulated depreciation	1,477,895
Construction in progress	16,672,857
Total	<u>\$20,030,253</u>

The following is a schedule of minimum future rental income for the next five years and thereafter on non-cancelable operating leases, excluding renewal options, through the year 2020:

	<u>Governmental Activities</u>
Year ending June 30,	
2006	\$288,265
2007	206,476
2008	213,600
2009	213,600
2010	219,800
2011-2015	1,131,500
2016-2020	1,222,100
Total future minimum lease income	<u>\$3,495,341</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 7. LEASES (Continued)

B. Rental Expense Under Operating Leases

The County is committed under various leases for machinery and equipment. These leases are considered for accounting purposes as operating leases. Lease expenses for the fiscal year totaled \$309,178. The future minimum lease payments for the leases are as follows:

Year ending June 30,	<u>Governmental Activities</u>
2006	\$528,668
2007	795,211
2008	427,817
2009	294,558
2010	<u>9,511</u>
Total future minimum lease income	<u>\$2,055,765</u>

NOTE 8. LONG TERM DEBT

Gross Receipts Tax Revenue Bonds

The County issued bonds were the County pledges income derived from gross receipts taxes levied to pay debt service. The County issued \$15,000,000 of gross receipts tax revenue bonds in prior years to finance the construction and remodel of the County Courthouse. Gross receipts tax revenue bonds outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	2.50% - 5.00%	\$14,370,000

Revenue bond debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 1,135,000	\$ 687,025
2007	425,000	609,369
2008	475,000	594,154
2009	525,000	575,863
2010	625,000	553,075
2011 – 2015	4,000,000	2,282,100
2016 – 2020	5,775,000	1,107,344
2021 – 2025	1,410,000	43,250
<u>\$</u>	<u>14,370,000</u>	<u>\$ 6,452,180</u>

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 8. LONG TERM DEBT (Continued)

A description of bonds payable at June 30, 2005 is as follows:

Gross Receipts Tax Revenue Bonds

Series: 2002

Original Issue: \$15,000,000

Principal: July 1

Interest: January 1 and July 1

Maturity: July 1, 2021

Rate: 2.55% to 5.00% Variance is due to a gradual annual increase over the life of the loan.

The County entered into several debt finance agreements with the New Mexico Finance Authority to purchase various equipment. Notes payable outstanding at June 30, 2005, consisted of the following:

Origination: December 29, 1998

Original Amount: \$500,000

Principal: May 1

Interest: May 1 and November 1

Maturity: May 1, 2006

Rate: 3.65% - 4.7% Variance is due to a gradual annual increase over the life of the loan.

Purpose: To purchase equipment for the road department.

Origination: August 10, 2002

Original Amount: \$60,000

Principal: May 1

Interest: May 1 and November 1

Maturity: May 1, 2012

Rate: 3.0%

Purpose: To purchase fire equipment for the Berrendo Fire District.

Origination: March 21, 2004

Original Amount: \$125,000

Principal: May 1

Interest: May 1 and November 1

Maturity: May 1, 2023

Rate: 3.0%

Purpose: To purchase fire equipment for the Chaves County Fire District #8.

Origination: June 21, 2002

Original Amount: \$32,000

Principal: May 1

Interest: May 1 and November 1

Maturity: May 1, 2013

Rate: 3.0%

Purpose: To purchase fire equipment for the Berrendo Fire District.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 8. LONG TERM DEBT (Continued)

Origination: April 1, 2004
 Original Amount: \$269,708
 Principal: May 1
 Interest: May 1 and November 1
 Maturity: May 1, 2024
 Rate: 0.9% - 4.27%
 Purpose: To purchase fire equipment for the East Grand Plains Fire District.

The annual requirements to amortize the notes payable outstanding as of June 30, 2005, including interest payments are as follows:

Year Ending June 30,	Principal	Interest
2006	\$ 106,871	\$ 18,642
2007	24,645	14,339
2008	25,262	13,725
2009	25,931	13,057
2010	26,652	12,338
2011 – 2015	175,323	58,141
2016 – 2020	73,801	24,918
2021 – 2025	70,942	8,064
	\$ 529,427	\$ 163,224

Changes in long-term liabilities

Long-term debt activity for the year ended June 30, 2005, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts tax revenue bonds	15,000,000	-	630,000	14,370,000	1,135,000
Total bonds payable	15,000,000	-	630,000	14,370,000	1,135,000
Capital leases	42,800	357,900	46,490	354,210	43,615
Notes payable	629,524	-	182,354	447,170	106,871
Compensated Absences	484,603	435,515	381,228	538,890	388,000
Governmental activities long-term liabilities	\$16,156,927	\$ 793,415	\$ 1,240,072	\$15,710,270	\$ 1,673,486

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005**

NOTE 8. LONG TERM DEBT (Continued)

Compensated absences have been paid by the fund from which the employees' salaries are paid. The majority is paid from the General Fund and the Road Fund.

NOTE 9. RISK MANAGEMENT

Chaves County is a member and is insured through the New Mexico County Insurance Authority. The Authority was created to provide comprehensive care insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The Authority acts as the common carrier for the State of New Mexico's counties. The County pays an annual premium to the Authority based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. The Actuarial gains and losses were not available at the date of this report. However, the County is not liable for more than the premiums paid.

NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

- A. Deficit fund balance of individual funds. One fund reflected a deficit fund balance as of June 30, 2005:

	Special Revenue
Other Grants and Contracts	<u>Funds</u>
	\$ 79,053

- B. Excess of expenditures over appropriations.

None

NOTE 11. PERA PENSION PLAN

Plan Description

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

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 11. PERA PENSION PLAN (Continued)

Funding Policy

Plan members are required to contribute 15.65% for municipal employees and 16.3% of gross salaries for law enforcement employees. The County is required to contribute 18.5% for law enforcement plan members and 11.65% for all other plan members. The contribution requirements of plan members and Chaves County are established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The County's contributions to PERA for the years ended June 30, 2005, 2004, and 2003 were \$1,025,133, \$1,005,056, and \$966,712, equal to the amount of the required contributions for the years, respectively.

NOTE 12. POST-EMPLOYMENT BENEFITS

The Retiree Health Care Act (the "Act") (Chapter 10, Article 7C, NMSA, 1978) provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico. The purpose is to provide eligible retirees, their spouses, dependents, and surviving spouses with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into the Retiree Health Care Fund and by co-payments or out-of-pocket payments to eligible retirees. Monies flow to the Retiree Health Care Fund on a pay-as-you-go basis from eligible employers and eligible retirees.

Eligible employers are institutions of higher education, school districts, or other entities participating in the Public School Insurance Authority, state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Education Retirement Act, Public Employees Retirement Association (PERA), Volunteer Firefighters Retirement Act., Judicial Retirement Act or the Magistrate Retirement Act. Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the Retiree Health Care Act on the person's behalf unless that person retired on or before July 1, 1995, in which event that time period required for employee and employer contributions shall become the period of time between July 1, 1990, and the date of retirement; or (2) retirees defined by the Act who retired prior to July 1, 1990; and former legislators who served at least two years. Each participating employer makes contributions to the fund in the amount of 1.3 percent of each participating employee's annual salary. Each participating employee contributes to the fund an amount equal to .65 percent of the employee's salary. Each participating retiree pays a monthly premium for the medical plus basic life plan and an additional participation fee of five dollars (\$5.00) if the eligible participant retired prior to July 1, 1990 or is a former legislator. Participants may also enroll in optional plans of coverage.

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

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 12. POST-EMPLOYMENT BENEFITS (Continued)

The Retiree Health Care Authority issued a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the Albuquerque State Government Center, 401 Roma NW, Suite 200, Albuquerque, New Mexico 87102.

For the years ended June 30, 2005, 2004, and 2003, the County remitted \$89,401, \$87,697, and \$87,974, respectively, in employer contributions to the Retiree Health Care Authority.

NOTE 13. CONTINGENT LIABILITIES

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

The County is involved in various claims and lawsuits arising in the normal course of business. The County is insured through the New Mexico County Insurance Authority. The opinion of management is that the outcome of these matters will not have a material effect on the financial position of the County.

NOTE 14. BASIS OF PRESENTATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Chaves County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in, or used in the preparation of the governmental fund financial statements may not be consistent with amounts used in the Schedule of Expenditures of Federal Awards.

NOTE 15. ACCOUNTING STANDARDS

In November 2003, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries, which is effective for financial statements for periods beginning after December 15, 2004. This statement requires governments to report the effects of capital asset impairments in their financial statements when they occur rather than as part of the ongoing depreciation expense for the capital asset or upon disposal of the capital asset. The County is analyzing the effect that this standard will have on its financial statements and currently believes it will have no significant effect on the financial statements for the upcoming year.

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2005

NOTE 15. ACCOUNTING STANDARDS (Continued)

In December 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 46, *Net Assets Restricted by Enabling Legislation*. The Statement amends GASB Statement No. 34, paragraph 34, to clarify that, for the purpose of reporting restricted net assets, a legally enforceable enabling legislation restriction is one that a party external to a government can compel a government to honor. The Statement also (a) specifies the accounting and financial reporting requirements if new enabling legislation replaces existing enabling legislation or if legal enforceability is reevaluated and (b) requires governments to disclose the portion of total net assets that is restricted by enabling legislation. GASB Statement No. 46 is effective for financial statements for the periods beginning after June 15, 2005, with earlier application encouraged. The County is analyzing the effect that this standard will have on its financial statements, and currently believes it will have no significant effect on the financial statements for the upcoming year.

NOTE 16. SELF-INSURANCE

The County has established a self-insured dental program for employees, employees' spouses and their children. Payments are made to Dental Source for 100% of preventative services, 80% of basic services and 50% of major services. The plan has a maximum of \$1,000 per enrolled person on a contract year basis. During the year, the County paid claims in the amount of \$121,147 and administrative fees of \$17,805.

NOTE 17. SUBSEQUENT EVENTS

Over the past seven years, the County has been engaged in a lawsuit against a previous insurance company to recover damages paid by the County for a malpractice lawsuit involving a civil matter. In July 2005, the County settled its case and will receive \$3,000,000. The extraordinary gain recorded in the County Income Fund is as follows:

Settlement	\$ 3,000,000
Less costs:	
Final costs	44,758
Attorney fees including sales tax	<u>1,067,500</u>
Extraordinary gain	<u>\$ 1,887,742</u>

After year-end, the Chaves County Commissioners approved an ordinance that would allow the County to issue \$48 million of industrial revenue bonds to provide funds to finance the acquisition, construction, and equipping of a wind farm for the purpose of generating electricity. All \$48 million of the Bonds are to be sold in a private sale to San Juan Mesa Investments, LLC, on December 1, 2005.

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SUPPLEMENTARY INFORMATION

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**NONMAJOR GOVERNMENTAL
FUNDS**

**STATE OF NEW MEXICO
CHAVES COUNTY
Combining Balance Sheet
Non-Major Governmental Funds
For the Year Ended June 30, 2005**

Statement A-1

	<u>Totals by Fund Type</u>			
	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Non- Major Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 3,906,841	\$ 1,628,111	\$ 2,136,968	\$ 7,671,920
Receivables:				
Taxes	53,433	-	-	53,433
Intergovernmental	-	-	-	-
Other	-	-	-	-
Prepaid assets	24,646	-	-	24,646
	<hr/>			
Total assets	\$ 3,984,920	\$ 1,628,111	\$ 2,136,968	\$ 7,749,999
	<hr/>			
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 63,760	\$ -	\$ 53,026	\$ 116,786
Accrued expenses	30,772	-	1,320	32,092
Deferred revenue	39,382	-	-	39,382
Due to other funds	110,000	-	-	110,000
Total liabilities	243,914	-	54,346	298,260
	<hr/>			
Fund balances:				
Reserved for debt service	-	1,628,111	-	1,628,111
Unreserved:				
Designated for subsequent year's expenditures:				
Special Revenue Funds	776,794	-	-	776,794
Capital Projects Funds	-	-	1,417,400	1,417,400
Undesignated:				
Special Revenue Funds	2,964,212	-	-	2,964,212
Capital Projects Funds	-	-	665,222	665,222
Total Fund Balances	3,741,006	1,628,111	2,082,622	7,451,739
	<hr/>			
Total liabilities and fund balances	\$ 3,984,920	\$ 1,628,111	\$ 2,136,968	\$ 7,749,999
	<hr/>			

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement A-2

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2005

	Totals by Fund Type			Total Non-Major Governmental Funds
	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	
REVENUES				
Taxes	\$ 1,184,807	\$ 1,614,421	\$ 20,697	\$ 2,819,925
Intergovernmental	1,657,170	-	-	1,657,170
Charges for services	59,216	-	-	59,216
Refunds and recoveries	-	-	-	-
Interest on investments	47,772	49,102	-	96,874
Miscellaneous	154,286	3,291	-	157,577
Total revenues	<u>3,103,251</u>	<u>1,666,814</u>	<u>20,697</u>	<u>4,790,762</u>
EXPENDITURES				
Current:				
General government	142,887	-	1,011,173	1,154,060
Public safety	436,230	-	-	436,230
Highways and streets	10,741	-	-	10,741
Conservation of natural resources	713,878	-	-	713,878
Health and welfare	134,811	-	-	134,811
Capital outlay	901,413	-	11,681	913,094
Debt service:				-
Principal	-	630,000	-	630,000
Interest	-	680,868	-	680,868
Total expenditures	<u>2,339,960</u>	<u>1,310,868</u>	<u>1,022,854</u>	<u>4,673,682</u>
Excess (deficiency) of revenues over expenditures	763,291	355,946	(1,002,157)	117,080
Other financing sources (uses):				
Operating transfers in (out)	(15,827)	(24,929)	-	(40,756)
Other	-	-	-	-
Net change in fund balances	<u>747,464</u>	<u>331,017</u>	<u>(1,002,157)</u>	<u>76,324</u>
Fund balances-beginning of the year,	<u>2,993,542</u>	<u>1,297,094</u>	<u>3,084,779</u>	<u>7,375,415</u>
Fund balances - end of the year	<u>\$ 3,741,006</u>	<u>\$ 1,628,111</u>	<u>\$ 2,082,622</u>	<u>\$ 7,451,739</u>

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

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SPECIAL REVENUE FUNDS

**STATE OF NEW MEXICO
CHAVES COUNTY
Special Revenue Fund Descriptions
June 30, 2005**

Farm and Range Fund

To account for soil conservation activities within the County. Financing is provided by the Taylor Grazing Act. (6-11-6 NMSA 1978)

Recreation Fund

To account for the operation, maintenance, and construction of County owned recreational facilities. Financing is provided by cigarette tax and other miscellaneous sources. (7-12-15 NMSA 1978)

Fire District Funds

To account for the operations and maintenance of the County's fire districts. Financing is provided by allotments from the State of New Mexico and other miscellaneous sources. (Ordinance #41, 11-24-93)

Fire and Ambulance Fund

To account for one-eighth of one cent gross receipts tax for the purpose of assisting the County's safety programs. (7-20E-15 NMSA 1978)

Law Enforcement Grant Fund

To account for a state grant restricted to training and equipment purchases for use in law enforcement. (29-13-1 NMSA 1978)

Public Safety Grants Fund

To account for revenues and expenditures for the D.A.R.E. and Narcotics grant programs. (Annually renewed agreement through Resolution)

Corrections Fees Fund

To account for the County's portion of the penalty assessment attachment to each traffic violation handled through the Magistrate Court. Expenditures are restricted to the law enforcement area. (33-3-25 NMSA 1978)

Environmental Gross Receipts Tax Fund

To account for funds generated by the Environmental Gross Receipts Tax. (Ordinance #33, 3-38-91, 7-20E-17 NMSA 1978)

Hospital Aged Accounts Fund

As a result of the sale of Eastern New Mexico Medical Center, the County received patient accounts receivable of approximately \$22.5 million. Funds received from collection of the patient accounts receivable are recorded in this fund and are available for any purpose the County Commission deems appropriate.

