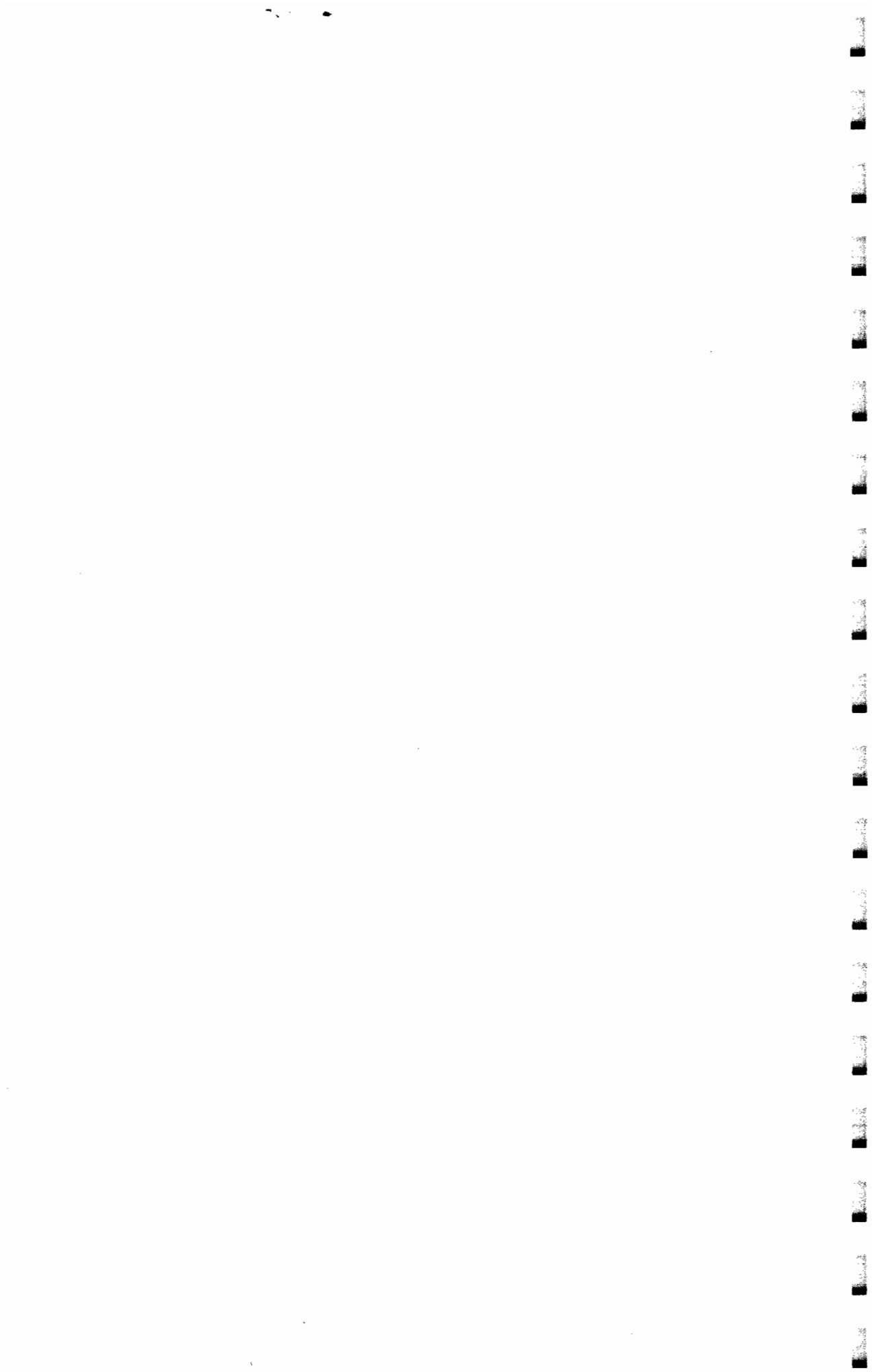


**STATE OF NEW MEXICO
CHAVES COUNTY**

**Financial Statements
With Independent Auditor's Report Thereon
June 30, 2007**





OFFICE OF THE STATE AUDITOR

Hector H. Balderas

January 14, 2008

SAO Ref. No. 5003

Stanton L. Riggs, County Manager
Chaves County
P.O. Box 1817
Roswell, NM 88202-1817

SUBJECT: Audit Report—Chaves County—2006-2007 Fiscal Year—Prepared by Miller & Associates, CPA, PC

Your agency audit report was received by the Office of the State Auditor (Office) on November 14, 2007. The State Auditor examination of the audit report required by Section 12-6-14 (B), 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 NMAC *Requirements for Contracting and Conducting Audits of Agencies*.