Flood Control Fund

To account for flood control activities. Financing is provided by property taxes. (1948 Resolution)

Special Road Construction Fund

To account for funds received for maintenance of special private roads through a Commission approved agreement. (Resolution 95-41)

**STATE OF NEW MEXICO
CHAVES COUNTY
Special Revenue Fund Descriptions
June 30, 2005**

Clerk Recording and Filing Fees Fund

To account for funds received from charges for County services. Funds are used to maintain clerk equipment. (Resolution 95-41)

Property Valuation Fund

To account for the administrative fee of reappraisal of property for the purpose of assessing taxes. (7-38-38.1 NMSA 1978)

Community Development Block Grant Fund

To account for revenues and expenditures under a pass through program from the State. Expenditures are restricted to the purposes approved in the grant application. (Resolution 95-41)

**STATE OF NEW MEXICO
CHAVES COUNTY
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2005**

	<u>Farm and Range Fund</u>	<u>Recreation Fund</u>	<u>Dunken Fire District Fund</u>
ASSETS			
Cash and cash equivalents	\$ 37,865	\$ 126	\$ 57,918
Receivables:			
Taxes	-	-	-
Intergovernmental	-	-	-
Other	-	-	-
Prepaid assets	-	-	2,166
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 37,865</u>	<u>\$ 126</u>	<u>\$ 60,084</u>
	<hr/>	<hr/>	<hr/>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 24,000	\$ -	\$ 41
Accrued expenses	-	-	-
Deferred revenue	-	-	-
Due to other funds	-	-	-
Total liabilities	<hr/>	<hr/>	<hr/>
	24,000	-	41
	<hr/>	<hr/>	<hr/>
Fund balances:			
Unreserved:			
Designated for subsequent year's expenditures	34,000	-	40,614
Undesignated:	(20,135)	126	19,429
Total fund balances	<hr/>	<hr/>	<hr/>
	13,865	126	60,043
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 37,865</u>	<u>\$ 126</u>	<u>\$ 60,084</u>
	<hr/>	<hr/>	<hr/>

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

East Grand Plains Fire District Fund	Penasco Fire District Fund	Midway Fire District Fund	Berrendo Fire District Fund
\$ 95,856	\$ 69,619	\$ 35,953	\$ 18,745
-	-	-	-
-	-	-	-
-	-	-	-
2,217	2,036	2,412	2,397
<u>\$ 98,073</u>	<u>\$ 71,655</u>	<u>\$ 38,365</u>	<u>\$ 21,142</u>
\$ 560	\$ 143	\$ 50	\$ 1,484
102	-	738	231
-	-	-	-
-	-	-	-
662	143	788	1,715
-	49,552	28,037	13,913
97,411	21,960	9,540	5,514
97,411	71,512	37,577	19,427
<u>\$ 98,073</u>	<u>\$ 71,655</u>	<u>\$ 38,365</u>	<u>\$ 21,142</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2005**

	Sierra Fire District Fund	Rio Felix Fire District Fund	Chaves County Fire District #8 Fund
ASSETS			
Cash and cash equivalents	\$ 124,409	\$ 57,798	\$ 24,157
Receivables:			
Taxes	-	-	-
Intergovernmental	-	-	-
Other	-	-	-
Prepaid assets	2,324	1,806	1,878
	<u>126,733</u>	<u>59,604</u>	<u>26,035</u>
Total assets	<u>\$ 126,733</u>	<u>\$ 59,604</u>	<u>\$ 26,035</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 261	\$ 90	\$ 214
Accrued expenses	1,163	-	-
Deferred revenue	-	-	-
Due to other funds	-	-	-
Total liabilities	<u>1,424</u>	<u>90</u>	<u>214</u>
Fund balances:			
Unreserved:			
Designated for subsequent year's expenditures	108,273	37,073	20,234
Undesignated:	17,036	22,441	5,587
Total fund balances	<u>125,309</u>	<u>59,514</u>	<u>25,821</u>
Total liabilities and fund balances	<u>\$ 126,733</u>	<u>\$ 59,604</u>	<u>\$ 26,035</u>

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

<u>Fire and Ambulance Fund</u>	<u>Law Enforcement Grant Fund</u>	<u>Public Safety Grants Fund</u>	<u>Corrections Fees Fund</u>
\$ 1,244,175	\$ 18,855	\$ 79,687	\$ 76,081
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 1,244,175</u>	<u>\$ 18,855</u>	<u>\$ 79,687</u>	<u>\$ 76,081</u>
\$ -	\$ 200	\$ -	\$ -
-	-	1,500	-
-	-	-	-
-	-	10,000	-
<u>-</u>	<u>200</u>	<u>11,500</u>	<u>-</u>
-	17,302	30,195	-
1,244,175	1,353	37,992	76,081
<u>1,244,175</u>	<u>18,655</u>	<u>68,187</u>	<u>76,081</u>
<u>\$ 1,244,175</u>	<u>\$ 18,855</u>	<u>\$ 79,687</u>	<u>\$ 76,081</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2005**

	Environmental Gross Receipts Fund	Hospital Aged Accounts Fund	Flood Control Fund
ASSETS			
Cash and cash equivalents	\$ 43,019	\$ 208,463	\$ 808,273
Receivables:			
Taxes	-	-	53,433
Intergovernmental	-	-	-
Other	-	-	-
Prepaid assets	1,015	-	5,169
	<u>44,034</u>	<u>208,463</u>	<u>866,875</u>
Total assets	<u>\$ 44,034</u>	<u>\$ 208,463</u>	<u>\$ 866,875</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 18,164	\$ -	\$ 7,800
Accrued expenses	5,652	-	14,983
Deferred revenue	-	-	39,382
Due to other funds	-	-	-
Total liabilities	<u>23,816</u>	<u>-</u>	<u>62,165</u>
Fund balances:			
Unreserved:			
Designated for subsequent year's expenditures	-	-	176,828
Undesignated:	20,218	208,463	627,882
Total fund balances	<u>20,218</u>	<u>208,463</u>	<u>804,710</u>
Total liabilities and fund balances	<u>\$ 44,034</u>	<u>\$ 208,463</u>	<u>\$ 866,875</u>

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

Special Road Construction Fund	Clerk Recording and Filing Fees Fund	Property Valuation Fund	CDBG Grant Fund	Total
\$ 548,529	\$ 139,417	\$ 117,896	\$ 100,000	\$ 3,906,841
-	-	-	-	53,433
-	-	-	-	-
-	-	-	-	-
-	-	1,226	-	24,646
<u>\$ 548,529</u>	<u>\$ 139,417</u>	<u>\$ 119,122</u>	<u>\$ 100,000</u>	<u>\$ 3,984,920</u>
\$ 10,741	\$ -	\$ 12	\$ -	\$ 63,760
-	-	6,403	-	30,772
-	-	-	-	39,382
-	-	-	100,000	110,000
<u>10,741</u>	<u>-</u>	<u>6,415</u>	<u>100,000</u>	<u>243,914</u>
146,000	61,010	13,763	-	776,794
391,788	78,407	98,944	-	2,964,212
<u>537,788</u>	<u>139,417</u>	<u>112,707</u>	<u>-</u>	<u>3,741,006</u>
<u>\$ 548,529</u>	<u>\$ 139,417</u>	<u>\$ 119,122</u>	<u>\$ 100,000</u>	<u>\$ 3,984,920</u>

STATE OF NEW MEXICO
CHAVES COUNTY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2005

REVENUES	Farm and Range Fund	Recreation Fund	Dunken Fire District Fund
Taxes	\$ -	\$ -	\$ -
Intergovernmental	39,587	-	86,269
Charges for services	-	-	-
Refunds and recoveries	-	-	-
Interest on investments	-	-	-
Miscellaneous	-	-	43
Total revenues	39,587	-	86,312
EXPENDITURES			
Current:			
General government	\$ -	\$ -	\$ -
Public safety	-	-	54,278
Highways and streets	-	-	-
Conservation of natural resources	48,000	-	-
Health and welfare	-	-	-
Special grants and projects	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	-	-
Debt service	-	-	-
Total expenditures	48,000	-	54,278
Excess (deficiency) of revenues over expenditures	(8,413)	-	32,034
Other financing sources (uses):			
Operating transfers in (out)	-	-	(2,000)
Other	-	-	-
Total other financing sources (uses)	-	-	(2,000)
Net changes in fund balances	(8,413)	-	30,034
Fund balances - beginning of year	22,278	126	30,009
Fund balances - end of the year	\$ 13,865	\$ 126	\$ 60,043

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

East Grand Plains Fire District	Penasco Fire District Fund	Midway Fire District Fund	Berrendo Fire District Fund
\$ -	\$ -	\$ -	\$ -
107,317	36,822	56,256	124,129
-	-	-	-
-	-	-	-
52	-	248	111
<u>107,369</u>	<u>36,822</u>	<u>56,504</u>	<u>124,240</u>
\$ -	\$ -	\$ -	\$ -
28,628	15,143	51,042	72,672
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
31,064	5,661	46,495	48,875
-	-	-	-
<u>59,692</u>	<u>20,804</u>	<u>97,537</u>	<u>121,547</u>
<u>47,677</u>	<u>16,018</u>	<u>(41,033)</u>	<u>2,693</u>
(4,000)	(3,000)	(4,000)	(5,000)
-	-	-	-
<u>(4,000)</u>	<u>(3,000)</u>	<u>(4,000)</u>	<u>(5,000)</u>
43,677	13,018	(45,033)	(2,307)
53,734	58,494	82,610	21,734
<u>\$ 97,411</u>	<u>\$ 71,512</u>	<u>\$ 37,577</u>	<u>\$ 19,427</u>

STATE OF NEW MEXICO
CHAVES COUNTY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2005

	Sierra Fire District Fund	Rio Felix Fire District Fund	Chaves County Fire District #8 Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	118,870	33,976	57,608
Charges for services	-	-	-
Refunds and recoveries	-	-	-
Interest on investments	-	-	-
Miscellaneous	126	37	-
Total revenues	<u>118,996</u>	<u>34,013</u>	<u>57,608</u>
EXPENDITURES			
Current:			
General government	\$ -	\$ -	\$ -
Public safety	51,572	10,584	32,785
Highways and streets	-	-	-
Conservation of natural resources	-	-	-
Health and welfare	-	-	-
Special grants and projects	-	-	-
Culture and recreation	-	-	-
Capital outlay	36,700	1,806	13,919
Debt service	-	-	-
Total expenditures	<u>88,272</u>	<u>12,390</u>	<u>46,704</u>
Excess (deficiency) of revenues over expenditures	<u>30,724</u>	<u>21,623</u>	<u>10,904</u>
Other financing sources (uses):			
Operating transfers in (out)	(4,000)	(1,000)	(1,000)
Other	-	-	-
Total other financing sources (uses)	<u>(4,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>
Net changes in fund balances	26,724	20,623	9,904
Fund balances - beginning of year	98,585	38,891	15,917
Fund balances - end of the year	<u>\$ 125,309</u>	<u>\$ 59,514</u>	<u>\$ 25,821</u>

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

Fire and Ambulance Fund	Law Enforcement Grant Fund	Public Safety Grants Fund	Corrections Fees Fund
\$ 280,462	\$ -	\$ -	\$ -
-	42,200	115,503	120,888
-	-	-	-
-	-	-	-
41,568	-	-	-
17,088	-	(10)	-
<u>339,118</u>	<u>42,200</u>	<u>115,493</u>	<u>120,888</u>
\$ -	\$ -	\$ -	\$ -
-	27,382	28,296	63,848
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
137,398	3,522	10,843	-
-	-	-	-
<u>137,398</u>	<u>30,904</u>	<u>39,139</u>	<u>63,848</u>
<u>201,720</u>	<u>11,296</u>	<u>76,354</u>	<u>57,040</u>
29,000	-	(30,000)	-
-	-	-	-
<u>29,000</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>
230,720	11,296	46,354	57,040
1,013,455	7,359	21,833	19,041
<u>\$ 1,244,175</u>	<u>\$ 18,655</u>	<u>\$ 68,187</u>	<u>\$ 76,081</u>

STATE OF NEW MEXICO
CHAVES COUNTY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2005

	Environmental Gross Receipts Tax Fund	Hospital Aged Accounts Fund	Flood Control Fund
REVENUES			
Taxes	\$ 140,231	\$ -	\$ 764,114
Intergovernmental	-	-	123,321
Charges for services	-	-	-
Refunds and recoveries	-	-	-
Interest on investments	-	-	-
Miscellaneous	-	32,537	4,054
Total revenues	140,231	32,537	891,489
EXPENDITURES			
Current:			
General government	\$ -	\$ -	\$ -
Public safety	-	-	-
Highways and streets	-	-	-
Conservation of natural resources	-	-	665,878
Health and welfare	134,461	350	-
Special grants and projects	-	-	-
Culture and recreation	-	-	-
Capital outlay	42,933	-	51,206
Debt service	-	-	-
Total expenditures	177,394	350	717,084
Excess (deficiency) of revenues over expenditures	(37,163)	32,187	174,405
Other financing sources (uses):			
Operating transfers in (out)	-	-	-
Other	-	-	-
Total other financing sources (uses)	-	-	-
Net changes in fund balances	(37,163)	32,187	174,405
Fund balances - beginning of year	57,381	176,276	630,305
Fund balances - end of the year	\$ 20,218	\$ 208,463	\$ 804,710

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

Special Road Construction Fund	Clerk Recording and Filing Fees Fund	Property Valuation Fund	CDBG Grant Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ 1,184,807
-	-	168,817	425,607	1,657,170
-	59,216	-	-	59,216
-	-	-	-	-
6,204	-	-	-	47,772
100,000	-	-	-	154,286
<u>106,204</u>	<u>59,216</u>	<u>168,817</u>	<u>425,607</u>	<u>3,103,251</u>
\$ -	\$ 8,054	\$ 127,312	\$ 7,521	\$ 142,887
-	-	-	-	436,230
10,741	-	-	-	10,741
-	-	-	-	713,878
-	-	-	-	134,811
-	-	-	-	-
-	-	-	-	-
-	40,793	70,212	359,986	901,413
-	-	-	-	-
<u>10,741</u>	<u>48,847</u>	<u>197,524</u>	<u>367,507</u>	<u>2,339,960</u>
95,463	10,369	(28,707)	58,100	763,291
-	-	9,173	-	(15,827)
-	-	-	-	-
-	-	9,173	-	(15,827)
95,463	10,369	(19,534)	58,100	747,464
442,325	129,048	132,241	(58,100)	2,993,542
<u>\$ 537,788</u>	<u>\$ 139,417</u>	<u>\$ 112,707</u>	<u>\$ -</u>	<u>\$ 3,741,006</u>

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-3

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Farm and Range Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 46,277	\$ 46,277	\$ 39,587	\$ (6,690)
Total revenues	<u>46,277</u>	<u>46,277</u>	<u>39,587</u>	<u>(6,690)</u>
EXPENDITURES				
Current:				
Farm and range:				
Operating expenses	50,000	50,000	24,000	26,000
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>24,000</u>	<u>26,000</u>
Excess (deficiency) of revenues over expenditures	<u>(3,723)</u>	<u>(3,723)</u>	<u>15,587</u>	<u>19,310</u>
Other financing sources (uses):				
Designated cash	3,723	3,723	-	(3,723)
Total other financing sources (uses)	<u>3,723</u>	<u>3,723</u>	<u>-</u>	<u>(3,723)</u>
Net change in fund balance	-	-	15,587	15,587
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>22,278</u>	<u>22,278</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,865</u>	<u>\$ 37,865</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-4

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Recreation Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 100	\$ 100	\$ -	\$ (100)
Total revenues	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
EXPENDITURES				
Current:				
Culture and recreation:				
Operating expenses	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
Other financing sources (uses):				
Designated cash	<u>(100)</u>	<u>(100)</u>	<u>-</u>	<u>100</u>
Total other financing sources (uses)	<u>(100)</u>	<u>(100)</u>	<u>-</u>	<u>100</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>126</u>	<u>126</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126</u>	<u>\$ 126</u>

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

CHAVES COUNTY

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Dunken Fire District Special Revenue Fund
 For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 45,480	\$ 46,185	\$ 46,185	\$ -
Miscellaneous	-	52,776	40,127	(12,649)
Total revenues	<u>45,480</u>	<u>98,961</u>	<u>86,312</u>	<u>(12,649)</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	36,729	36,729	10,860	25,869
Supplies	9,000	61,776	43,556	18,220
Total public safety	<u>45,729</u>	<u>98,505</u>	<u>54,416</u>	<u>44,089</u>
Capital outlay	-	5,864	-	5,864
Total expenditures	<u>45,729</u>	<u>104,369</u>	<u>54,416</u>	<u>49,953</u>
Excess (deficiency) of revenues over expenditures	<u>(249)</u>	<u>(5,408)</u>	<u>31,896</u>	<u>37,304</u>
Other financing sources (uses):				
Designated cash	2,249	7,408	-	(7,408)
Operating transfers in (out)	(2,000)	(2,000)	(2,000)	-
Total other financing sources (uses)	<u>249</u>	<u>5,408</u>	<u>(2,000)</u>	<u>(7,408)</u>
Net change in fund balance	-	-	29,896	29,896
Fund balance - beginning of year	-	-	28,022	28,022
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,918</u>	<u>\$ 57,918</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-6

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
East Grand Plains Fire District Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 100,678	\$ 104,663	\$ 107,317	\$ 2,654
Miscellaneous	-	-	52	52
Total revenues	<u>100,678</u>	<u>104,663</u>	<u>107,369</u>	<u>2,706</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	30,152	41,846	22,021	19,825
Supplies	15,700	13,339	6,240	7,099
Total public safety	<u>45,852</u>	<u>55,185</u>	<u>28,261</u>	<u>26,924</u>
Capital outlay	<u>43,000</u>	<u>41,828</u>	<u>31,064</u>	<u>10,764</u>
Total expenditures	<u>88,852</u>	<u>97,013</u>	<u>59,325</u>	<u>37,688</u>
Excess (deficiency) of revenues over expenditures	<u>11,826</u>	<u>7,650</u>	<u>48,044</u>	<u>40,394</u>
Other financing sources (uses):				
Designated cash	(7,826)	(3,650)	-	3,650
Operating transfers in (out)	(4,000)	(4,000)	(4,000)	-
Total other financing sources (uses)	<u>(11,826)</u>	<u>(7,650)</u>	<u>(4,000)</u>	<u>3,650</u>
Net change in fund balance	-	-	44,044	44,044
Fund balance - beginning of year	-	-	<u>51,711</u>	<u>51,711</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,755</u>	<u>\$ 95,755</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-7

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Penasco Fire District Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 48,100	\$ 48,438	\$ 45,338	\$ (3,100)
Miscellaneous	-	-	-	-
Total revenues	<u>48,100</u>	<u>48,438</u>	<u>45,338</u>	<u>(3,100)</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	30,247	33,178	14,466	18,712
Supplies	22,100	20,469	675	19,794
Total public safety	<u>52,347</u>	<u>53,647</u>	<u>15,141</u>	<u>38,506</u>
Capital outlay	<u>7,000</u>	<u>7,000</u>	<u>5,661</u>	<u>1,339</u>
Total expenditures	<u>59,347</u>	<u>60,647</u>	<u>20,802</u>	<u>39,845</u>
Excess (deficiency) of revenues over expenditures	<u>(11,247)</u>	<u>(12,209)</u>	<u>24,536</u>	<u>36,745</u>
Other financing sources (uses):				
Designated cash	14,247	15,209	-	(15,209)
Operating transfers in (out)	(3,000)	(3,000)	(3,000)	-
Total other financing sources (uses)	<u>11,247</u>	<u>12,209</u>	<u>(3,000)</u>	<u>(15,209)</u>
Net change in fund balance	-	-	21,536	21,536
Fund balance - beginning of year	-	-	<u>48,083</u>	<u>48,083</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,619</u>	<u>\$ 69,619</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-8

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Midway Fire District Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 48,388	\$ 61,734	\$ 56,256	\$ (5,478)
Miscellaneous	-	-	248	248
Total revenues	<u>48,388</u>	<u>61,734</u>	<u>56,504</u>	<u>(5,230)</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	27,481	32,533	15,617	16,916
Supplies	14,000	56,345	35,625	20,720
Total public safety	<u>41,481</u>	<u>88,878</u>	<u>51,242</u>	<u>37,636</u>
Capital outlay	<u>5,500</u>	<u>53,934</u>	<u>46,495</u>	<u>7,439</u>
Total expenditures	<u>46,981</u>	<u>142,812</u>	<u>97,737</u>	<u>45,075</u>
Excess (deficiency) of revenues over expenditures	<u>1,407</u>	<u>(81,078)</u>	<u>(41,233)</u>	<u>39,845</u>
Other financing sources (uses):				
Designated cash	2,593	85,078	-	(85,078)
Operating transfers in (out)	(4,000)	(4,000)	(4,000)	-
Total other financing sources (uses)	<u>(1,407)</u>	<u>81,078</u>	<u>(4,000)</u>	<u>(85,078)</u>
Net change in fund balance	-	-	(45,233)	(45,233)
Fund balance - beginning of year	-	-	80,448	80,448
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,215</u>	<u>\$ 35,215</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-9