The independent public accountant's findings and comments are included in the audit report on pages 161-163. **It is ultimately the responsibility of the governing authority of the agency to take corrective action on all findings and comments.** Section 2.2.2.10.J of NMAC, *Requirements for Contracting and Conducting Audits of Agencies* (the State Auditor's Rule) requires that an exit conference be held with representatives of the agency's governing authority and top management.

HECTOR H. BALDERAS
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) 476-3800 · (800) 432-5517 · Fax (505) 827-3512

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INTRODUCTORY SECTION

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**STATE OF NEW MEXICO
CHAVES COUNTY
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**STATE OF NEW MEXICO
CHAVES COUNTY
OFFICIAL ROSTER
June 30, 2007**

BOARD OF COMMISSIONERS

Michael A. Trujillo
Harold Hobson
Alice Eppers
Richard C. Taylor
Greg Nibert

District 1
District 2
District 3
District 4
District 5

ELECTED OFFICIALS

Rob Coon
Anita Maner Hernandez
Rhoda Coakley-Goodloe
Ron Lethgo

County Sheriff
County Treasurer
County Clerk
County Assessor

APPOINTED STAFF

Stanton L. Riggs
Joe Sedillo
Roger L. Cooper
Jim Messick
Grant Pinkerton
Sonny Chancey
Richard "Dick" Smith
Alfonso Solis
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

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./A.B.V., C.V.A.
LARI E. GALLAGHER, C.P.A.
RYAN L. MILLER, C.P.A.

INDEPENDENT AUDITOR'S REPORT

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

TELEPHONE 505-622-4667
FAX 505-622-5166
E-MAIL: rmiller@dfa.com

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget,
County Manager, County Commissioners and
Citizens of 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, 2007 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 presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2007, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the State of New Mexico, Chaves County as of June 30, 2007, 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 fund of Chaves County as of June 30, 2007, and the respective changes in financial position, where applicable, thereof and the respective budgetary comparison for each nonmajor special revenue fund, capital projects funds, debt service fund, and the major 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 November 14, 2007, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the

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

The Management's Discussion and Analysis, on pages 5 through 12, 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 non-major special revenue, capital projects funds, debt service fund, and the major permanent fund. The additional schedules listed as other supplemental information in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Miller & Associates, CPA, PC

Miller & Associates, CPA, P.C.

November 14, 2007

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, 2007. 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 \$164,473,641 (*net assets*). Of this amount, \$8,850,863 (*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 \$2,753,596. The majority of this increase is due to increases in gross receipts tax and investment earnings.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$7,187,439 or 56.5 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-eight 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 35-55 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 60-120 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 \$164,473,641 at the close of the most recent fiscal year.

The largest portion of Chaves County’s net assets (30.4 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 55.77 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 (8.38 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$8,850,863) 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, 2007	June 30, 2006
Assets:		
Current and Other Assets	\$ 74,853	\$ 73,289
Capital Assets	104,249	104,479
Total Assets	<u>179,102</u>	<u>177,768</u>
Liabilities:		
Current Liabilities	2,661	1,968
Long-term Liabilities Outstanding	11,967	14,122
Total Liabilities	<u>14,628</u>	<u>16,090</u>
Fund equity	<u>\$ 164,474</u>	<u>\$ 161,678</u>

GOVERNMENTAL ACTIVITIES

Governmental activities increased Chaves County’s net assets by \$1,413 (in thousands). Key elements of this decrease are as follows:

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

	Governmental Activities	
	June 30, 2007	June 30, 2006
REVENUES:		
Taxes	\$ 17,626	\$ 16,176
Intergovernmental	4,182	3,915
Charges for services	757	629
Interest	5,038	685
Other	4,315	3,794
Total Revenues	31,918	25,199
EXPENSES:		
General government	10,903	9,914
Public safety	7,335	6,831
Highways and streets	4,707	3,878
Conservation of natural resources	781	767
Health and welfare	5,408	5,503
Special grants and projects	636	262
Culture and recreation	150	150
Interest	585	641
Permanent transfers	-	-
Total Expenses	30,505	27,946
Increase (decrease) in net assets	\$ 1,413	\$ 2,747

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

As of the end of the current fiscal year, the county's governmental funds reported combined ending fund balances of 164 million, a decrease of 1.9 million. Approximately 64% of the aggregate fund balances, 105 million, constitutes unreserved fund balances. The unreserved fund balances, for the most part, are not available for new spending. These funds have been committed to various uses based on state statutes.