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Berrendo Fire District Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 113,654	\$ 120,995	\$ 124,129	\$ 3,134
Miscellaneous	-	-	111	111
Total revenues	<u>113,654</u>	<u>120,995</u>	<u>124,240</u>	<u>3,245</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	45,204	47,030	40,674	6,356
Supplies	15,445	35,094	31,194	3,900
Total public safety	<u>60,649</u>	<u>82,124</u>	<u>71,868</u>	<u>10,256</u>
Capital outlay	<u>41,950</u>	<u>41,491</u>	<u>48,874</u>	<u>(7,383)</u>
Total expenditures	<u>102,599</u>	<u>123,615</u>	<u>120,742</u>	<u>2,873</u>
Excess (deficiency) of revenues over expenditures	<u>11,055</u>	<u>(2,620)</u>	<u>3,498</u>	<u>6,118</u>
Other financing sources (uses):				
Designated cash	(6,055)	7,620	-	(7,620)
Operating transfers in (out)	(5,000)	(5,000)	(5,000)	-
Total other financing sources (uses)	<u>(11,055)</u>	<u>2,620</u>	<u>(5,000)</u>	<u>(7,620)</u>
Net change in fund balance	-	-	(1,502)	(1,502)
Fund balance - beginning of year	-	-	<u>19,584</u>	<u>19,584</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,082</u>	<u>\$ 18,082</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Statement B-10

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sierra Fire District Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 97,682	\$ 149,870	\$ 131,390	\$ (18,480)
Miscellaneous	-	-	126	126
Total revenues	<u>97,682</u>	<u>149,870</u>	<u>131,516</u>	<u>(18,354)</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	32,822	52,322	38,525	13,797
Supplies	28,190	31,314	13,011	18,303
Total public safety	<u>61,012</u>	<u>83,636</u>	<u>51,536</u>	<u>32,100</u>
Capital outlay	-	83,535	36,700	46,835
Total expenditures	<u>61,012</u>	<u>167,171</u>	<u>88,236</u>	<u>78,935</u>
Excess (deficiency) of revenues over expenditures	<u>36,670</u>	<u>(17,301)</u>	<u>43,280</u>	<u>60,581</u>
Other financing sources (uses):				
Designated cash	(32,670)	21,301	-	(21,301)
Operating transfers in (out)	(4,000)	(4,000)	(4,000)	-
Total other financing sources (uses)	<u>(36,670)</u>	<u>17,301</u>	<u>(4,000)</u>	<u>(21,301)</u>
Net change in fund balance	-	-	39,280	39,280
Fund balance - beginning of year	-	-	83,966	83,966
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 123,246</u>	<u>\$ 123,246</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-11

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Rio Felix Fire District Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 32,260	\$ 32,502	\$ 33,976	\$ 1,474
Miscellaneous	-	-	37	37
Total revenues	<u>32,260</u>	<u>32,502</u>	<u>34,013</u>	<u>1,511</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	19,286	19,286	7,634	11,652
Supplies	5,200	7,679	2,935	4,744
Total public safety	<u>24,486</u>	<u>26,965</u>	<u>10,569</u>	<u>16,396</u>
Capital outlay	<u>3,000</u>	<u>3,000</u>	<u>1,806</u>	<u>1,194</u>
Total expenditures	<u>27,486</u>	<u>29,965</u>	<u>12,375</u>	<u>17,590</u>
Excess (deficiency) of revenues over expenditures	<u>4,774</u>	<u>2,537</u>	<u>21,638</u>	<u>19,101</u>
Other financing sources (uses):				
Designated cash	(3,774)	(1,537)	-	1,537
Operating transfers in (out)	(1,000)	(1,000)	(1,000)	-
Total other financing sources (uses)	<u>(4,774)</u>	<u>(2,537)</u>	<u>(1,000)</u>	<u>1,537</u>
Net change in fund balance	-	-	20,638	20,638
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>37,160</u>	<u>37,160</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,798</u>	<u>\$ 57,798</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-12

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Chaves County Fire District #8 Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 54,388	\$ 56,283	\$ 57,608	\$ 1,325
Total revenues	<u>54,388</u>	<u>56,283</u>	<u>57,608</u>	<u>1,325</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	24,899	26,431	16,528	9,903
Supplies	16,700	18,200	16,139	2,061
Total public safety	<u>41,599</u>	<u>44,631</u>	<u>32,667</u>	<u>11,964</u>
Capital outlay	<u>18,394</u>	<u>16,894</u>	<u>13,919</u>	<u>2,975</u>
Total expenditures	<u>59,993</u>	<u>61,525</u>	<u>46,586</u>	<u>14,939</u>
Excess (deficiency) of revenues over expenditures	<u>(5,605)</u>	<u>(5,242)</u>	<u>11,022</u>	<u>16,264</u>
Other financing sources (uses):				
Designated cash	6,605	6,242	-	(6,242)
Operating transfers in (out)	(1,000)	(1,000)	(1,000)	-
Total other financing sources (uses)	<u>5,605</u>	<u>5,242</u>	<u>(1,000)</u>	<u>(6,242)</u>
Net change in fund balance	-	-	10,022	10,022
Fund balance - beginning of year	-	-	<u>14,135</u>	<u>14,135</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,157</u>	<u>\$ 24,157</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-13

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Fire and Ambulance Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 301,900	\$ 301,900	\$ 304,896	\$ 2,996
Interest on investments	23,000	23,000	41,568	18,568
Miscellaneous	-	-	17,088	17,088
Total revenues	<u>324,900</u>	<u>324,900</u>	<u>363,552</u>	<u>38,652</u>
EXPENDITURES				
Current:				
Operations and maintenance	-	-	-	-
Capital outlay	66,000	138,699	137,398	1,301
Total expenditures	<u>66,000</u>	<u>138,699</u>	<u>137,398</u>	<u>1,301</u>
Excess (deficiency) of revenues over expenditures	<u>258,900</u>	<u>186,201</u>	<u>226,154</u>	<u>39,953</u>
Other financing sources (uses):				
Designated cash	(287,900)	(215,201)	-	215,201
Operating transfers in (out)	29,000	29,000	29,000	-
Total other financing sources (uses)	<u>(258,900)</u>	<u>(186,201)</u>	<u>29,000</u>	<u>215,201</u>
Net change in fund balance	-	-	255,154	255,154
Fund balance - beginning of year	-	-	<u>989,021</u>	<u>989,021</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,244,175</u>	<u>\$ 1,244,175</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Statement B-14

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Law Enforcement Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 42,800	\$ 42,200	\$ 42,200	\$ -
Miscellaneous	-	-	-	-
Total revenues	<u>42,800</u>	<u>42,200</u>	<u>42,200</u>	<u>-</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	9,000	11,622	11,405	217
Supplies	14,800	18,340	15,777	2,563
Total public safety	<u>23,800</u>	<u>29,962</u>	<u>27,182</u>	<u>2,780</u>
Capital outlay	<u>19,000</u>	<u>18,844</u>	<u>3,522</u>	<u>15,322</u>
Total expenditures	<u>42,800</u>	<u>48,806</u>	<u>30,704</u>	<u>18,102</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(6,606)</u>	<u>11,496</u>	<u>18,102</u>
Other financing sources (uses):				
Designated cash	-	6,606	-	(6,606)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>6,606</u>	<u>-</u>	<u>(6,606)</u>
Net change in fund balance	-	-	11,496	11,496
Fund balance - beginning of year	-	-	7,359	7,359
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,855</u>	<u>\$ 18,855</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-15

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Public Safety Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 277,461	\$ 113,008	\$ 131,003	\$ 17,995
Miscellaneous	39,000	-	(10)	(10)
Total revenues	<u>316,461</u>	<u>113,008</u>	<u>130,993</u>	<u>17,985</u>
EXPENDITURES				
Current:				
Public safety:				
Personnel services	30,827	15,197	8,956	6,241
Operating expenses	275,849	3,650	-	3,650
Supplies	7,285	26,099	19,339	6,760
Total public safety	<u>313,961</u>	<u>44,946</u>	<u>28,295</u>	<u>16,651</u>
Capital outlay	<u>2,500</u>	<u>31,516</u>	<u>10,843</u>	<u>20,673</u>
Total expenditures	<u>316,461</u>	<u>76,462</u>	<u>39,138</u>	<u>37,324</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>36,546</u>	<u>91,855</u>	<u>55,309</u>
Other financing sources (uses):				
Designated cash	-	(36,546)	-	36,546
Operating transfers in (out)	-	-	(30,000)	(30,000)
Total other financing sources (uses)	<u>-</u>	<u>(36,546)</u>	<u>(30,000)</u>	<u>6,546</u>
Net change in fund balance	-	-	61,855	61,855
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>6,332</u>	<u>6,332</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,187</u>	<u>\$ 68,187</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Statement B-16

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Corrections Fees Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 120,888	\$ 20,888
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>120,888</u>	<u>20,888</u>
EXPENDITURES				
Current:				
Public safety:				
Personnel expenses	36,207	36,731	36,265	466
Operating expenses	79,939	79,373	27,583	51,790
Total expenditures	<u>116,146</u>	<u>116,104</u>	<u>63,848</u>	<u>52,256</u>
Excess (deficiency) of revenues over expenditures	<u>(16,146)</u>	<u>(16,104)</u>	<u>57,040</u>	<u>73,144</u>
Other financing sources (uses):				
Designated cash	16,146	16,104	-	(16,104)
Total other financing sources (uses)	<u>16,146</u>	<u>16,104</u>	<u>-</u>	<u>(16,104)</u>
Net change in fund balance	-	-	57,040	57,040
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>19,041</u>	<u>19,041</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,081</u>	<u>\$ 76,081</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-17

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Environmental Gross Receipts Tax Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 140,900	\$ 140,900	\$ 152,448	\$ 11,548
Charges for services	-	-	-	-
Total revenues	<u>140,900</u>	<u>140,900</u>	<u>152,448</u>	<u>11,548</u>
EXPENDITURES				
Current:				
General government:				
Personnel services	107,914	78,179	73,970	4,209
Operating expenses	55,250	60,453	51,701	8,752
Supplies	600	600	-	600
Total expenditures	<u>163,764</u>	<u>139,232</u>	<u>125,671</u>	<u>13,561</u>
Capital outlay	-	42,934	42,933	1
Total expenditures	<u>163,764</u>	<u>182,166</u>	<u>168,604</u>	<u>13,562</u>
Excess (deficiency) of revenues over expenditures	<u>(22,864)</u>	<u>(41,266)</u>	<u>(16,156)</u>	<u>25,110</u>
Other financing sources (uses):				
Designated cash	22,864	41,266	-	(41,266)
Total other financing sources (uses)	<u>22,864</u>	<u>41,266</u>	<u>-</u>	<u>(41,266)</u>
Net change in fund balance	-	-	(16,156)	(16,156)
Fund balance - beginning of year	-	-	44,524	44,524
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,368</u>	<u>\$ 28,368</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Statement B-18

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Hospital Aged Accounts Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 20,000	\$ 20,000	\$ 32,537	\$ 12,537
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>32,537</u>	<u>12,537</u>
EXPENDITURES				
Current:				
Health and welfare:				
Operating expenses	1,600	1,600	302	1,298
Supplies	300	300	47	253
Total health and welfare	<u>1,900</u>	<u>1,900</u>	<u>349</u>	<u>1,551</u>
Capital outlay	-	-	-	-
Total expenditures	<u>1,900</u>	<u>1,900</u>	<u>349</u>	<u>1,551</u>
Excess (deficiency) of revenues over expenditures	<u>18,100</u>	<u>18,100</u>	<u>32,188</u>	<u>14,088</u>
Other financing sources (uses):				
Designated cash	<u>(18,100)</u>	<u>(18,100)</u>	-	<u>18,100</u>
Total other financing sources (uses)	<u>(18,100)</u>	<u>(18,100)</u>	-	<u>18,100</u>
Net change in fund balance	-	-	32,188	32,188
Fund balance - beginning of year	-	-	176,276	176,276
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,464</u>	<u>\$ 208,464</u>

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

CHAVES COUNTY

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Flood Control Special Revenue Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 689,615	\$ 689,615	\$ 750,063	\$ 60,448
Intergovernmental	86,478	86,478	123,321	36,843
Miscellaneous	4,500	4,500	4,055	(445)
Total revenues	<u>780,593</u>	<u>780,593</u>	<u>877,439</u>	<u>96,846</u>
EXPENDITURES				
Current:				
Public safety:				
Personnel services	497,908	470,641	469,436	1,205
Operating expenses	191,906	201,073	168,547	32,526
Supplies	27,800	27,800	21,645	6,155
Total public safety	<u>717,614</u>	<u>699,514</u>	<u>659,628</u>	<u>39,886</u>
Capital outlay	<u>52,000</u>	<u>52,246</u>	<u>51,206</u>	<u>1,040</u>
Total expenditures	<u>769,614</u>	<u>751,760</u>	<u>710,834</u>	<u>40,926</u>
Excess (deficiency) of revenues over expenditures	<u>10,979</u>	<u>28,833</u>	<u>166,605</u>	<u>137,772</u>
Other financing sources (uses):				
Designated cash	(10,979)	(28,833)	-	28,833
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>(10,979)</u>	<u>(28,833)</u>	<u>-</u>	<u>28,833</u>
Net change in fund balance	-	-	166,605	166,605
Fund balance - beginning of year	-	-	<u>626,683</u>	<u>626,683</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 793,288</u>	<u>\$ 793,288</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-20

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Special Road Construction Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ 4,000	\$ 4,000	\$ 6,204	\$ 2,204
Miscellaneous	100,000	100,000	100,000	-
Total revenues	<u>104,000</u>	<u>104,000</u>	<u>106,204</u>	<u>2,204</u>
EXPENDITURES				
Current:				
Highways and streets:				
Operating expenses	50,000	109,822	44,719	65,103
Total expenditures	<u>50,000</u>	<u>109,822</u>	<u>44,719</u>	<u>65,103</u>
Excess (deficiency) of revenues over expenditures	<u>54,000</u>	<u>(5,822)</u>	<u>61,485</u>	<u>67,307</u>
Other financing sources (uses):				
Designated cash	(54,000)	5,822	-	(5,822)
Total other financing sources (uses)	<u>(54,000)</u>	<u>5,822</u>	<u>-</u>	<u>(5,822)</u>
Net change in fund balance	-	-	61,485	61,485
Fund balance - beginning of year	-	-	487,044	487,044
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 548,529</u>	<u>\$ 548,529</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-21

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Clerk Recording and Filing Fees Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	55,000	55,000	59,216	4,216
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>59,216</u>	<u>4,216</u>
EXPENDITURES				
Current:				
General government:				
Operating expenses	13,200	15,425	8,054	7,371
Supplies	500	500	-	500
Total expenditures	<u>13,700</u>	<u>15,925</u>	<u>8,054</u>	<u>7,871</u>
Capital outlay	<u>98,000</u>	<u>95,775</u>	<u>40,793</u>	<u>54,982</u>
Total expenditures	<u>111,700</u>	<u>111,700</u>	<u>48,847</u>	<u>62,853</u>
Excess (deficiency) of revenues over expenditures	<u>(56,700)</u>	<u>(56,700)</u>	<u>10,369</u>	<u>67,069</u>
Other financing sources (uses):				
Designated cash	56,700	56,700	-	(56,700)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>56,700</u>	<u>56,700</u>	<u>-</u>	<u>(56,700)</u>
Net change in fund balance	-	-	10,369	10,369
Fund balance - beginning of year	-	-	129,048	129,048
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,417</u>	<u>\$ 139,417</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-22

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Property Valuation Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	165,000	171,000	168,817	(2,183)
Total revenues	<u>165,000</u>	<u>171,000</u>	<u>168,817</u>	<u>(2,183)</u>
EXPENDITURES				
Current:				
General government:				
Personnel services	125,163	125,122	122,761	2,361
Operating expenses	14,678	14,703	4,901	9,802
Total expenditures	<u>139,841</u>	<u>139,825</u>	<u>127,662</u>	<u>12,163</u>
Capital outlay	<u>27,810</u>	<u>77,810</u>	<u>70,212</u>	<u>7,598</u>
Total expenditures	<u>167,651</u>	<u>217,635</u>	<u>197,874</u>	<u>19,761</u>
Excess (deficiency) of revenues over expenditures	<u>(2,651)</u>	<u>(46,635)</u>	<u>(29,057)</u>	<u>17,578</u>
Other financing sources (uses):				
Designated cash	2,651	37,462	-	(37,462)
Operating transfers in (out)	-	9,173	9,173	-
Total other financing sources (uses)	<u>2,651</u>	<u>46,635</u>	<u>9,173</u>	<u>(37,462)</u>
Net change in fund balance	-	-	(19,884)	(19,884)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>131,377</u>	<u>131,377</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,493</u>	<u>\$ 111,493</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-23

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
CDBG Special Revenue Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 431,253	\$ 431,253	\$ 425,607	\$ (5,646)
Total revenues	<u>431,253</u>	<u>431,253</u>	<u>425,607</u>	<u>(5,646)</u>
EXPENDITURES				
Current:				
General Government:				
Operating expenses	373,153	373,153	367,507	5,646
Total expenditures	<u>373,153</u>	<u>373,153</u>	<u>367,507</u>	<u>5,646</u>
Excess (deficiency) of revenues over expenditures	<u>58,100</u>	<u>58,100</u>	<u>58,100</u>	<u>-</u>
Other financing sources (uses):				
Designated cash	(58,100)	(58,100)	-	58,100
Total other financing sources (uses)	<u>(58,100)</u>	<u>(58,100)</u>	<u>-</u>	<u>58,100</u>
Net change in fund balance	-	-	58,100	58,100
Fund balance - beginning of year	-	-	(58,100)	(58,100)
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

DEBT SERVICE FUNDS

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**STATE OF NEW MEXICO
CHAVES COUNTY
Debt Service Fund Descriptions
June 30, 2005**

General Obligation Bonds Fund

To account for the accumulation of resources for, and the payment of, general long-term principal, interest and related costs of general obligation bonds. The primary source of revenue is property taxes.

Gross Receipts Tax Bonds Fund

To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of gross receipts tax bonds. This fund's source of revenue is one-eighth percent gross receipts tax approved by the citizens of Chaves County for bond repayment.

Revenue Bond Debt Service #2 Fund

The purpose of this fund is to set aside pledged revenues and deposit monthly into the Gross Receipts Tax Income Fund by the County Treasurer, and transfer by the County Treasurer to the Debt Service Fund, Capital Projects Fund, Reserve Fund and Extraordinary Mandatory Redemption Fund.

Extraordinary Mandatory Redemption Fund

The purpose of this fund is to account for the excess gross receipts tax revenues. The money may be used for redemption of bonds maturing after July 1, 2010.

**STATE OF NEW MEXICO
CHAVES COUNTY
Combining Balance Sheet
Non-Major Debt Service Funds
June 30, 2005**

	General Obligation Bonds Fund	Gross Receipts Tax Bonds Fund
ASSETS		
Cash and cash equivalents	\$ 878	\$ 867,095
Receivables:		
Taxes	-	-
	<u> </u>	<u> </u>
Total assets	<u>\$ 878</u>	<u>\$ 867,095</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Deferred revenue	\$ -	\$ -
Total liabilities	<u> </u>	<u> </u>
Fund balances:		
Reserved:		
Reserved for debt service	878	867,095
Total fund balances	<u>878</u>	<u>867,095</u>
Total liabilities and fund balances	<u>\$ 878</u>	<u>\$ 867,095</u>

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

Revenue Bonds Debt Service #2 Fund	Extraordinary Mandatory Redemption Fund	Total
\$ -	\$ 760,138	\$ 1,628,111
-	-	-
<u>\$ -</u>	<u>\$ 760,138</u>	<u>\$ 1,628,111</u>
\$ -	\$ -	\$ -
-	-	-
-	760,138	1,628,111
-	760,138	1,628,111
<u>\$ -</u>	<u>\$ 760,138</u>	<u>\$ 1,628,111</u>

STATE OF NEW MEXICO
CHAVES COUNTY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2005

	General Obligation Bonds Fund	Gross Receipts Tax Bonds Fund
REVENUES		
Taxes	\$ 104	\$ -
Interest on investments	-	42,499
Miscellaneous	24	-
Total revenues	128	42,499
 EXPENDITURES		
Current:		
Debt service		
Principal	\$ -	\$ 200,000
Interest	-	680,868
Total expenditures	-	880,868
Excess (deficiency) of revenues over expenditures	128	(838,369)
Other financing sources (uses):		
Operating transfers in (out)	(24,929)	1,012,955
Total other financing sources (uses)	(24,929)	1,012,955
Net changes in fund balances	(24,801)	174,586
Fund balances - beginning of year	25,679	692,509
Fund balances - end of the year	\$ 878	\$ 867,095

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

Revenue Bonds Debt Service #2 Fund	Extraordinary Mandatory Redemption Fund	Total
\$ 1,614,317	\$ -	\$ 1,614,421
6,465	138	49,102
3,267	-	3,291
<u>1,624,049</u>	<u>138</u>	<u>1,666,814</u>
\$ -	\$ 430,000	\$ 630,000
-	-	680,868
<u>-</u>	<u>430,000</u>	<u>1,310,868</u>
<u>1,624,049</u>	<u>(429,862)</u>	<u>355,946</u>
<u>(1,772,955)</u>	<u>760,000</u>	<u>(24,929)</u>
<u>(1,772,955)</u>	<u>760,000</u>	<u>(24,929)</u>
(148,906)	330,138	331,017
<u>148,906</u>	<u>430,000</u>	<u>1,297,094</u>
<u>\$ -</u>	<u>\$ 760,138</u>	<u>\$ 1,628,111</u>

STATE OF NEW MEXICO
CHAVES COUNTY

Statement C-3

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Obligation Bonds Debt Service Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 104	\$ 104
Miscellaneous	-	-	23	23
Total revenues	-	-	127	127
EXPENDITURES				
Principal	-	-	-	-
Interest	-	-	-	-
Commissions	-	750	-	750
Total expenditures	-	750	-	750
Excess (deficiency) of revenues over expenditures	-	(750)	127	877
Other financing sources (uses):				
Designated cash	-	25,679	-	(25,679)
Operating transfer in (out)	-	(24,929)	(24,929)	-
Total other financing sources (uses)	-	750	(24,929)	(25,679)
Net change in fund balance	-	-	(24,802)	(24,802)
Fund balance - beginning of year	-	-	25,679	25,679
Fund balance - end of the year	\$ -	\$ -	\$ 877	\$ 877

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement C-4

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Gross Receipts Tax Bonds Debt Service Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ -	\$ -	\$ 42,499	\$ 42,499
Total revenues	<u>-</u>	<u>-</u>	<u>42,499</u>	<u>42,499</u>
EXPENDITURES				
Principal	375,000	200,000	200,000	-
Interest	687,025	678,825	678,825	-
Commissions	-	2,043	2,043	-
Total expenditures	<u>1,062,025</u>	<u>880,868</u>	<u>880,868</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(1,062,025)</u>	<u>(880,868)</u>	<u>(838,369)</u>	<u>42,499</u>
Other financing sources (uses):				
Designated cash	-	(181,157)	-	181,157
Operating transfers in (out)	1,062,025	1,062,025	1,012,955	(49,070)
Total other financing sources (uses)	<u>1,062,025</u>	<u>880,868</u>	<u>1,012,955</u>	<u>132,087</u>
Net change in fund balance	-	-	174,586	174,586
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>692,509</u>	<u>692,509</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 867,095</u>	<u>\$ 867,095</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement C-5

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Revenue Bonds Debt Service #2 Debt Service Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,530,000	\$ 1,530,000	\$ 1,762,236	\$ 232,236
Interest	6,000	6,000	7,050	1,050
Miscellaneous	3,000	3,000	3,669	669
Total revenues	<u>1,539,000</u>	<u>1,539,000</u>	<u>1,772,955</u>	<u>233,955</u>
EXPENDITURES				
Debt service	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>1,539,000</u>	<u>1,539,000</u>	<u>1,772,955</u>	<u>233,955</u>
Other financing sources (uses):				
Designated cash	(476,975)	-	-	-
Operating transfers in (out)	(1,062,025)	(1,539,000)	(1,772,955)	(233,955)
Total other financing sources (uses)	<u>(1,539,000)</u>	<u>(1,539,000)</u>	<u>(1,772,955)</u>	<u>(233,955)</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Statement C-6

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Extraordinary Mandatory Redemption Debt Service Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest on investments	\$ -	\$ -	\$ 138	\$ 138
Total revenues	<u>-</u>	<u>-</u>	<u>138</u>	<u>138</u>
EXPENDITURES				
Debt service	-	430,000	430,000	-
Total expenditures	<u>-</u>	<u>430,000</u>	<u>430,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(430,000)</u>	<u>(429,862)</u>	<u>138</u>
Other financing sources (uses):				
Designated cash	-	(46,975)	-	46,975
Operating transfers in (out)	-	476,975	760,000	283,025
Total other financing sources (uses)	<u>-</u>	<u>430,000</u>	<u>760,000</u>	<u>330,000</u>
Net change in fund balance	-	-	330,138	330,138
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>430,000</u>	<u>430,000</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 760,138</u>	<u>\$ 760,138</u>

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

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CAPITAL PROJECTS FUNDS

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**STATE OF NEW MEXICO
CHAVES COUNTY
Capital Project Funds Descriptions
June 30, 2005**

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The County has two funds classified as Capital Projects Funds as follows:

Detention Construction Project Fund

The purpose of this fund is to account for the construction of a new detention center. (Ordinance #39, 6-21-93)

Administration Construction Project Fund

The purpose of this fund is to account for the construction of the new administrative complex.

STATE OF NEW MEXICO
CHAVES COUNTY
Combining Balance Sheet
Non-Major Capital Projects
June 30, 2005

Statement D-1

	Detention Construction Project Fund	Administration Construction Project Fund	Total
ASSETS			
Cash and cash equivalents	\$ 2,093,717	\$ 43,251	\$ 2,136,968
Receivables:			
Taxes	-	-	-
Total assets	\$ 2,093,717	\$ 43,251	\$ 2,136,968
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 53,026	\$ -	\$ 53,026
Accrued expenses	1,320	-	1,320
Total liabilities	54,346	-	54,346
 Fund balances:			
Unreserved:			
Designated for subsequent year's expenditures	1,417,400	-	1,417,400
Undesignated:	621,971	43,251	665,222
Total fund balances	2,039,371	43,251	2,082,622
Total liabilities and fund balances	\$ 2,093,717	\$ 43,251	\$ 2,136,968

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement D-2

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Projects Funds
For the Year Ended June 30, 2005**

	Detention Construction Project	Administration Construction Project	Total
REVENUES			
Taxes	\$ 20,697	\$ -	\$ 20,697
Interest on investments	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>20,697</u>	<u>-</u>	<u>20,697</u>
EXPENDITURES			
Current:			
General government	<u>1,011,173</u>	<u>-</u>	<u>1,011,173</u>
Total expenditures	<u>1,011,173</u>	<u>-</u>	<u>1,011,173</u>
Capital outlay	<u>3,297</u>	<u>8,384</u>	<u>11,681</u>
Total expenditures	<u>1,014,470</u>	<u>8,384</u>	<u>1,022,854</u>
Excess (deficiency) of revenues over expenditures	<u>(993,773)</u>	<u>(8,384)</u>	<u>(1,002,157)</u>
Other financing sources (uses):			
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(993,773)	(8,384)	(1,002,157)
Fund balances - beginning of year	<u>3,033,144</u>	<u>51,635</u>	<u>3,084,779</u>
Fund balances - end of the year	<u>\$ 2,039,371</u>	<u>\$ 43,251</u>	<u>\$ 2,082,622</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Statement D-3

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Detention Center Construction Capital Projects Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 23,301	\$ 23,301
Miscellaneous	-	-	-	-
Total revenues	-	-	23,301	23,301
EXPENDITURES				
Current:				
General government	1,099,500	1,102,827	958,146	144,681
Capital outlay	-	3,297	3,297	-
Total expenditures	1,099,500	1,106,124	961,443	144,681
Excess (deficiency) of revenues over expenditures	(1,099,500)	(1,106,124)	(938,142)	167,982
Other financing sources (uses):				
Designated cash	1,099,500	1,106,124	-	(1,106,124)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	1,099,500	1,106,124	-	(1,106,124)
Net change in fund balance	-	-	(938,142)	(938,142)
Fund balance - beginning of year	-	-	3,030,540	3,030,540
Fund balance - end of the year	\$ -	\$ -	\$ 2,092,398	\$ 2,092,398

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement D-4

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Administration Construction Capital Projects Fund
For the Year Ended June 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Current:				
General government	-	24,016	-	24,016
Capital outlay	254	27,619	8,384	19,235
Total expenditures	254	51,635	8,384	43,251
Excess (deficiency) of revenues over expenditures	(254)	(51,635)	(8,384)	43,251
Other financing sources (uses):				
Designated cash	254	51,635	-	(51,635)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	254	51,635	-	-
Net change in fund balance	-	-	(8,384)	(8,384)
Fund balance - beginning of year	-	-	51,635	51,635
Fund balance - end of the year	\$ -	\$ -	\$ 43,251	\$ 43,251

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

STATE OF NEW MEXICO
CHAVES COUNTY

Exhibit D-5

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Courthouse Construction Project Capital Projects Fund
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 8,376	\$ 8,376
Miscellaneous	-	5,000	8,681	3,681
	-	5,000	17,057	12,057
EXPENDITURES				
Current:				
General government:				
Operating expenses	-	108,595	108,594	1
Capital outlay	-	3,332,557	3,332,555	2
Total expenditures	-	3,441,152	3,441,149	3
Excess (deficiency) of revenues over expenditures	-	(3,436,152)	(3,424,092)	12,060
Other financing sources (uses):				
Designated cash balance	2,699,514	5,595,629	-	(5,595,629)
Operating transfers in (out)	(2,699,514)	(2,159,477)	-	2,159,477
Total other financing sources (uses)	-	3,436,152	-	(3,436,152)
Net change in fund balances	-	-	(3,424,092)	(3,424,092)
Fund balance - beginning of year	-	-	3,432,409	3,432,409
Fund balance - end of the year	\$ -	\$ -	\$ 8,317	\$ 8,317

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

PERMANENT FUND

STATE OF NEW MEXICO

Exhibit E-1

CHAVES COUNTY

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Basis) and Actual

County Permanent Fund

For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
	-	-	-	-
	-	-	-	-
EXPENDITURES				
Current:				
General government:				
	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses):				
Designated cash balance	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balance - beginning of year	-	-	50,000,000	50,000,000
Fund balance - end of the year	\$ -	\$ -	\$ 50,000,000	\$ 50,000,000

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

**CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS**

STATE OF NEW MEXICO
CHAVES COUNTY
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Asset Class and Source
For the Year Ended June 30, 2005

	Balance June 30, 2004	Transfers in/ Additions	Transfer out/ Deletions
Governmental funds capital assets:			
Land	\$ 2,838,909	\$ 79,548	\$ 41,189
Buildings	30,999,829	405,430	100,095
Machinery and mobile equipment	13,123,849	877,842	123,783
Equipment and building fixtures	5,019,627	418,643	175,158
Infrastructure	56,289,477	1,545,820	-
Construction in progress	12,877,555	3,795,302	-
	<u>121,149,246</u>	<u>7,122,585</u>	<u>440,225</u>
Total governmental funds capital assets	<u>\$ 121,149,246</u>	<u>\$ 7,122,585</u>	<u>\$ 440,225</u>
Investments in governmental funds capital assets by source:			
General Fund revenues	\$ 29,037,977	\$ 4,095,408	\$ 201,459
Federal grants	1,771,358	227,829	-
State grants	9,807,771	887,886	-
Special revenue funds	64,857,253	1,818,092	23,420
Special assessments	1,825,494	51,782	-
Donated	257,849	41,588	-
Unknown and other sources	13,591,544	-	215,346
	<u>121,149,246</u>	<u>7,122,585</u>	<u>440,225</u>
Total governmental funds capital assets	<u>\$ 121,149,246</u>	<u>\$ 7,122,585</u>	<u>\$ 440,225</u>

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

<u>Adjustments</u>	<u>Balance June 30, 2005</u>
\$ -	\$ 2,877,268
-	31,305,164
415,647	14,293,555
-	5,263,112
-	57,835,297
-	16,672,857
<u>\$ 415,647</u>	<u>\$ 128,247,253</u>
\$ -	\$ 32,931,926
-	1,999,187
-	10,695,657
-	66,651,925
-	1,877,276
-	299,437
415,647	13,791,845
<u>\$ 415,647</u>	<u>\$ 128,247,253</u>

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FIDUCIARY FUNDS

STATE OF NEW MEXICO
CHAVES COUNTY
Statement of Changes in Fiduciary Assets and Liabilities
Fiduciary Funds
Year Ended June 30, 2005

Statement G-1

	<u>Balance</u> <u>June 30, 2004</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2005</u>
ASSETS				
Cash and cash equivalents	\$ 809,521	\$ 13,836,912	\$ 14,363,139	\$ 283,294
Receivables:				
Taxes	16,169	161,322	16,169	161,322
Total assets	<u>\$ 825,690</u>	<u>\$ 13,998,234</u>	<u>\$ 14,379,308</u>	<u>\$ 444,616</u>
LIABILITIES				
Accrued expenses	\$ -	\$ 4,571	\$ -	\$ 4,571
Due to other taxing units	825,690	13,993,663	14,379,308	440,045
Total liabilities	<u>\$ 825,690</u>	<u>\$ 13,998,234</u>	<u>\$ 14,379,308</u>	<u>\$ 444,616</u>

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

SUPPORTING SCHEDULES

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF JOINT POWERS AGREEMENTS
June 30, 2005**

County #	a	b	c
	NM Counties	NM Association of Counties	Creation and operation of a workers' compensation fund.
	NM Counties	NM Association of Counties	To provide a Multi-Line fund for property and casualty insurance
A-84-83	Chaves County and Otero County	Chaves County and Otero County	Construction and maintainance of county roads
A-90-15	Chaves County & City of Roswell	Chaves County & City of Roswell	Coordinating control of all disasters within their respective jurisdictions
A-95-77	NM State Highway Dept; SNMEDD; SEPRO	NM State Highway Dept	Data collection requirements of the Intermodal Surface Transportation Efficiency Act
A-98-90	NM State Highway Dept & Chaves County	Chaves County	Energy and maintenance of warning flashers at the intersection of the Relief Route and Sunset
A-99-66	Chaves County & State of NM Dept of Corrections	Chaves County	House and feed the Parole Violator, provide and operate the detention facility, detain parolees for the Department
A-01-24	NMPRC Insurance Division; Fire Marshal's Office; & Chaves County	Chaves County	Develop and implement a county-wide hazardous materials emergency response training program
A-02-157	NMISC; Chaves County; Chaves County Flood Commission; City of Roswell; and Corps of Engineers	NMISC; Chaves County; Chaves County Flood Commission; City of Roswell; and Corps of Engineers	For the parties to work cooperatively to undertake and complete the work necessary to increase the Rio Hondo channel capacity
A-02-165	NM State Highway Dept & Chaves County	Chaves County	To provide electrical energy and maintenance of lighting at the intersection of US 285 and the Roswell Relief Route
A-02-172	Chaves County & State of NM Dept of Corrections	Chaves County	To establish the rights and responsibilities of the parties as to the operation of Chaves County District 8 Fire Station
A-04-91	NM Energy, Minerals & Natural Resources; Chaves County	Chaves County	The control of timber, grass, and woodland fires in and adjacent to developed areas
A-05-013	Chaves County and the Town of Dexter	Chaves County and the Town of Dexter	To provide for protection of life and property by enforcement codes and standards for flood plain management
A-05-015	City of Roswell and Chaves County	Pecos Valley Regional Communication Center District	Operating, administering and maintaining a joint enhanced 911 Regional Emergency Communication Center
A-05-045 A-05-013	Chaves County and the Town of Super. Dexter	Chaves County and the Town of Dexter	To provide for protection of life and property by enforcement codes and standards for flood plain management

Columns:

- a Participants
- b Party responsible for operations
- c Description
- d Beginning and ending dates of the JPA
- e Total estimated amount of the project and portion applicable to the agency
- f Amount of the agency contribution in the current fiscal year
- g Audit Responsibility
- i Name of government agency where revenues and expenditures are reported
- h Fiscal agent if applicable