General Fund:

The fund balance for the general fund as of June 30, 2007 was 7.98 million, and increase of 597 thousand. 1.09 million is designated for subsequent year's expenditures. 6.9 million is undesignated.

Road Fund:

A net reduction in net assets of 670,788 was due in part by lower than expected revenues. Future commitments will be matched to anticipated earnings. Special Road Funds will have projects to be completed against current fund balances.

County Income Fund:

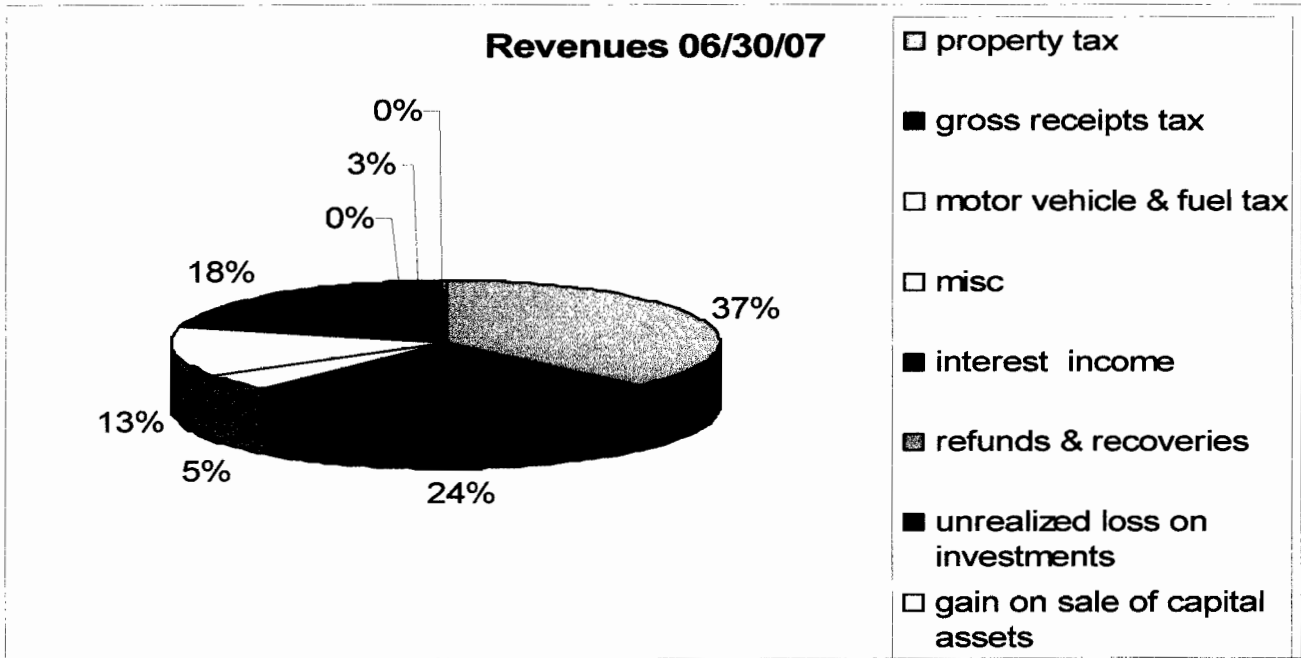
The income fund increased by 1,108,434. Increases in investment revenues contributed to the positive results. The income fund balance will be used for future operational activities.