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

d	e	f	g	h	i
07/01/87 - Indefinite	Unknown	Unknown	NM Association of Counties	NM Association of Counties	NM Association of Counties
07/01/87 - Indefinite	Unknown	Unknown	NM Association of Counties	NM Association of Counties	NM Association of Counties
10/19/84 - Indefinite	Unknown	Unknown	Chaves County and Otero County	N/A	Chaves County and Otero County
04/12/90 - Indefinite	Unknown	Unknown	Chaves County & City of Roswell	Chaves County & City of Roswell	Chaves County & City of Roswell
10/17/95 - Indefinite	SEPRO pays 14.56% of total	Unknown	SNMEDD	SNMEDD	SNMEDD
11/24/98 - Indefinite	All annual costs	Unknown	Chaves County	N/A	Chaves County
May 26, 1999 - June 30, 2000 annually	Unknown	Unknown	Chaves County	N/A	Chaves County
04/09/01 - Indefinite	\$11,000	None	Chaves County	N/A	Chaves County
11/6/01 - 12/31/10	Unknown	Unknown	NMISC; Chaves County; Chaves County Flood Commission; City of Roswell; and Corps of Engineers	N/A	NMISC; Chaves County; Chaves County Flood Commission; City of Roswell; and Corps of Engineers
01/24/03 - Indefinite	All annual costs	Unknown	Chaves County	N/A	Chaves County
12/13/02 - Indefinite	Unknown	Unknown	Chaves County	N/A	Chaves County
09/13/04 - Indefinite	None	None	Chaves County	N/A	Chaves County
N/A	Unknown	Unknown	Chaves County	N/A	Chaves County
07/19/05 - Indefinite	Unknown	None	Pecos Valley Regional Communication Center District	N/A	Pecos Valley Regional Communication Center District
N/A	Unknown	Unknown	Chaves County	N/A	Chaves County

STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF MEMORANDUMS OF UNDERSTANDING
June 30, 2005

County #	a	b	c
A-00-82	Chaves County and B.I. Incorporated	Chaves County	(2) Renewals of monitoring service agreement
A-00-134	NM Department of Public Safety and Chaves County	Chaves County	Renewal of lease agreement
A-03-130	Chaves County and Town of Dexter	Chaves County	Renewal of lease agreement
A-01-94	Chaves County and Dr. Jack Graham	Chaves County	Renewal of lease agreement
A-01-129	Chaves County and Chaves County Development Foundation	Chaves County Development Foundation	Professional Industrial Development Services
A-02-65	Chaves County and Wayne A. Delamater, M.D.	Chaves County	Renewal of lease agreement
A-03-117	Chaves County and Dr. Donald Wenner	Chaves County	(2) Renewals of lease agreement
A-03-127	Chaves County and ECO Planning, Inc.	ECO Planning, Inc.	Professional services contract
A-04-07	Chaves County and Elfigo Polaco, Jr.	Elfigo Polaco, Jr.	(2) Renewals of lease agreement and amendment removing items in Exhibit B
A-02-164	Chaves County and the Roswell Hispano Chamber of Commerce	Roswell Hispano Chamber of Commerce	(2) Renewals of lease agreement
A-02-150	Chaves County and La Casa De Buena Salud	La Casa De Buena Salud	Renewal of professional medical services contract
A-02-150	Chaves County and La Casa De Buena Salud	La Casa De Buena Salud	Renewal of professional medical services contract
A-03-94	Chaves County and S.O.Y Mariachi	Chaves County	Renewal of lease agreement
A-02-53 A-02-54 A-03-22	Chaves County and Summit Food Services Management, Inc.	Summitt Food Services Management, Inc.	Renewal of professional food management contract
	Chaves County and BLM	BLM	To include Chaves County as a cooperating agency in development of the EIS for RMP Amendment

Columns:

- a Participants
- b Party responsible for operations
- c Description
- d Beginning and ending dates of the JPA
- e Total estimated amount of the project and portion applicable to the agency
- f Amount of the agency contribution in the current fiscal year
- g Audit Responsibility
- h Fiscal agent if applicable
- i Name of government agency where revenues and expenditures are reported

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

d	e	f	g	h	i
8/1/03 - 07/31/05	Unknown	\$16,782	Chaves County	N/A	Chaves County
11/01/03 - 10/31/04	None	None	Chaves County	N/A	Chaves County
07/01/04 - 06/30/05	None	None	Chaves County	N/A	Chaves County
07/01/04 - 06/30/05	\$14,100	None	Chaves County	N/A	Chaves County
09/01/04 - 06/30/05	\$150,000	\$150,000	Chaves County and Chaves County Development Foundation	N/A	Chaves County
07/01/04 - 06/30/05	\$43,200	None	Chaves County	N/A	Chaves County
1/01/04 - 12/31/05	\$87,120	None	Chaves County	N/A	Chaves County
07/01/04 - 06/30/05	\$22,500	\$22,500	Chaves County	N/A	Chaves County
04/01/04 - 03/31/06	\$7,224	None	Chaves County	N/A	Chaves County
01/01/04 - 12/31/05	\$8,400	None	Chaves County and the Roswell Hispano Chamber of Commerce	N/A	Chaves County
10/01/03 - 09/30/04	\$300,000	\$125,378	Chaves County and La Casa De Buena Salud	N/A	Chaves County
10/01/04 - 09/30/05	\$350,000	\$274,622	Chaves County and La Casa De Buena Salud	N/A	Chaves County
07/01/04 - 06/30/05	\$200	None	Chaves County	N/A	Chaves County
07/01/04 - 06/30/05	Unknown	Unknown	Summitt Food Services Management, Inc.	N/A	Chaves County
1/13/05 - indefinite	Unknown	Unknown	Chaves County and BLM	N/A	Chaves County and BLM

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STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Collateral Pledged by Depository
For the Year Ended June 30, 2005

Schedule III

Name of Depository	Description of Pledged Collateral	Fair Market Value June 30, 2005	Name and Location of Safekeeper
First Federal Bank	FHLB 312X1WM5 Due 8/4/06	\$ 1,086,767	Federal Home Loan Bank Dallas, TX
First National Bank	FHLMC 31282CJH1 Due 4/1/17	153,502	Federal Home Loan Bank Dallas, TX
	FNMA 31404GM57 Due 3/1/19	176,396	Federal Home Loan Bank Dallas, TX
		<u>329,898</u>	
Pioneer Bank	FHLMC 1B0951 Due 7/1/33	1,788,045	Federal Home Loan Bank Dallas, TX
	FHLMC 780217 Due 1/1/33	720,747	Federal Home Loan Bank Dallas, TX
	GNMA 780313-1 Due 1/15/11	13,783	Federal Home Loan Bank Dallas, TX
		<u>2,522,575</u>	
Valley Bank of Commerce	FNMA 31359MTU7 Due 1/15/06	495,469	Independent Bankers Bank Irving, TX
Wells Fargo Bank	FNCL 31391GGC4 Due 11/1/32	720,433	Federal Reserve Bank Kansas, City, MO
Bank of America	USTR 912828DY3 Due 6/30/07	1,023,578	Federal Reserve Bank Boston, MA
		<u>\$ 6,178,720</u>	

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

STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Individual Deposit Accounts and Investments
For the Year Ended June 30, 2005

Type of Bank Account	Bank of Albuquerque	Bank of America	First Federal	First National Bank	Pioneer Bank
Checking Sheriff's Special Fund	\$ -	\$ -	\$ -	\$ -	\$ 16,691
Checking CCDC Inmate	-	-	-	-	25,417
Checking Federal Taxes	-	-	-	-	-
Checking Constr. Retainage	-	-	-	-	33,965
Checking CDBG	-	-	-	-	100,000
Checking L F Road	-	-	-	-	548,529
Checking General Operating	-	-	-	-	2,927,131
Checking Payroll	-	-	-	-	4,664
CD	-	-	500,000	500,000	500,000
CD	-	-	1,000,000	-	-
CD	-	1,115,103	500,000	-	-
GNMA	-	-	-	-	-
Investment	138	-	-	-	-
Investment	1,214,810	-	-	-	-
Investment	1,626,787	-	-	-	-
Total on deposit	2,841,735	1,115,103	2,000,000	500,000	4,156,397
Reconciling items	-	-	-	-	(880,635)
Reconciled balance as of 06/30/05	<u>\$ 2,841,735</u>	<u>\$ 1,115,103</u>	<u>\$ 2,000,000</u>	<u>\$ 500,000</u>	<u>\$ 3,275,762</u>

Petty cash

Total cash and temporary investments
Less: cash and temporary investments - Agency Funds

Combined balance sheet total - June 30, 2005

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

Wells	Valley	Wachovia	Merrill	NM State	
Fargo Bank	Bank	Securities	Lynch	Treasurer	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,691
-	-	-	-	-	25,417
100,000	-	-	-	-	100,000
-	-	-	-	-	33,965
-	-	-	-	-	100,000
-	-	-	-	-	548,529
-	-	-	-	-	2,927,131
-	-	-	-	-	4,664
500,000	400,000	-	-	-	2,400,000
-	500,000	-	-	-	1,500,000
-	-	-	-	-	1,615,103
53,429,326	-	45,000	5,785,796	-	59,260,122
-	-	-	-	704,800	704,938
-	-	-	-	-	1,214,810
-	-	-	-	-	1,626,787
54,029,326	900,000	45,000	5,785,796	704,800	72,078,157
-	-	-	-	-	(880,635)
<u>\$ 54,029,326</u>	<u>\$ 900,000</u>	<u>\$ 45,000</u>	<u>\$ 5,785,796</u>	<u>\$ 704,800</u>	71,197,522
					650
					71,198,172
					(283,294)
					<u>\$ 70,914,878</u>

STATE OF NEW MEXICO
 CHAVES COUNTY
 Tax Roll Reconciliation - Changes in Property Taxes Receivable
 For the Year Ended June 30, 2005

Schedule V

Property taxes receivable, beginning of year	\$	1,487,236
Changes to Tax Roll:		
Net taxes charged to treasurer for fiscal year		18,346,831
Adjustment for Special Predator Control and Pecos Valley Water Master		(8,204)
Adjustments for error in prior year tax receivable balance		<u>(91,273)</u>
Total receivable prior to collection		19,734,590
Collections for fiscal year ended June 30, 2005		<u>(18,320,463)</u>
Property taxes receivable, end of year	\$	<u><u>1,414,127</u></u>
Property taxes receivable by year:		
1995	\$	13,304
1996		11,068
1997		7,783
1998		12,303
1999		24,922
2000		10,640
2001		21,256
2002		75,831
2003		315,326
2004		<u>921,694</u>
Total taxes receivable	\$	<u><u>1,414,127</u></u>

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

Schedule VI

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
1995	56,544.68	906.95	55,087.03	906.95	55,087.03				1,457.65
1996	42,913.71	150.17	40,892.75	150.17	40,892.75				2,020.96
1997	37,087.36	130.36	36,249.84	130.36	36,249.84				837.52
1998	55,051.93	7.26	53,784.57	7.26	53,784.57				1,267.36
1999	54,936.68	31.49	53,855.24	31.49	53,855.24				1,081.44
2000	54,474.55	459.59	53,441.83	459.59	53,441.83				1,032.72
2001	51,716.56	73.84	50,728.19	73.84	50,728.19				988.37
2002	44,788.39	248.23	44,700.05	248.23	44,700.05				88.34
2003	41,820.09	1,791.42	41,497.12	1,791.42	41,497.12				322.97
2004	44,799.49	43,838.15	43,838.15	43,838.15	43,838.15				961.34
	484,133.44	47,637.46	474,074.77	47,637.46	474,074.77				10,058.67
1995	56,566.76	0.00	55,780.93	0.00	55,780.93				785.83
1996	51,661.33	708.36	51,658.55	708.36	51,658.55				2.78
1997	47,657.59	627.54	47,655.38	627.54	47,655.38				2.21
1998	62,503.00	888.90	62,338.21	888.90	62,338.21				164.79
1999	63,100.42	48.82	60,156.06	48.82	60,156.06				2,944.36
2000	82,547.42	1.19	82,308.13	1.19	82,308.13				239.29
2001	98,217.48	1.19	98,217.48	1.19	98,217.48				0.00
2002	119,884.94	1.12	117,477.67	1.12	117,477.67				2,407.27
2003	121,862.68	1,815.80	120,015.53	1,815.80	120,015.53				1,847.15
2004	110,305.21	105,180.78	105,180.78	105,180.78	105,180.78				5,124.43
	814,306.83	109,273.70	800,788.72	109,273.70	800,788.72				13,518.11
1995	15,432.00	1.60	15,188.27	1.60	15,188.27				243.73
1996	16,836.50	0.00	16,134.73	0.00	16,134.73				701.77
1997	13,797.12	0.00	13,134.09	0.00	13,134.09				663.03
1998	20,670.53	5.04	19,737.74	5.04	19,737.74				932.79
1999	8,812.05	21.37	8,513.29	21.37	8,513.29				298.76
2000	7,194.30	8.06	6,991.54	8.06	6,991.54				202.76
2001	6,517.82	0.58	6,425.50	0.58	6,425.50				92.32
2002	4,467.90	0.77	4,348.12	0.77	4,348.12				119.78
2003	3,406.67	63.14	3,402.18	63.14	3,402.18				4.49
2004	3,075.91	3,023.89	3,023.89	3,023.89	3,023.89				2.02
	100,160.80	3,124.45	96,899.35	3,124.45	96,899.35				3,261.45
1995	336,878.51	0.11	336,863.63	0.11	336,863.63				14.88
1996	362,173.68	0.10	362,170.58	0.10	362,170.58				3.10
1997	392,837.36	0.13	392,834.54	0.13	392,834.54				2.82
1998	400,506.72	53.76	400,450.98	53.76	400,450.98				55.74
1999	425,140.37	34.98	425,115.10	34.98	425,115.10				25.27
2000	449,859.51	203.46	449,734.24	203.46	449,734.24				125.27
2001	700,366.66	2,184.36	699,840.47	2,184.36	699,840.47				526.19
2002	715,366.64	10,324.63	713,024.14	10,324.63	713,024.14				2,342.50
2003	758,004.39	26,994.63	745,384.33	26,994.63	745,384.33				12,620.06
2004	750,266.66	712,549.78	712,549.78	712,549.78	712,549.78				37,716.88
	5,291,400.50	752,345.94	5,237,967.79	752,345.94	5,237,967.79				53,432.71

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

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
PECOS VALLEY CONSERVANCY DIST	1995	326,984.64	0.00	326,979.43	0.00	326,979.43				15.21
PECOS VALLEY CONSERVANCY DIST	1996	333,443.89	0.00	333,440.87	0.00	333,440.87				3.02
PECOS VALLEY CONSERVANCY DIST	1997	338,048.96	0.00	338,046.39	0.00	338,046.39				2.57
PECOS VALLEY CONSERVANCY DIST	1998	344,564.75	48.96	344,513.86	48.96	344,513.86				50.89
PECOS VALLEY CONSERVANCY DIST	1999	399,242.37	34.73	399,217.21	34.73	399,217.21				76.64
PECOS VALLEY CONSERVANCY DIST	2000	823,727.98	371.89	823,651.34	371.89	823,651.34				25.16
PECOS VALLEY CONSERVANCY DIST	2001	876,111.40	2,738.08	875,563.61	2,738.08	875,563.61				547.79
PECOS VALLEY CONSERVANCY DIST	2002	898,434.12	13,590.32	895,540.71	13,590.32	895,540.71				2,893.41
PECOS VALLEY CONSERVANCY DIST	2003	937,834.16	33,920.78	921,780.19	33,920.78	921,780.19				16,053.97
PECOS VALLEY CONSERVANCY DIST	2004	989,466.79	938,405.35	938,405.35	938,405.35	938,405.35				51,061.44
		6,267,869.06	989,110.11	6,197,138.96	989,110.11	6,197,138.96				70,730.10
SOIL & WATER CONSERVATION	1995	20,585.98	0.00	20,585.03	0.00	20,585.03				0.95
SOIL & WATER CONSERVATION	1996	21,896.78	0.00	21,896.66	0.00	21,896.66				0.12
SOIL & WATER CONSERVATION	1997	37,763.04	0.00	37,762.48	0.00	37,762.48				0.56
SOIL & WATER CONSERVATION	1998	38,066.18	0.00	38,064.57	0.00	38,064.57				1.61
SOIL & WATER CONSERVATION	1999	63,191.06	2.96	63,189.64	2.96	63,189.64				1.42
SOIL & WATER CONSERVATION	2000	67,621.01	28.86	67,618.38	28.86	67,618.38				2.63
SOIL & WATER CONSERVATION	2001	79,507.59	144.91	79,474.66	144.91	79,474.66				32.93
SOIL & WATER CONSERVATION	2002	81,046.22	1,057.44	80,715.44	1,057.44	80,715.44				330.78
SOIL & WATER CONSERVATION	2003	84,012.41	2,760.11	82,442.58	2,760.11	82,442.58				1,569.83
SOIL & WATER CONSERVATION	2004	88,581.82	84,464.97	84,464.97	84,464.97	84,464.97				4,116.85
		582,272.09	88,459.25	576,214.41	88,459.25	576,214.41				6,057.68
UPPER HONDO SOIL & WATER CONSERVATIOI	1995	15.97	0.00	15.97	0.00	15.97				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	1996	16.45	0.00	16.45	0.00	16.45				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	1997	14.16	0.00	14.16	0.00	14.16				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	1998	13.46	0.00	13.46	0.00	13.46				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	1999	12.11	0.00	12.11	0.00	12.11				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	2000	13.98	0.00	13.98	0.00	13.98				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	2001	13.75	0.00	13.75	0.00	13.75				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	2002	13.86	0.00	13.86	0.00	13.86				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	2003	10.15	0.00	10.15	0.00	10.15				0.00
UPPER HONDO SOIL & WATER CONSERVATIOI	2004	11.74	0.02	11.74	0.02	11.74				0.00
		135.63	0.02	123.91	0.02	123.91				11.72
HAGERMAN-DEXTER SOIL & WATER CONSERV	1995		0.00	0.00	0.00	0.00				0.00
HAGERMAN-DEXTER SOIL & WATER CONSERV	1996		0.00	0.00	0.00	0.00				0.00
HAGERMAN-DEXTER SOIL & WATER CONSERV	1997		0.00	0.00	0.00	0.00				0.00
HAGERMAN-DEXTER SOIL & WATER CONSERV	1998		0.00	0.00	0.00	0.00				0.00
HAGERMAN-DEXTER SOIL & WATER CONSERV	1999	12,286.04	0.03	12,285.94	0.03	12,285.94				0.00
HAGERMAN-DEXTER SOIL & WATER CONSERV	2000		0.00	0.00	0.00	0.00				0.10
HAGERMAN-DEXTER SOIL & WATER CONSERV	2001	13,253.71	0.31	13,253.61	0.31	13,253.61				0.00
HAGERMAN-DEXTER SOIL & WATER CONSERV	2002	15,362.34	34.85	15,348.01	34.85	15,348.01				0.10
HAGERMAN-DEXTER SOIL & WATER CONSERV	2003	15,670.68	288.53	15,646.81	288.53	15,646.81				14.33
HAGERMAN-DEXTER SOIL & WATER CONSERV	2004	15,859.78	895.12	15,621.47	895.12	15,621.47				23.87
		16,268.27	15,569.90	15,569.90	15,569.90	15,569.90				238.31
		88,700.82	16,788.74	87,725.74	16,788.74	87,725.74				698.37

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

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEMED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
PENASCO S & W CONSERVATION DIST	1995	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	1996	1,169.45	0.06	1,169.45	0.06	1,169.45	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	1997	2,313.15	0.13	2,313.15	0.13	2,313.15	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	1998	2,319.20	0.13	2,319.20	0.13	2,319.20	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	1999	2,315.82	0.13	2,315.82	0.13	2,315.82	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	2000	2,318.69	0.13	2,318.69	0.13	2,318.69	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	2001	2,657.21	0.13	2,657.21	0.13	2,657.21	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	2002	2,689.99	25.88	2,688.66	25.88	2,688.66	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	2003	2,709.45	45.77	2,708.12	45.77	2,708.12	0.00	0.00	0.00	0.00
PENASCO S & W CONSERVATION DIST	2004	2,954.45	2,951.78	2,951.78	2,951.78	2,951.78	0.00	0.00	0.00	0.00
		21,447.41	3,024.14	21,442.08	3,024.14	21,442.08				5.33
CENTRAL VALLEY S & W CONSERVATION DIST	1995	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	1996	988.74	0.00	988.74	0.00	988.74	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	1997	980.34	0.00	980.34	0.00	980.34	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	1998	1,105.71	0.00	1,105.71	0.00	1,105.71	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	1999	1,117.33	0.00	1,117.33	0.00	1,117.33	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	2000	1,120.40	0.04	1,120.40	0.04	1,120.40	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	2001	1,130.46	2.80	1,127.58	2.80	1,127.58	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	2002	1,171.49	6.81	1,168.68	6.81	1,168.68	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	2003	1,259.93	12.37	1,244.64	12.37	1,244.64	0.00	0.00	0.00	0.00
CENTRAL VALLEY S & W CONSERVATION DIST	2004	1,301.46	1,250.56	1,250.56	1,250.56	1,250.56	0.00	0.00	0.00	0.00
		10,175.86	1,272.58	10,103.98	1,272.58	10,103.98				71.88
BORDER S & W CONSERVATION DIST	1995	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	1996	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	1997	325.40	0.00	325.40	0.00	325.40	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	1998	650.77	0.00	650.77	0.00	650.77	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	1999	655.13	0.00	655.13	0.00	655.13	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	2000	653.88	0.17	653.88	0.17	653.88	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	2001	852.89	0.17	852.89	0.17	852.89	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	2002	830.97	2.33	830.97	2.33	830.97	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	2003	823.69	8.16	823.69	8.16	823.69	0.00	0.00	0.00	0.00
BORDER S & W CONSERVATION DIST	2004	812.86	811.19	811.19	811.19	811.19	0.00	0.00	0.00	0.00
		5,605.59	822.02	5,603.92	822.02	5,603.92				1.67
COTTONWOOD-WALNUT CREEK	1995	3,453.55	0.00	3,453.55	0.00	3,453.55	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	1996	4,246.43	0.00	4,246.43	0.00	4,246.43	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	1997	4,249.23	0.00	4,249.23	0.00	4,249.23	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	1998	4,918.41	0.00	4,918.41	0.00	4,918.41	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	1999	4,988.14	0.00	4,988.14	0.00	4,988.14	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	2000	5,037.28	0.00	5,037.28	0.00	5,037.28	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	2001	8,242.17	0.00	8,236.42	0.00	8,236.42	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	2002	8,578.89	0.00	8,573.15	0.00	8,573.15	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	2003	9,354.17	0.00	9,348.46	0.00	9,348.46	0.00	0.00	0.00	0.00
COTTONWOOD-WALNUT CREEK	2004	9,692.64	9,577.11	9,577.11	9,577.11	9,577.11	0.00	0.00	0.00	0.00
		62,760.91	9,577.11	62,628.18	9,577.11	62,628.18				115.53
										132.73

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
BISON	2003	31.34	0.00	31.34	0.00	31.34				0.00
BISON	2004	6.17	6.17	6.17	6.17	6.17				0.00
		37.51	6.17	37.51	6.17	37.51				0.00
STATE DEBT SERVICE	1995	567,549.72	424.40	567,093.42	424.40	567,093.42				0.00
STATE DEBT SERVICE	1996	697,256.07	509.76	696,878.62	509.76	696,878.62				456.30
STATE DEBT SERVICE	1997	608,972.68	447.65	608,699.33	447.65	608,699.33				377.45
STATE DEBT SERVICE	1998	667,730.02	559.42	667,322.80	559.42	667,322.80				273.35
STATE DEBT SERVICE	1999	783,675.34	558.15	782,758.05	558.15	782,758.05				407.22
STATE DEBT SERVICE	2000	843,575.84	716.01	843,176.64	716.01	843,176.64				917.29
STATE DEBT SERVICE	2001	1,016,157.42	2,645.12	1,015,387.76	2,645.12	1,015,387.76				399.20
STATE DEBT SERVICE	2002	656,443.87	12,297.35	653,690.26	12,297.35	653,690.26				769.66
STATE DEBT SERVICE	2003	936,055.76	38,265.18	924,785.08	38,265.18	924,785.08				2,753.61
STATE DEBT SERVICE	2004	643,846.39	611,632.53	611,632.53	611,632.53	611,632.53				11,270.68
		7,421,283.11	668,055.57	7,371,424.49	668,055.57	7,371,424.49				32,213.86
										49,838.62
COUNTY OPERATIONAL	1995	3,140,026.27	1,229.55	3,135,513.28	1,229.55	3,135,513.28				4,512.99
COUNTY OPERATIONAL	1996	3,170,401.92	2,055.72	3,166,735.88	2,055.72	3,166,735.88				3,666.04
COUNTY OPERATIONAL	1997	4,572,565.16	2,008.08	4,569,965.16	2,008.08	4,569,965.16				2,600.00
COUNTY OPERATIONAL	1998	4,032,374.06	2,261.85	4,028,463.22	2,261.85	4,028,463.22				3,910.84
COUNTY OPERATIONAL	1999	4,310,877.20	398.72	4,301,973.93	398.72	4,301,973.93				8,903.27
COUNTY OPERATIONAL	2000	4,547,213.05	2,811.75	4,543,603.90	2,811.75	4,543,603.90				3,609.15
COUNTY OPERATIONAL	2001	4,803,911.84	10,577.82	4,797,399.26	10,577.82	4,797,399.26				6,512.58
COUNTY OPERATIONAL	2002	4,915,918.58	53,358.62	4,893,585.57	53,358.62	4,893,585.57				22,333.01
COUNTY OPERATIONAL	2003	5,083,800.38	170,396.34	4,996,592.15	170,396.34	4,996,592.15				87,208.23
COUNTY OPERATIONAL	2004	5,310,069.72	5,056,095.59	5,056,095.59	5,056,095.59	5,056,095.59				253,974.13
		43,887,158.18	5,301,194.04	43,489,927.94	5,301,194.04	43,489,927.94				397,230.21
COUNTY DEBT SERVICE	1995	386,520.93	0.00	386,520.93	0.00	386,520.93				0.00
COUNTY DEBT SERVICE	1996	393,886.95	0.00	393,886.95	0.00	393,886.95				0.00
COUNTY DEBT SERVICE	1997	382,924.92	0.00	382,924.92	0.00	382,924.92				0.00
COUNTY DEBT SERVICE	1998	396,087.42	0.00	396,087.42	0.00	396,087.42				0.00
COUNTY DEBT SERVICE	1999	428,324.58	0.00	428,324.58	0.00	428,324.58				0.00
COUNTY DEBT SERVICE	2000	406,615.69	0.00	406,615.69	0.00	406,615.69				0.00
COUNTY DEBT SERVICE	2001	375,373.73	0.00	375,373.73	0.00	375,373.73				0.00
COUNTY DEBT SERVICE	2002	332,605.98	0.00	332,605.98	0.00	332,605.98				0.00
COUNTY DEBT SERVICE	2003	3,102,340.20	0.00	3,102,340.20	0.00	3,102,340.20				0.00
										0.00

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
1995	423,824.43	118.87	423,414.26	118.87	423,414.26				410.17
1996	426,992.16	200.11	426,678.15	200.11	426,678.15				314.01
1997	433,125.03	193.69	432,907.26	193.69	432,907.26				217.77
1998	449,380.24	221.77	449,045.57	221.77	449,045.57				334.67
1999	477,892.21	46.80	477,055.54	46.80	477,055.54				836.67
2000	504,699.50	297.34	504,356.09	297.34	504,356.09				343.41
2001	535,176.43	1,347.07	534,464.76	1,347.07	534,464.76				711.67
2002	549,509.20	6,524.80	546,957.96	6,524.80	546,957.96				2,551.24
2003	566,716.98	19,749.06	556,307.42	19,749.06	556,307.42				10,409.56
2004	590,530.71	560,675.91	560,675.91	560,675.91	560,675.91				29,854.80
	4,957,846.89	589,375.42	4,911,862.92	589,375.42	4,911,862.92				45,983.91
1995	601,268.44	186.07	600,702.17	186.07	600,702.17				566.27
1996	601,995.33	297.39	601,559.94	297.39	601,559.94				435.39
1997	607,214.41	284.03	606,910.88	284.03	606,910.88				303.53
1998	623,506.14	329.42	623,040.87	329.42	623,040.87				465.27
1999	710,748.12	104.94	709,588.61	104.94	709,588.61				1,159.51
2000	742,675.37	449.55	742,192.13	449.55	742,192.13				483.24
2001	776,679.06	2,046.77	775,667.28	2,046.77	775,667.28				1,011.78
2002	789,703.88	9,819.96	786,051.12	9,819.96	786,051.12				3,652.76
2003	831,576.02	29,520.56	816,557.98	29,520.56	816,557.98				15,018.04
2004	843,328.75	800,389.80	800,389.80	800,389.80	800,389.80				42,938.95
	7,128,695.52	843,428.49	7,062,660.78	843,428.49	7,062,660.78				66,034.74
1995	283.16	0.00	283.16	0.00	283.16				0.00
1996	267.94	0.00	267.94	0.00	267.94				0.00
1997	736.76	0.00	736.76	0.00	736.76				0.00
1998	1,251.37	0.00	1,251.37	0.00	1,251.37				0.00
1999	1,610.09	0.00	1,610.09	0.00	1,610.09				0.00
2000	204.96	0.00	204.96	0.00	204.96				0.00
2001	213.68	0.00	213.68	0.00	213.68				0.00
2002	259.38	0.00	259.38	0.00	259.38				0.00
2003	256.08	0.00	256.08	0.00	256.08				0.00
2004	239.73	239.73	239.73	239.73	239.73				0.00
	5,323.15	239.73	5,323.15	239.73	5,323.15				0.00
1995	1,689,430.07	154.10	1,689,217.87	154.10	1,689,217.87				212.20
1996	1,741,569.04	190.35	1,741,259.28	190.35	1,741,259.28				309.76
1997	2,193,830.81	164.03	2,193,344.63	164.03	2,193,344.63				486.18
1998	2,238,363.41	163.38	2,237,419.71	163.38	2,237,419.71				943.70
1999	2,409,345.38	328.74	2,408,498.71	328.74	2,408,498.71				846.67
2000	2,516,232.91	1,683.54	2,515,668.55	1,683.54	2,515,668.55				564.36
2001	2,644,260.96	8,220.03	2,641,244.55	8,220.03	2,641,244.55				3,016.41
2002	2,683,502.29	37,928.33	2,672,284.13	37,928.33	2,672,284.13				11,218.16
2003	2,769,816.40	97,161.07	2,715,408.87	97,161.07	2,715,408.87				54,407.53
2004	2,890,919.90	2,728,656.80	2,728,656.80	2,728,656.80	2,728,656.80				162,263.10
	23,777,271.17	2,874,650.37	23,543,003.10	2,874,650.37	23,543,003.10				234,268.07

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

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1995		82.62	-32.41	82.62	-32.41				32.41
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1996		110.27	-47.70	110.27	-47.70				47.70
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1997		130.33	-74.50	130.33	-74.50				74.50
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1998		203.95	-144.72	203.95	-144.72				144.72
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1999	926,543.77	243.35	926,412.83	243.35	926,412.83				130.94
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2000	899,466.78	631.70	899,378.39	631.70	899,378.39				88.39
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2001	1,044,845.23	3,164.01	1,044,374.34	3,164.01	1,044,374.34				470.89
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2002	891,316.79	14,123.64	889,558.58	14,123.64	889,558.58				1,758.21
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2003	889,639.74	40,263.24	881,087.64	40,263.24	881,087.64				8,552.10
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2004	452,348.28	426,924.82	426,924.82	426,924.82	426,924.82				25,423.46
		5,104,160.59	485,877.93	5,067,437.27	485,877.93	5,067,437.27				36,723.32
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1995	151,975.66	10.19	151,961.47	10.19	151,961.47				14.19
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1996	151,335.11	12.12	151,316.19	12.12	151,316.19				18.92
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1997	152,953.79	10.31	152,922.40	10.31	152,922.40				31.39
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1998	158,217.92	10.84	158,157.54	10.84	158,157.54				60.38
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1999	169,947.18	16.66	169,898.15	16.66	169,898.15				49.03
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2000	178,388.02	87.78	178,360.54	87.78	178,360.54				27.48
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2001	187,010.46	336.35	186,856.41	336.35	186,856.41				154.05
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2002	130,528.23	1,844.96	129,987.96	1,844.96	129,987.96				540.27
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2003	136,309.04	4,633.78	133,805.32	4,633.78	133,805.32				2,503.72
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2004	142,712.77	134,861.30	134,861.30	134,861.30	134,861.30				7,851.47
		1,559,378.18	141,624.29	1,548,127.28	141,624.29	1,548,127.28				11,250.90
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1995	1,517,963.68	143.09	1,517,791.44	143.09	1,517,791.44				172.24
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1996	1,738,728.30	179.59	1,738,474.83	179.59	1,738,474.83				253.47
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1997	1,728,265.95	165.61	1,727,870.04	165.61	1,727,870.04				395.91
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1998	1,807,278.33	186.71	1,806,509.22	186.71	1,806,509.22				769.11
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1999	1,568,322.00	330.20	1,567,626.15	330.20	1,567,626.15				695.85
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2000	1,605,625.49	1,504.29	1,567,155.77	1,504.29	1,567,155.77				469.72
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2001	1,545,752.05	7,461.98	1,543,249.58	7,461.98	1,543,249.58				2,502.47
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2002	1,102,709.40	34,193.59	1,093,365.61	34,193.59	1,093,365.61				9,343.79
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2003	2,438,806.36	88,369.92	2,393,357.29	88,369.92	2,393,357.29				45,449.07
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2004	2,403,942.02	2,268,832.07	2,268,832.07	2,268,832.07	2,268,832.07				135,109.95
		17,457,393.58	2,401,367.05	17,262,232.00	2,401,367.05	17,262,232.00				195,161.58
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1995	774,984.14	44.10	774,927.38	44.10	774,927.38				56.76
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1996	788,360.14	54.98	788,276.61	54.98	788,276.61				83.53
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1997	796,435.92	49.13	796,305.45	49.13	796,305.45				130.47
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1998	817,403.14	52.25	817,149.68	52.25	817,149.68				253.46
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1999	940,522.94	98.86	940,293.62	98.86	940,293.62				229.32
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2000	975,767.55	476.59	975,612.76	476.59	975,612.76				154.79
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2001	1,011,617.84	2,362.41	1,010,793.16	2,362.41	1,010,793.16				824.68
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2002	737,845.02	10,846.06	734,765.82	10,846.06	734,765.82				3,079.20
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2003	780,043.61	27,823.93	765,066.09	27,823.93	765,066.09				14,977.52
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2004	792,203.66	747,678.82	747,678.82	747,678.82	747,678.82				44,524.84
		8,415,183.96	789,487.13	8,350,869.39	789,487.13	8,350,869.39				64,314.57

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1995		36.66	-81.57	36.66	-81.57				81.57
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1996		0.00	-122.84	0.00	-122.84				122.84
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1997		0.00	-58.44	0.00	-58.44				58.44
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1998		3.13	-60.42	3.13	-60.42				60.42
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1999		0.00	-331.19	0.00	-331.19				331.19
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2000		29.33	-98.25	29.33	-98.25				98.25
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2001		71.16	-108.58	71.16	-108.58				108.58
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2002	59,792.51	401.21	59,410.69	401.21	59,410.69				381.82
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2003	59,944.78	1,290.08	58,983.25	1,290.08	58,983.25				961.53
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2004	62,637.74	60,456.44	60,456.44	60,456.44	60,456.44				2,181.30
		182,375.03	62,288.01	177,989.09	62,288.01	177,989.09				4,385.94
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1995		537.69	-1,005.96	537.69	-1,005.96				1,005.96
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1996		32.76	-1,511.06	32.76	-1,511.06				1,511.06
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1997		16.20	-728.02	16.20	-728.02				728.02
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1998		92.92	-755.31	92.92	-755.31				755.31
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1999		143.57	-4,096.99	143.57	-4,096.99				4,096.99
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2000		535.65	-1,279.58	535.65	-1,279.58				1,279.58
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2001		1,291.17	-1,473.64	1,291.17	-1,473.64				1,473.64
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2002	426,216.73	7,033.54	420,766.34	7,033.54	420,766.34				5,450.39
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2003	923,665.64	23,479.08	909,069.92	23,479.08	909,069.92				14,595.72
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2004	913,501.13	878,742.26	878,742.26	878,742.26	878,742.26				34,758.87
		2,263,383.50	911,904.84	2,197,727.96	911,904.84	2,197,727.96				65,655.54
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1995		162.22	-331.51	162.22	-331.51				331.51
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1996		0.00	-497.96	0.00	-497.96				497.96
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1997		0.00	-239.91	0.00	-239.91				239.91
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1998		22.39	-248.91	22.39	-248.91				248.91
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1999		6.19	-1,350.14	6.19	-1,350.14				1,350.14
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2000	0.00	158.92	-421.68	158.92	-421.68				421.68
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2001		398.68	-485.63	398.68	-485.63				485.63
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2002	285,190.18	2,196.80	283,394.04	2,196.80	283,394.04				1,796.14
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2003	295,431.19	7,368.16	290,621.27	7,368.16	290,621.27				4,809.92
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2004	301,038.43	289,583.89	289,583.89	289,583.89	289,583.89				11,454.54
		881,659.80	299,897.25	860,023.46	299,897.25	860,023.46				21,636.34
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	1995		0.00	2,376.44	0.00	2,376.44				15.43
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	1996	2,391.87	0.00	3,528.17	0.00	3,528.17				24.79
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	1997	3,552.96	0.63	3,517.24	0.63	3,517.24				22.26
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	1998	3,660.94	0.00	3,632.56	0.00	3,632.56				28.38
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	1999	4,003.11	0.93	3,979.84	0.93	3,979.84				23.27
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2000	3,998.26	8.67	3,980.33	8.67	3,980.33				17.93
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2001	3,601.76	2.39	3,596.79	2.39	3,596.79				4.97
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2002	3,225.84	28.78	3,219.09	28.78	3,219.09				6.75
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2003	3,189.26	40.59	3,188.04	40.59	3,188.04				1.22
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2004	3,833.18	3,831.09	3,831.09	3,831.09	3,831.09				2.09
		34,996.68	3,913.08	34,849.59	3,913.08	34,849.59				147.09