Governmental Activities

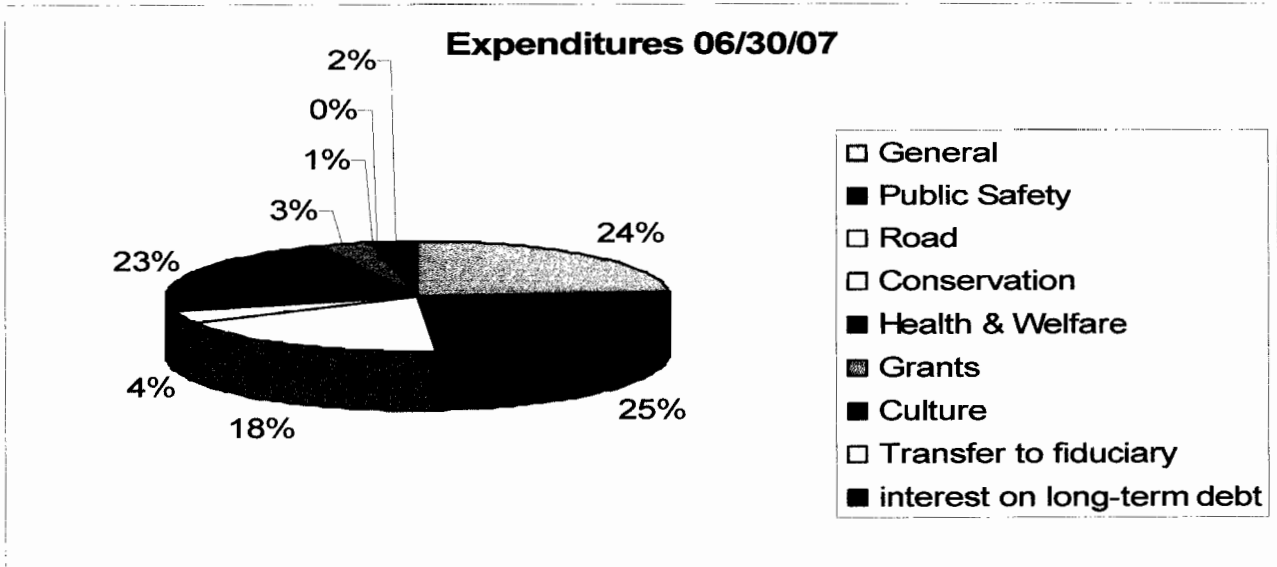
Governmental activities increased the county's net assets by 1.4 million. Key elements for this increase in net assets are as follows: Total revenues increased by 310 thousand by gross receipts tax and interest income. Significant changes from the prior year would include gross receipts tax, (revenue), increase of 1,431,729. Expenditures in Highway and Streets increased by 825,000 over the previous year. Additional road projects contributed to the increase. Management phased out the crusher operations and ceased production at the end of the fiscal year. General Government increased operating costs by public demand for services.

Expenses for governmental activities increased overall by 281 thousand, (1.21%), primarily in highways and streets and health and welfare. This increase can be attributable to demands on services for road repair, construction and population demands for indigent health care.

Revenues:



Expenses:



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 \$72,896,305 an increase of \$1,858,637 in comparison with the prior year. Approximately 69 percent of this total amount constitutes amounts reserved for the permanent fund and 3.1 percent of this total represents amounts reserved for the debt service funds. Approximately 24.5 percent of this total amount, \$18,136,723 constitutes unreserved, undesignated fund balance, which is available for spending at the government's discretion, and 1.4 percent of this total amount, \$2,472,213 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 \$7,187,439, while total fund balance was \$8,277,697. 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 56.5 percent of the total general fund expenditures, while total fund balance represents 65.1 percent of that same amount.

The general fund balance of Chaves County's increased by \$583,136 during the current fiscal year.

The road fund has a total fund balance of \$1,397,504, all of which is unreserved. The net decrease in fund balance during the current year in the road fund is \$ (670,788).

The indigent hospital claims fund has a total fund balance of \$325,063, all of which is unreserved. The net decrease in fund balance during the current year in the indigent hospital claims fund was \$(622,313).

The county income fund has a total fund balance of \$4,473,685, all of which is unreserved and of that total \$4,473,685 is designated for subsequent year's expenditures. The net increase in fund balance during the current year in the county income fund was \$1,108,434.

The other grants and contracts fund has a fund balance of \$82,314.

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.

Fixed Assets

The state legislature amended section 12-6-10, NMSA 1978, which changed the capitalization threshold for movable chattel and equipment. Total net infrastructure decreased by 230 thousand with purchases of 1.35 million and construction of 829 thousand and retirements/disposals of (631) thousand and depreciation of 1.78 million.

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 37.06%, Road Fund 13%, Indigent Hospital Claims Funds 13.16%, County Income Fund 3.39%, Other Grants and Contracts Fund 6.51%, County Permanent Fund 0%, and other Governmental Fund 26.89%.