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

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 14 - 14.61	1995		0.00	-49.39	0.00	-49.39				
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	1996	20,332.48	0.00	20,253.09	0.00	20,253.09				49.39
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	1997	15,717.99	0.00	15,646.72	0.00	15,646.72				79.39
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	1998	17,789.44	0.00	17,698.56	0.00	17,698.56				71.27
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	1999	19,119.56	0.00	19,045.04	0.00	19,045.04				90.88
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2000	14,922.44	0.00	14,865.02	0.00	14,865.02				74.52
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2001	16,253.35	0.00	16,237.45	0.00	16,237.45				57.42
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2002	2,307.88	40.38	2,286.27	40.38	2,286.27				15.90
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2003	5,471.72	68.90	5,473.83	68.90	5,473.83				21.61
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2004	12,556.91	12,550.21	12,550.21	12,550.21	12,550.21				3.89
		124,477.77	12,659.49	124,006.80	12,659.49	124,006.80				6.70
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	1995		0.00	9,727.56	0.00	9,727.56				470.97
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	1996	9,789.26	0.00	14,362.04	0.00	14,362.04				61.70
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	1997	14,461.22	0.00	14,380.58	0.00	14,380.58				99.18
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	1998	14,380.58	2.51	14,291.54	2.51	14,291.54				89.04
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	1999	15,050.29	0.00	14,936.76	0.00	14,936.76				113.53
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2000	16,397.56	3.70	16,304.47	3.70	16,304.47				93.09
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2001	16,371.29	34.65	16,299.56	34.65	16,299.56				71.73
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2002	14,762.35	9.55	14,742.48	9.55	14,742.48				19.87
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2003	13,225.75	120.97	13,198.76	120.97	13,198.76				26.99
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2004	13,073.33	168.86	13,068.47	168.86	13,068.47				4.86
		15,677.74	15,669.37	15,669.37	15,669.37	15,669.37				8.37
		143,189.37	16,009.61	142,601.01	16,009.61	142,601.01				588.36
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	1995		22.72	24,368.30	22.72	24,368.30				104.86
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	1996	24,473.16	36.21	15,652.02	36.21	15,652.02				168.55
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	1997	15,820.57	39.21	20,633.21	39.21	20,633.21				151.32
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	1998	20,784.53	41.42	22,141.68	41.42	22,141.68				192.95
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	1999	22,334.63	43.21	21,716.13	43.21	21,716.13				158.21
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	2000	21,874.34	99.48	25,883.90	99.48	25,883.90				33.76
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	2001	26,005.80	27.47	20,618.77	27.47	20,618.77				45.87
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	2002	20,652.53	262.03	18,646.58	262.03	18,646.58				8.27
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	2003	18,692.45	353.25	27,197.35	353.25	27,197.35				14.23
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB	2004	27,205.62	26,644.71	26,644.71	26,644.71	26,644.71				999.92
		26,658.94	27,569.71	223,502.65	27,569.71	223,502.65				0.00
		224,502.57	27,569.71	223,502.65	27,569.71	223,502.65				0.00
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	1995		0.00	1,588.19	0.00	1,588.19				0.00
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	1996	1,588.19	0.00	1,655.16	0.00	1,655.16				0.00
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	1997	1,655.16	0.00	1,719.09	0.00	1,719.09				0.00
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	1998	1,719.09	0.00	1,835.95	0.00	1,835.95				0.00
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	1999	1,835.95	0.00	1,968.26	0.00	1,968.26				0.00
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2000	1,968.26	0.00	2,335.26	0.00	2,335.26				0.43
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2001	2,335.26	0.38	2,529.33	0.38	2,529.33				0.43
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2002	2,529.33	16.74	2,217.66	16.74	2,217.66				8.78
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2003	2,384.43	165.53	2,257.85	165.53	2,257.85				37.13
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2004	2,377.95	2,127.57	2,127.57	2,127.57	2,127.57				126.58
		20,658.05	2,310.22	20,234.32	2,310.22	20,234.32				250.38
										423.73

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

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	1995	3,336.82	0.00	3,336.82	0.00	3,336.82	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	1996	3,617.04	0.00	3,617.04	0.00	3,617.04	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	1997	3,616.97	0.00	3,616.97	0.00	3,616.97	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	1998	3,841.63	0.00	3,841.63	0.00	3,841.63	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	1999	3,876.90	0.00	3,876.90	0.00	3,876.90	0.00	0.00	0.00	0.10
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2000	4,083.48	0.00	4,083.38	0.00	4,083.38	0.00	0.00	0.00	0.10
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2001	4,336.29	0.04	4,334.67	0.04	4,334.67	0.00	0.00	0.00	1.62
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2002	428.53	2.71	422.13	2.71	422.13	0.00	0.00	0.00	6.40
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2003	448.38	27.92	426.85	27.92	426.85	0.00	0.00	0.00	21.53
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2004	445.40	403.04	403.04	403.04	403.04	0.00	0.00	0.00	42.36
		28,031.44	433.71	27,959.33	433.71	27,959.33				72.11
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1995	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1996	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1997	45,008.88	0.00	45,008.88	0.00	45,008.88	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1998	67,318.19	0.00	67,318.19	0.00	67,318.19	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1999	55,675.57	0.31	55,674.71	0.31	55,674.71	0.00	0.00	0.00	0.86
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2000	51,638.42	0.31	51,637.55	0.31	51,637.55	0.00	0.00	0.00	0.87
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2001	33,862.67	10.65	33,845.05	10.65	33,845.05	0.00	0.00	0.00	17.62
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2002	4,390.43	91.79	4,315.95	91.79	4,315.95	0.00	0.00	0.00	74.48
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2003	7,356.21	647.66	7,102.30	647.66	7,102.30	0.00	0.00	0.00	253.91
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2004	4,769.81	4,267.59	4,267.59	4,267.59	4,267.59	0.00	0.00	0.00	502.22
		270,020.18	5,018.31	269,170.22	5,018.31	269,170.22				849.96
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	1995	14,428.73	0.00	14,428.73	0.00	14,428.73	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	1996	15,531.22	0.00	15,531.22	0.00	15,531.22	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	1997	15,419.28	0.00	15,419.28	0.00	15,419.28	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	1998	16,299.80	0.00	16,299.80	0.00	16,299.80	0.00	0.00	0.00	0.00
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	1999	16,467.19	0.00	16,466.80	0.00	16,466.80	0.00	0.00	0.00	0.39
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2000	17,337.05	0.00	17,336.66	0.00	17,336.66	0.00	0.00	0.00	0.39
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2001	0.00	0.55	-7.89	0.55	-7.89	0.00	0.00	0.00	7.89
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2002	2,112.81	16.50	2,079.43	16.50	2,079.43	0.00	0.00	0.00	33.38
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2003	2,190.52	156.68	2,076.74	156.68	2,076.74	0.00	0.00	0.00	113.78
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2004	2,137.49	1,912.43	1,912.43	1,912.43	1,912.43	0.00	0.00	0.00	225.06
		101,924.09	2,086.16	101,543.20	2,086.16	101,543.20				380.89
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	1995	0.00	6.09	-2.85	6.09	-2.85	0.00	0.00	0.00	2.85
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	1996	6.33	6.33	0.00	6.33	0.00	0.00	0.00	0.00	0.00
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	1997	6.62	6.62	-2.04	6.62	-2.04	0.00	0.00	0.00	2.04
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	1998	0.00	0.00	-2.16	0.00	-2.16	0.00	0.00	0.00	2.16
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	1999	0.00	0.00	-1.92	0.00	-1.92	0.00	0.00	0.00	1.92
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2000	0.00	0.00	-1.96	0.00	-1.96	0.00	0.00	0.00	1.96
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2001	0.00	1.24	-3.80	1.24	-3.80	0.00	0.00	0.00	3.80
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2002	4,403.60	13.23	4,398.94	13.23	4,398.94	0.00	0.00	0.00	4.66
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2003	4,331.37	28.50	4,312.49	28.50	4,312.49	0.00	0.00	0.00	18.88
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2004	4,545.98	4,478.77	4,478.77	4,478.77	4,478.77	0.00	0.00	0.00	67.21
		13,280.95	4,540.78	13,175.47	4,540.78	13,175.47				105.48

The accompanying notes are an integral part of these financial statements.
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State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	1995		96.50	-25.42	96.50	-25.42				25.42
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	1996		86.35	0.00	86.35	0.00				0.00
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	1997		102.11	-24.71	102.11	-24.71				24.71
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	1998		7.84	-26.09	7.84	-26.09				26.09
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	1999	0.00	7.50	-23.21	6.98	-23.21				23.21
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2000	0.00	7.50	-22.68	7.50	-22.68				22.68
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2001		42.03	-37.40	42.03	-37.40				37.40
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2002	37,661.27	220.01	37,615.73	220.01	37,615.73				37.40
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2003	60,760.67	550.07	60,585.62	550.07	60,585.62				45.54
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2004	41,672.05	40,993.55	40,993.55	40,993.55	40,993.55				175.05
		140,083.99	42,112.94	139,035.39	42,112.94	139,035.39				678.50
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	1995		24.37	-11.39	24.37	-11.39				1,058.60
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	1996		25.33	0.00	25.33	0.00				11.39
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	1997		26.36	-11.07	26.36	-11.07				0.00
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	1998		0.00	-11.69	0.00	-11.69				11.07
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	1999	0.00	0.00	-10.40	0.00	-10.40				11.69
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	2000	0.00	0.00	-10.16	0.00	-10.16				10.40
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	2001		6.82	-16.76	6.82	-16.76				10.16
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	2002	18,123.81	58.05	18,103.40	58.05	18,103.40				16.76
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	2003	17,866.69	136.33	17,788.24	136.33	17,788.24				20.41
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV	2004	18,674.45	18,370.40	18,370.40	18,370.40	18,370.40				78.45
		54,664.95	18,647.66	54,190.57	18,647.66	54,190.57				304.05
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	1995		0.00	397.97	0.00	397.97				474.38
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	1996	397.97	0.00	575.95	0.00	575.95				0.00
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	1997	575.95	0.00	555.60	0.00	555.60				0.00
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	1998	555.60	0.00	566.22	0.00	566.22				0.00
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	1999	566.22	0.00	560.80	0.00	560.80				0.00
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2000	560.80	0.00	547.67	0.00	547.67				0.00
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2001	547.67	0.00	526.42	0.00	526.42				0.00
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2002	526.42	0.00	575.13	0.00	575.13				0.39
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2003	575.13	1.65	704.37	1.65	704.37				0.40
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2004	704.72	994.44	994.44	994.44	994.44				0.35
		6,006.04	996.09	6,004.57	996.09	6,004.57				1.47
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	1995		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	1996		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	1997		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	1998		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	1999	0.00	0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2000	0.00	0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2001	7,024.29	0.32	7,020.52	0.32	7,020.52				0.00
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2002	9,267.05	0.33	9,263.17	0.33	9,263.17				3.77
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2003	8,432.32	19.48	8,428.96	19.48	8,428.96				3.88
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2004	10,000.62	9,997.38	9,997.38	9,997.38	9,997.38				3.36
		34,724.28	10,017.51	34,710.03	10,017.51	34,710.03				14.25

The accompanying notes are an integral part of these financial statements.
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State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	1995	1,643.71	0.00	1,643.71	0.00	1,643.71				0.00
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	1996	2,361.31	0.00	2,361.31	0.00	2,361.31				0.00
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	1997	2,280.34	0.00	2,280.34	0.00	2,280.34				0.00
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	1998	2,321.54	0.00	2,321.54	0.00	2,321.54				0.00
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	1999	2,296.36	0.00	2,296.36	0.00	2,296.36				0.00
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2000	2,244.47	0.00	2,244.47	0.00	2,244.47				0.00
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2001	2,158.33	0.00	2,158.33	0.00	2,158.33				1.55
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2002	2,354.13	0.00	2,354.13	0.00	2,352.53				1.60
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2003	2,965.03	6.60	2,963.65	6.60	2,963.65				1.38
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2004	4,118.87	4,117.54	4,117.54	4,117.54	4,117.54				1.33
		24,744.09	4,124.14	24,738.23	4,124.14	24,738.23				5.86
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	1995	206.99	0.00	206.99	0.00	206.99				0.00
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	1996	251.89	0.00	251.89	0.00	251.89				0.00
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	1997	279.17	0.00	279.17	0.00	279.17				0.00
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	1998	290.39	0.00	290.39	0.00	290.39				0.00
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	1999	319.53	0.00	319.53	0.00	319.53				0.00
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2000	305.53	0.06	305.53	0.06	305.53				0.00
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2001	333.37	0.09	333.37	0.09	333.37				0.00
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2002	328.67	0.09	328.67	0.09	328.67				0.00
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2003	515.46	2.44	512.25	2.44	512.25				3.21
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2004	582.65	577.25	577.25	577.25	577.25				5.40
		3,413.65	579.93	3,405.04	579.93	3,405.04				8.61
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	1995		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	1996		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	1997		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	1998		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	1999	0.00	0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2000	0.00	0.71	0.00	0.71	0.00				0.00
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2001	4,584.93	1.02	4,584.93	1.02	4,584.93				0.00
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2002	5,460.44	1.05	5,460.44	1.05	5,460.44				0.00
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2003	6,217.83	33.43	6,186.68	33.43	6,186.68				31.15
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2004	6,004.17	5,946.22	5,946.22	5,946.22	5,946.22				57.95
		22,267.37	5,982.43	22,178.27	5,982.43	22,178.27				89.10
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	1995	897.67	0.00	897.67	0.00	897.67				0.00
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	1996	1,093.38	0.00	1,093.38	0.00	1,093.38				0.00
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	1997	1,203.12	0.00	1,203.12	0.00	1,203.12				0.00
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	1998		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	1999	1,357.46	0.00	1,357.46	0.00	1,357.46				0.00
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2000	1,299.49	0.25	1,299.49	0.25	1,299.49				0.00
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2001	1,408.80	0.36	1,408.80	0.36	1,408.80				0.00
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2002	1,387.13	0.37	1,387.13	0.37	1,387.13				0.00
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2003	2,188.45	9.75	2,175.62	9.75	2,175.62				12.83
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2004	2,472.88	2,449.01	2,449.01	2,449.01	2,449.01				23.87
		13,308.38	2,459.74	13,271.68	2,459.74	13,271.68				36.70

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

State of New Mexico
Chaves County
Property Tax Schedule
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AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	1995		0.00	-1.89	0.00		-1.89			1.89
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	1996		0.00	-1.21	0.00		-1.21			1.21
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	1997		0.00	-2.50	0.00		-2.50			2.50
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	1998		0.00	-2.99	0.00		-2.99			2.99
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	1999	5,302.36	0.00	5,299.01	0.00	5,299.01	0.00			3.35
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2000	0.00	0.00	-3.16	0.00		-3.16			3.16
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2001		22.40	-11.22	22.40		-11.22			11.22
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2002	6,046.03	87.68	6,032.39	87.68	6,032.39				13.64
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2003	6,777.87	492.75	6,675.37	492.75	6,675.37				102.50
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2004	7,408.18	7,181.95	7,181.95	7,181.95	7,181.95				226.23
		25,534.44	7,784.78	25,165.75	7,784.78	25,165.75				368.69
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	1995		1.91	-34.61	1.91		-34.61			34.61
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	1996		1.24	-22.30	1.24		-22.30			22.30
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	1997		2.64	-51.24	2.64		-51.24			51.24
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	1998		3.05	-55.55	3.05		-55.55			55.55
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	1999		3.29	-56.20	3.29		-56.20			56.20
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2000	0.00	3.79	-56.60	3.79		-56.60			56.60
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2001		476.56	-189.11	476.56		-189.11			189.11
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2002	90,772.05	1,727.57	90,509.63	1,727.57	90,509.63				262.42
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2003	126,433.43	9,491.66	124,610.56	9,491.66	124,610.56				1,822.87
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2004	121,502.15	117,198.77	117,198.77	117,198.77	117,198.77				4,303.38
		338,707.63	128,910.48	331,853.35	128,910.48	331,853.35				6,854.28
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	1995		0.00	-9.01	0.00		-9.01			9.01
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	1996		0.00	-5.81	0.00		-5.81			5.81
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	1997		0.00	-13.35	0.00		-13.35			13.35
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	1998	23,806.45	0.00	23,791.98	0.00	23,791.98				14.47
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	1999		0.00	-14.64	0.00		-14.64			14.64
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2000		0.00	-14.74	0.00		-14.74			14.74
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2001		107.66	-49.26	107.66		-49.26			49.26
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2002	26,031.56	400.76	25,963.20	400.76	25,963.20				68.36
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2003	29,805.14	2,192.43	29,330.31	2,192.43	29,330.31				474.83
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2004	31,649.42	30,528.46	30,528.46	30,528.46	30,528.46				1,120.96
		111,292.57	33,229.31	109,507.14	33,229.31	109,507.14				1,785.43
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1995		0.00	5,217.62	0.00		5,217.62			2.64
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1996	5,170.65	0.00	5,168.55	0.00	5,168.55				2.10
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1997	4,902.88	0.00	4,902.88	0.00	4,902.88				0.00
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1998	5,026.05	0.00	5,026.05	0.00	5,026.05				0.00
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1999	5,375.80	0.00	5,375.80	0.00	5,375.80				0.00
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2000	5,806.41	0.00	5,806.41	0.00	5,806.41				0.00
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2001	6,804.28	8.91	6,787.50	8.91	6,787.50				16.78
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2002	7,223.16	171.84	7,166.79	171.84	7,166.79				56.37
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2003	7,429.89	480.82	7,134.15	480.82	7,134.15				295.74
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2004	8,057.21	7,553.32	7,553.32	7,553.32	7,553.32				503.89
		61,016.59	8,214.89	60,139.07	8,214.89	60,139.07				877.52