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2007. 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

	2007 Budget		Actual	Variance
General Fund	13,076,190	36.1223%	12,747,109	186,416
Road Fund	4,513,519	12.7902%	4,380,038	133,481
Indigent Hospital Claims Fund	5,245,409	14.8643%	5,244,309	1,100
County Income Fund	130,000	.03684%	-	130,000
Grants and Contracts	2,992,075	8.4788%	895,325	2,096,750
Other	9,660,636	27.3760%	4,139,756	5,520,880
Total	<u>35,288,748</u>		<u>27,406,537</u>	<u>8,068,627</u>

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

- \$49 in increases allocated to support of other agencies in the general fund and construction
- \$28 in increases allocated to general government in the general fund
- \$50 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, 2007, amounts to \$104,249,130 (net of accumulated depreciation). This investment in capital assets includes land and buildings, infrastructure, equipment and furnishings, and construction in progress. The increase in capital assets is primarily due to an increase in purchases of equipment and furnishings which amounted to \$1,284,922.

Chaves County Capital Assets (net of depreciation)

	Governmental Activities	
	June 30, 2007	June 30, 2006
Land and buildings	\$ 50,959,349	\$ 50,929,829
Equipment and furnishings	21,945,993	20,661,071
Infrastructure	57,630,047	57,835,297
Construction in progress	779,851	333,774
	<u>131,315,240</u>	<u>129,759,971</u>
Less: accumulated depreciation	<u>(27,066,110)</u>	<u>(25,280,689)</u>
Total	<u>\$ 104,249,130</u>	<u>\$ 104,479,282</u>

Additional information on Chaves County's capital assets can be found in note 6 on page 47 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 \$11,855,000, loans outstanding of \$422,556 and capital leases outstanding of \$307,720 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, 2007	June 30, 2006
Bonds	\$ 11,855,000	\$ 13,235,000
Loans	397,911	422,556
Capital Leases	261,230	307,720
Total	\$ 12,514,141	\$ 13,965,276

Additional information on Chaves County's long-term debt can be found in Note 8 on pages 49-51 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate of Chaves County is currently 3.8 percent, which is a decrease from a rate of 4.5 percent a year ago. This is equal to the state's average unemployment rate of 3.8 percent and favorably with the national average rate of 4.7 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 2007 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund is \$7,187,439. Chaves County has appropriated \$1,090,258 of this amount for spending in the 2007 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2007 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 2006 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.

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STATE OF NEW MEXICO
 CHAVES COUNTY
 Statement of Net Assets
 Government -Wide
 June 30, 2007

ASSETS	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 18,515,155
Receivables	2,229,907
Inventories	1,149,795
Prepaid assets	277,075
Cash and cash equivalents temporarily restricted for:	
Debt service	2,110,340
Bond project fund	24,384
Provision of indigent health care	348,371
Cash and cash equivalents permanently restricted for:	
County permanent fund	50,000,000
Capital assets, net of depreciation:	
Land	3,668,956
Buildings	34,469,806
Machinery and equipment	7,700,470
Infrastructure	57,630,047
Construction in progress	779,851
Bond issuance cost	<u>197,769</u>
 Total assets	 <u>\$ 179,101,926</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, 2007

Exhibit A-1

LIABILITIES

Accounts payable	\$	1,009,191
Accrued expenses		291,495
Accrued interest		279,648
Accrued compensated absences - current		384,343
Noncurrent liabilities:		
Accrued compensated absences		149,467
Due within one year		546,752
Due in more than one year		11,967,389
		11,967,389
 Total liabilities		14,628,285

NET ASSETS

Invested in capital assets, net of related debt		91,734,989
Restricted for:		
Public safety		3,622,171
Highways and streets		2,089,266
Conservation of natural resources		824,832
Health and welfare		5,064,025
Culture and recreation		126
Special grants and projects		-
Debt service		2,287,369
Permanent fund - nonexpendable		50,000,000
Unrestricted		8,850,863
		8,850,863
 Total net assets		164,473,641
 Total liabilities and net assets	\$	179,101,926

STATE OF NEW MEXICO
 CHAVES COUNTY
 Statement of Activities
 Government -Wide
 For the Year Ended June 30, 2007

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 7,712,935	\$ 1,184,762	\$ 936,701	\$ -
Public safety	7,752,293	441,259	1,447,499	-
Highways and streets	4,707,409	-	-	479,062
Conservation of natural resources	842,865	-	-	-
Health and welfare	5,438,715	-	-	-
Special grants and projects	779,684	-	-	-
Culture and recreation	150,000	-	-	-
Permanent transfer to fiduciary fund	(20,221)	-	-	-
Interest on long-term debt	556,795	-	-	-
Total governmental activities	<u>27,920,475</u>	<u>1,626,021</u>	<u>2,384,200</u>	<u>479,062</u>
Total primary government	<u>\$ 27,920,475</u>	<u>\$ 1,626,021</u>	<u>\$ 2,384,200</u>	<u>\$ 479,062</u>

General revenues:

- Property taxes
- Gross receipts taxes
- Motor vehicle and fuel taxes
- Miscellaneous
- Unrestricted investment earnings
- Refunds and recoveries

Special items:

- Unrealized loss on investments
- Loss on sale of capital assets

 Total general revenues and special items

 Change in net assets

Beginning net assets - as previously reported

Restatement

Beginning net assets - as restated

Net assets, ending

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

	<u>Total</u>
\$	(5,591,472)
	(5,863,535)
	(4,228,347)
	(842,865)
	(5,438,715)
	(779,684)
	(150,000)
	20,221
	<u>(556,795)</u>
	<u>(23,431,192)</u>
	<u>(23,431,192)</u>
	10,509,083
	6,540,260
	1,295,644
	4,121,329
	5,038,346
	-
	(742,150)
	<u>(577,724)</u>
	<u>26,184,788</u>
	<u>2,753,596</u>
	161,677,857
	42,188
	<u>161,720,045</u>
\$	<u><u>164,473,641</u></u>

STATE OF NEW MEXICO
 CHAVES COUNTY
 Balance Sheet
 Major Governmental Funds
 June 30, 2007

	General Fund	Road Fund	Indigent Hospital Claims Fund	County Income Fund
ASSETS				
Cash and cash equivalents	\$ 7,477,053	\$ 2,078	\$ 348,371	\$ 3,273,685
Receivables:				
Taxes	567,424	147,666	177,030	-
Intergovernmental	260,419	125	-	-
Interest	24,602	-	-	-
Other	61,354	269,608	-	-
Inventories	-	1,149,795	-	-
Prepaid expenses	205,107	24,190	879	-
Due from other funds	527,000	-	-	1,200,000
Total assets	\$ 9,122,959	\$ 1,593,462	\$ 526,280	\$ 4,473,685
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	217,473	134,649	198,916	-
Accrued expenses	213,598	61,309	2,301	-
Due to other funds	-	-	-	-
Deferred revenue	414,191	-	-	-
Total liabilities	845,262	195,958	201,217	-
Fund balances:				
Reserved for permanent fund	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures, reported in:				
General fund	1,090,258	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Undesignated, reported in:				
General fund	7,187,439	-	-	-
Special revenue funds	-	1,397,504	325,063	4,473,685
Capital projects funds	-	-	-	-
Total fund balances	8,277,697	1,397,504	325,063	4,473,685
Total liabilities and fund balances	\$ 9,122,959	\$ 1,593,462	\$ 526,280	\$ 4,473,685

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

Other Grants and Contracts Fund	County Permanent Fund	Revenue Bond Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ 555,623	\$ 50,000,000	\$ 1,200,000	\$ 8,141,440	\$ 70,998,250
-	-	-	378,714	1,270,834
119,357	-	-	15,089	394,990
-	-	-	50,000	74,602
158,519	-	-	-	489,481
-	-	-	-	1,149,795
-	-	-	46,899	277,075
-	-	-	-	1,727,000
<u>\$ 833,499</u>	<u>\$ 50,000,000</u>	<u>\$ 1,200,000</u>	<u>\$ 8,632,142</u>	<u>\$ 76,382,027</u>
376,185	-	-	81,968	1,009,191
-	-	-	14,287	291,495
375,000	-	1,200,000	152,000	1,727,000
-	-	-	43,845	458,036
<u>751,185</u>	<u>-</u>	<u>1,200,000</u>	<u>292,100</u>	<u>3,485,722</u>
-	50,000,000	-	-	50,000,000
-	-	-	2,287,369	2,287,369
-	-	-	-	1,090,258
-	-	-	1,199,114	1,199,114
-	-	-	182,841	182,841
-	-	-	-	7,187,439
82,314	-	-	4,469,547	10,748,113
-	-	-	201,171	201,171
<u>82,314</u>	<u>50,000,000</u>	<u>-</u>	<u>8,340,042</u>	<u>72,896,305</u>
<u>\$ 833,499</u>	<u>\$ 50,000,000</u>	<u>\$ 1,200,000</u>	<u>\$ 8,632,142</u>	<u>\$ 76,382,027</u>

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STATE OF NEW MEXICO

CHAVES COUNTY

Exhibit B-1
(Page 2 of 2)

**Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2007**

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

Fund balances - Total Governmental Funds	\$ 72,896,305
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	104,249,130
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:	
Property taxes	458,036
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	197,769
Accrued interest	(279,648)
Current portion compensated absences	(384,343)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	<u>(12,663,608)</u>
Net assets of governmental activities	<u><u>\$ 164,473,641</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, 2007**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Indigent Hospital Claims Fund</u>	<u>County Income Fund</u>
REVENUES				
Taxes:				
Property taxes	\$ 6,052,313	\$ -	\$ 2,819,593	\$ -
Oil and gas taxes	1,009,824	353,149	-	-
Gross receipts taxes	1,987,345	300,000	-	-
Motor vehicle taxes	126,613	-	-	-
Intergovernmental	479,068	1,121,558	-	-
Licenses and permits	143,398	-	-	-
Charges for services	692,982	-	-	-
Refunds and recoveries	-	-	-	-
Interest on investments	788,557	-	67,814	3,920,084
Miscellaneous	3,864,474	62,327	24,532	-
Total revenues	<u>15,144,574</u>	<u>1,837,034</u>	<u>2,911,939</u>	<u>3,920,084</u>
EXPENDITURES				
Current:				
General government	4,840,731	-	-	-
Public safety	6,408,730	-	-	-
Highways and streets	-	4,403,166	-	-
Conservation of natural resources	-	-	-	-
Health and welfare	-	-	5,407,212	-
Special grants and projects	636,141	-	-	-
Culture and recreation	150,000	-	-	-
Capital outlay	678,440	201,487	-	-
Debt service:				
Principal	-	-	-	-
Commissions	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>12,714,042</u>	<u>4,604,653</u>	<u>5,407,212</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	2,430,532	(2,767,619)	(2,495,273)	3,920,084
Other financing sources (uses):				
Operating transfers in (out)	(1,863,680)	2,067,941	1,872,960	(2,069,500)
Gain/(loss) on investments	16,284	28,890	-	(742,150)
Net change in fund balances	<u>583,136</u>	<u>(670,788)</u>	<u>(622,313)</u>	<u>1,108,434</u>
Fund balances - beginning of the year	7,387,312	1,971,962	947,376	3,365,251
Prior period adjustment	307,249	96,330	-	-
Fund balances - as restated	<u>7,694,561</u>	<u>2,068,292</u>	<u>947,376</u>	<u>3,365,251</u>
Fund balances - end of the year	<u>\$ 8,277,697</u>	<u>\$ 1,397,504</u>	<u>\$ 325,063</u>	<u>\$ 4,473,685</u>

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

Other Grants and Contracts Fund	County Permanent Fund	Revenue Bond Reserve Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 2,814,641	\$ 11,686,547
-	-	-	-	1,362,973
-	-	-	2,162,792	4,450,137
-	-	-	-	126,613
1,023,697	-	-	1,557,399	4,181,722
-	-	-	-	143,398
-	-	-	63,772	756,754
-	-	-	-	-
-	-	-	261,891	5,038,346
-	-	-	219,896	4,171,229
<u>1,023,697</u>	<u>-</u>	<u>-</u>	<u>7,080,391</u>	<u>31,917,719</u>
67,438	-	-	1,756,115	6,664,284
-	-	-	926,730	7,335,460
-	-	-	304,243	4,707,409
-	-	-	781,183	781,183
-	-	-	662	5,407,874
-	-	-	-	636,141
-	-	-	-	150,000
833,319	-	-	472,796	2,186,042
-	-	-	1,380,000	1,380,000
-	-	-	2,082	2,082
-	-	-	585,494	585,494
<u>900,757</u>	<u>-</u>	<u>-</u>	<u>6,209,305</u>	<u>29,835,969</u>
122,940	-	-	871,086	2,081,750
-	-	-	12,500	20,221
2,790	-	-	5,085	(689,101)
<u>125,730</u>	<u>-</u>	<u>-</u>	<u>888,671</u>	<u>1,412,870</u>
(43,416)	50,000,000	-	7,409,183	71,037,668
-	-	-	42,188	445,767
<u>(43,416)</u>	<u>50,000,000</u>	<u>-</u>	<u>7,451,371</u>	<u>71,483,435</u>
<u>\$ 82,314</u>	<u>\$ 50,000,000</u>	<u>\$ -</u>	<u>\$ 8,340,042</u>	<u>\$ 72,896,305</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, 2007**

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

Net change in fund balances - total governmental funds	\$ 1,412,870
--	--------------

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	2,186,042
Loss on disposal	(577,724)
Depreciation expense	(1,786,704)