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

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1995	8,334.73	0.00	8,334.27	0.00	8,334.27				0.46
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1996	8,249.67	0.00	8,249.30	0.00	8,249.30				0.37
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1997	8,495.35	0.00	8,495.35	0.00	8,495.35				0.00
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1998	8,942.51	0.00	8,942.51	0.00	8,942.51				0.00
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1999	9,694.25	0.00	9,694.25	0.00	9,694.25				0.00
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2000	11,417.91	0.00	11,417.91	0.00	11,417.91				0.00
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2001	13,764.86	1.61	13,761.94	1.61	13,761.94				0.00
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2002	1,360.03	33.80	1,350.22	33.80	1,350.22				2.92
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2003	1,394.85	91.71	1,338.50	91.71	1,338.50				9.81
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2004	1,530.52	1,436.29	1,436.29	1,436.29	1,436.29				56.35
		73,184.68	1,563.41	73,020.54	1,563.41	73,020.54				94.23
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1995	253,462.92	0.00	253,446.00	0.00	253,446.00				164.14
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1996	234,262.70	0.00	234,249.27	0.00	234,249.27				16.92
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1997	201,331.94	0.00	201,331.94	0.00	201,331.94				13.43
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1998	256,499.20	0.00	256,499.20	0.00	256,499.20				0.00
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1999	271,265.12	0.00	271,265.12	0.00	271,265.12				0.00
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2000	274,764.99	0.00	274,764.99	0.00	274,764.99				0.00
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2001	358,584.17	26.19	358,476.78	26.19	358,476.78				0.00
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2002	46,270.18	564.04	45,909.39	564.04	45,909.39				107.39
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2003	32,057.86	1,637.80	30,521.81	1,637.80	30,521.81				360.79
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2004	42,200.12	39,452.70	39,452.70	39,452.70	39,452.70				1,536.05
		1,970,699.20	41,680.73	1,965,917.20	41,680.73	1,965,917.20				2,747.42
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1995	51,152.97	0.07	51,148.88	0.07	51,148.88				4.09
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1996	51,073.35	0.06	51,070.11	0.06	51,070.11				3.24
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1997	50,726.11	0.00	50,726.11	0.00	50,726.11				0.00
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1998	52,054.64	0.00	52,054.64	0.00	52,054.64				0.00
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1999	55,236.23	0.00	55,236.23	0.00	55,236.23				0.00
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2000	63,207.96	0.00	63,207.96	0.00	63,207.96				0.00
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2001	73,752.39	14.35	73,726.43	14.35	73,726.43				0.00
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2002	9,448.68	190.71	9,361.48	190.71	9,361.48				25.96
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2003	9,644.10	582.63	9,272.85	582.63	9,272.85				87.20
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2004	10,199.42	9,535.39	9,535.39	9,535.39	9,535.39				371.25
		426,495.85	10,323.21	425,340.08	10,323.21	425,340.08				664.03
										1,155.77
SCH. DIST. # 8 IN - 80.64	1995		2.11	-3.67	2.11	-3.67				3.67
SCH. DIST. # 8 IN - 80.64	1996		1.67	-2.92	1.67	-2.92				2.92
SCH. DIST. # 8 IN - 80.64	1997		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 8 IN - 80.64	1998		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 8 IN - 80.64	1999		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 8 IN - 80.64	2000		0.00	0.00	0.00	0.00				0.00
SCH. DIST. # 8 IN - 80.64	2001		32.78	-23.32	32.78	-23.32				0.00
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DB	2002		310.03	-78.35	310.03	-78.35				23.32
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DB	2003	13,462.65	999.28	13,129.08	999.28	13,129.08				78.35
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DB	2004	9,164.18	8,567.55	8,567.55	8,567.55	8,567.55				333.57
		22,626.83	9,913.42	21,588.37	9,913.42	21,588.37				596.63
										1,038.46

The accompanying notes are an integral part of these financial statements.
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State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1995		4.50	-94.35	4.50	-94.35				94.35
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1996		79.24	-5.95	79.24	-5.95				5.95
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1997		74.66	-6.33	74.66	-6.33				6.33
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1998		86.02	-29.98	86.02	-29.98				29.98
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1999	0.00	4.92	-15.29	4.92	-15.29				15.29
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2000		0.46	-18.25	0.46	-18.25				18.25
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2001		10.08	-6.89	10.08	-6.89				6.89
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2002	13,474.30	71.18	13,451.41	71.18	13,451.41				22.89
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2003	14,242.14	849.60	14,126.72	849.60	14,126.72				115.42
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2004	13,752.30	13,088.39	13,088.39	13,088.39	13,088.39				663.91
		41,468.74	14,269.05	40,489.48	14,269.05	40,489.48				979.26
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1995		0.00	-1,710.03	0.00	-1,710.03				1,710.03
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1996		1,118.07	-184.57	1,118.07	-184.57				184.57
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1997		1,048.80	-198.49	1,048.80	-198.49				198.49
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1998		1,139.33	-621.46	1,139.33	-621.46				621.46
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1999		7.02	-358.41	7.02	-358.41				358.41
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2000		0.00	-426.86	0.00	-426.86				426.86
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2001		156.46	-220.25	156.46	-220.25				220.25
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2002	328,078.57	1,377.40	327,430.59	1,377.40	327,430.59				647.98
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2003	235,800.44	13,693.53	232,634.51	13,693.53	232,634.51				3,165.93
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2004	279,425.83	264,537.44	264,537.44	264,537.44	264,537.44				14,888.39
		843,304.84	283,078.05	820,882.47	283,078.05	820,882.47				22,422.37
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1995		26.72	-413.30	26.72	-413.30				413.30
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1996		344.61	-44.61	344.61	-44.61				44.61
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1997		324.76	-47.97	324.76	-47.97				47.97
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1998		375.83	-150.20	375.83	-150.20				150.20
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1999		22.90	-86.63	22.90	-86.63				86.63
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2000		3.98	-103.17	3.98	-103.17				103.17
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2001		60.04	-53.23	60.04	-53.23				53.23
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2002	66,995.82	452.14	66,839.21	452.14	66,839.21				156.61
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2003	70,565.62	4,285.13	69,800.44	4,285.13	69,800.44				765.18
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2004	67,534.94	63,936.53	63,936.53	63,936.53	63,936.53				3,598.41
		205,096.38	69,832.64	199,677.07	69,832.64	199,677.07				5,419.31
SCH. DIST. # 8 OUT - 81.64	1995		247.41	-371.35	247.41	-371.35				371.35
SCH. DIST. # 8 OUT - 81.64	1996		506.96	-40.08	506.96	-40.08				40.08
SCH. DIST. # 8 OUT - 81.64	1997		480.70	-43.10	480.70	-43.10				43.10
SCH. DIST. # 8 OUT - 81.64	1998		604.49	-134.95	604.49	-134.95				134.95
SCH. DIST. # 8 OUT - 81.64	1999		75.63	-77.83	75.63	-77.83				77.83
SCH. DIST. # 8 OUT - 81.64	2000		57.29	-92.70	57.29	-92.70				92.70
SCH. DIST. # 8 OUT - 81.64	2001		110.37	-47.83	110.37	-47.83				47.83
SCH. DIST. # 8 OUT - SCH. DIST. EDUC. TECH. [	2002		709.85	-140.71	709.85	-140.71				140.71
SCH. DIST. # 8 OUT - SCH. DIST. EDUC. TECH. [	2003	99,024.08	6,392.60	98,336.57	6,392.60	98,336.57				687.51
SCH. DIST. # 8 OUT - SCH. DIST. EDUC. TECH. [	2004	60,680.14	57,446.99	57,446.99	57,446.99	57,446.99				3,233.15
		159,704.22	66,632.29	154,835.01	66,632.29	154,835.01				4,869.21

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

State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2005

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	CURRENT AMOUNT UNCOLLECTIBLE	TO-DATE AMOUNT UNCOLLECTIBLE	UNDISTRIBUTED AT YEAR END	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	1995	24.69	0.00	24.69	0.00	24.69	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	1996	23.35	0.00	23.35	0.00	23.35	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	1997	71.15	0.00	71.15	0.00	71.15	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	1998	121.74	0.00	121.74	0.00	121.74	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	1999	170.83	0.00	170.83	0.00	170.83	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2000	15.82	0.00	15.82	0.00	15.82	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2001	22.45	0.00	22.45	0.00	22.45	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2002	22.23	0.00	22.23	0.00	22.23	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2003	21.88	0.00	21.88	0.00	21.88	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2004	20.34	20.34	20.34	20.34	20.34	0.00	20.34	0.00	0.00
		514.48	20.34	514.48	20.34	514.48	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	1995	457.49	0.00	457.49	0.00	457.49	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	1996	365.70	0.00	365.70	0.00	365.70	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	1997	621.08	0.00	621.08	0.00	621.08	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	1998	1,628.14	0.00	1,628.14	0.00	1,628.14	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	1999	2,078.74	0.00	2,078.74	0.00	2,078.74	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2000	180.47	0.00	180.47	0.00	180.47	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2001	148.53	0.00	148.53	0.00	148.53	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2002	200.97	0.00	200.97	0.00	200.97	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2003	218.68	0.00	218.68	0.00	218.68	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2004	233.73	233.73	233.73	233.73	233.73	0.00	0.00	0.00	0.00
		6,133.53	233.73	6,133.53	233.73	6,133.53	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	1995	116.47	0.00	116.47	0.00	116.47	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	1996	115.84	0.00	115.84	0.00	115.84	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	1997	305.67	0.00	305.67	0.00	305.67	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	1998	508.30	0.00	508.30	0.00	508.30	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	1999	708.50	0.00	708.50	0.00	708.50	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2000	87.40	0.00	87.40	0.00	87.40	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2001	112.65	0.00	112.65	0.00	112.65	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2002	111.28	0.00	111.28	0.00	111.28	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2003	109.67	0.00	109.67	0.00	109.67	0.00	0.00	0.00	0.00
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2004	102.56	102.56	102.56	102.56	102.56	0.00	0.00	0.00	0.00
		2,278.34	102.56	2,278.34	102.56	2,278.34	0.00	0.00	0.00	0.00
GRAND TOTAL		146,422,797.78	18,267,395.62	145,008,670.53	18,267,395.62	145,008,670.53	0.00	0.00	0.00	1,414,127.25

COMPLIANCE SECTION

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MILLER & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION

400 NORTH PENNSYLVANIA - SUITE 800
POST OFFICE BOX 2504
ROSWELL, NEW MEXICO 88202-2504

RONALD L. MILLER, C.P.A., C.V.A.
STACIE L. MILLER, C.P.A.
LARI E. GALLAGHER, C.P.A.
RYAN L. MILLER, C.P.A.
THOMAS E. BROWN, C.P.A.

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
TELEPHONE 505-622-4667
FAX 505-622-5166
E-MAIL: rmiller@dfn.com

**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***

Domingo P. Martinez, CGFM
New Mexico State Auditor
The Office of Management and Budget
To the Honorable Mayor and County Commissioners
Chaves County
Roswell, New Mexico

We have audited the financial statements of the governmental activities, each major fund, budgetary comparisons and the aggregate remaining fund information of Chaves County, New Mexico, as of and for the year ended June 30, 2005, and have issued our report thereon dated September 29, 2005. We have also audited the financial statements of each of the County's nonmajor governmental funds presented as other supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2005, as listed in the tables of contents. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Chaves County, New Mexico's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Chaves County, New Mexico's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted a certain immaterial instance of noncompliance that is required to be reported in accordance with the State Audit Rule, 2005. The immaterial instance of non-compliance is reported in the accompanying schedule of findings as item 2005-1.

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

Miller & Associates, CPA, PC

Miller & Associates, C.P.A., P.C.

September 29, 2005

FEDERAL FINANCIAL ASSISTANCE

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MILLER & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION

400 NORTH PENNSYLVANIA - SUITE 800
POST OFFICE BOX 2504
ROSWELL, NEW MEXICO 88202-2504

RONALD L. MILLER, C.P.A., C.V.A.
STACIE L. MILLER, C.P.A.
LARI E. GALLAGHER, C.P.A.
RYAN L. MILLER, C.P.A.
THOMAS E. BROWN, C.P.A.

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
TELEPHONE 505-622-4667
FAX 505-622-5166
E-MAIL: rmiller@dfn.com

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

Domingo P. Martinez, CGFM
New Mexico State Auditor
The Office of Management and Budget
To the Honorable Mayor and County Commissioners
Chaves County
Roswell, New Mexico

Compliance

We have audited the compliance of Chaves County, New Mexico, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2005. Chaves County, New Mexico's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Chaves County, New Mexico's management. Our responsibility is to express an opinion on Chaves County, New Mexico's compliance based on our audit.

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

In our opinion, Chaves County, New Mexico, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of Chaves County, New Mexico, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Chaves County, New Mexico's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

Miller & Associates, CPA, PC

Miller & Associates, C.P.A, P.C.

Roswell, New Mexico
September 29, 2005

STATE OF NEW MEXICO
 CHAVES COUNTY
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2005

Schedule VII

	Pass-Through Entity Number	Federal CFDA Number	Program or Award Amount	Federal Expenditures
U.S. Department of Justice				
COPS in Schools (1)	N/A	16.710	\$ 117,675	\$ 15,778
Universal Hiring Grant (1)	N/A	16.710	300,000	14,196
<i>Passed Through City of Roswell:</i>				
Local Law Enforcement Block Grant	2004LBBX0167	16.592	39,435	28,582
<i>Passed Through Children Youth and Families Department:</i>				
Federal JJDP Formula Grant	02-JF-FX-0035	16.501	62,666	38,283
Juvenile Accountability Block Grant	02-JB-BX-0030	16.523	75,717	51,334
Total U.S. Department of Justice			<u>595,493</u>	<u>148,173</u>
<i>U.S. Department of Justice:</i>				
Bureau of Land Management Grants	N/A	15.228	<u>30,239</u>	<u>18,674</u>
<i>U.S. Department of Homeland Security/ Office of Domestic Preparedness:</i>				
FEMA Grant	N/A	97.044	<u>97,776</u>	<u>41,563</u>
<i>Department of Housing and Urban Development:</i>				
Passed Through NM Department of Finance & Administration, Local Government Division				
CDBG - Joy Center	03-C-NR-I-3-G-46	14.228	<u>429,000</u>	<u>359,986</u>
Total Federal Financial Assistance			<u>\$ 1,152,508</u>	<u>\$ 568,396</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Findings and Questioned Costs
June 30, 2005

Schedule VIII

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Chaves County, New Mexico.
2. One reportable condition was disclosed during the audit of the financial statements as described below.
3. There were no instances of noncompliance material to the financial statements of Chaves County, New Mexico, disclosed during the audit.
4. There were no reportable conditions disclosed during the audit of internal control over major federal award programs.
5. There were no reportable conditions disclosed during the audit of compliance over major federal award programs.
6. The auditor's report on compliance for the major federal award programs for Chaves County, New Mexico, expresses an unqualified opinion.
7. The program tested as major was the Community Development Block Grant CFDA No. 14.228.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Chaves County, New Mexico was determined to be a low-risk auditee.

**STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Findings and Questioned Costs
June 30, 2005**

B. FINDINGS – FINANCIAL STATEMENT AUDIT

2005-1: Disposition of Property

Condition:

During the testing of capital assets we noted that the County did not timely notify the State Auditor's office when disposing of property. On September 15, 2005, the County approved Resolution R-05-041 for the Deletion of Property and Proposed Disposition of a D6R Dozer. The Resolution required that the State Auditor and Department of Finance and Administration be notified thirty days prior to the disposition. In reviewing the documentation, the company acquiring the property was invoiced on July 21, 2005 and the County was paid by check on August 31, 2005.

Cause:

The County Road Department did not give the Finance Department timely notification of its intent to dispose of the property.

Criteria:

Section 13-6 and 13-6-2 NMSA 1978, and the procurement code govern the disposition of obsolete, worn-out or unusable tangible personal property owned by state agencies. At least thirty days prior to such disposition of property, written notification of the official finding and disposition duly sworn and subscribed under oath by each member of the County Commission must be sent to the State Auditor.

Effect:

The County could be disposing of property prior to the approval of the County Commission and the State Auditor's office notification.

Recommendation:

The County should develop and enforce policies and procedures to ensure that the disposition of property is approved by the County Commission prior to its disposition and that the State Auditor's office is notified at least thirty days prior to disposition.

Client Response:

The County is aware of the requirement to notify the State Auditor's Office 30 days prior to the disposition of property. The County plans to implement procedures and notify all departments to insure that all dispositions are approved in advance.

**STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Findings and Questioned Costs
June 30, 2005**

C. FINDINGS – FEDERAL AWARDS

None

D. FINDINGS – PRIOR YEAR AUDIT

None

E. EXIT CONFERENCE

The contents of this report were discussed at an exit conference held on November 10, 2005. The following individuals were in attendance.

Chaves County Officials

Stan Riggs, County Manager
Sue Gutierrez, Commissioner
Richard Taylor, Commissioner Elect
Mary Lou Chacon, Finance Director
Jeff Ortega, Finance Office Manager
Anita Maner, County Treasurer
Emma Russell, Chief Deputy Treasurer

Auditor

Ron Miller, Principal
Ryan Miller, Senior Staff
Jennifer Nunez, Staff

F. FINANCIAL STATEMENT PREPARATION

The financial statements of Chaves County were prepared from original books and records provided by the management of these entities by Miller and Associates, C.P.A., P.C.