The effect of cleanup of items included in capital assets is to increase net assets	(51,766)
---	----------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:

Property taxes	76,233
----------------	--------

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:

Changes in the reserve for compensated absences	26,717
Principal payments on bonds	1,380,000
Principal payments on notes	24,645
Principal payments on capital leases	46,490
Change in accrued interest	30,919
Amortization of bond issuance costs	(14,126)

Change in net assets of governmental activities	<u>\$ 2,753,596</u>
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The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
CHAVES COUNTY

Exhibit C-1
(Page 11 of 87)

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 8,978,773	\$ 8,844,560	\$ 9,196,852	\$ 352,292
Intergovernmental	65,000	65,000	157,295	92,295
Licenses and fees	103,750	103,750	143,398	39,648
Charges for services	654,998	548,163	722,102	173,939
Interest on investments	605,624	605,624	779,553	173,929
Miscellaneous	2,342,834	2,317,325	3,880,758	1,563,433
	<u>12,750,979</u>	<u>12,484,422</u>	<u>14,879,958</u>	<u>2,395,536</u>
EXPENDITURES				
Current:				
General government:				
Administration:				
Personnel services	1,250,969	1,204,974	1,204,975	(1)
Operating expenses	733,865	691,534	573,650	117,884
Supplies	30,800	64,535	62,533	2,002
Total administration	<u>2,015,634</u>	<u>1,961,043</u>	<u>1,841,158</u>	<u>119,885</u>
Maintenance and operations:				
Personnel services	899,331	912,235	912,236	(1)
Operating expenses	451,328	390,318	390,122	196
Supplies	76,410	70,669	70,669	-
Total maintenance and operations	<u>1,427,069</u>	<u>1,373,222</u>	<u>1,373,027</u>	<u>195</u>
Recording and filing:				
Personnel services	549,105	537,261	537,764	(503)
Operating expenses	123,977	110,753	110,652	101
Supplies	13,030	54,499	54,499	-
Total recording and filing	<u>686,112</u>	<u>702,513</u>	<u>702,915</u>	<u>(402)</u>
Property tax assessments:				
Personnel services	481,315	477,599	477,171	428
Operating expenses	97,763	77,656	77,656	-
Supplies	8,660	8,538	8,538	-
Total property tax assessments	<u>587,738</u>	<u>563,793</u>	<u>563,365</u>	<u>428</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY

Exhibit C-1
(Page 12 of 87)

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Expenditures: (continued)</i>				
General government: (continued)				
Tax collection:				
Personnel services	274,188	267,362	267,361	1
Operating expenses	66,031	50,034	50,037	(3)
Supplies	4,400	4,109	4,109	-
Total tax collection	344,619	321,505	321,507	(2)
Other general government:				
Personnel services	59,885	85,988	85,988	-
Operating expenses	7,327	7,035	7,035	-
Supplies	1,100	1,090	1,090	-
Total other general government	68,312	94,113	94,113	-
Support to other agencies:				
Supplies	500	197	197	-
Support	160,966	170,966	170,966	-
Total other general government	161,466	171,163	171,163	-
Total general government	5,290,950	5,187,352	5,067,248	120,104
Public safety:				
Law enforcement:				
Personnel services	2,801,790	2,683,885	2,683,266	619
Operating expenses	512,679	501,193	500,192	1,001
Supplies	23,500	16,860	16,861	(1)
Total law enforcement	3,337,969	3,201,938	3,200,319	1,619
Prisoner detention:				
Personnel services	1,706,659	2,828,168	2,827,498	670
Operating expenses	1,375,401	232,276	225,282	6,994
Supplies	19,950	29,835	29,375	460
Total prisoner detention	3,102,010	3,090,279	3,082,155	8,124

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

STATE OF NEW MEXICO
CHAVES COUNTY

Exhibit C-1
(Page 13 of 87)

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Expenditures: (continued)</i>				
Public safety (continued):				
General public safety:				
Personnel services	52,314	48,960	48,961	(1)
Operating expenses	428,065	361,750	361,902	(152)
Supplies	6,500	6,189	6,189	-
Total general public safety	486,879	416,899	417,052	(153)
 Total public safety	 6,926,858	 6,709,116	 6,699,526	 9,590
 Culture and recreation:				
Economic development:				
Operating expenses	150,000	150,000	150,000	-
Total economic development	150,000	150,000	150,000	-
 Capital outlay	 708,382	 700,641	 643,919	 56,722
 Total expenditures	 13,076,190	 12,747,109	 12,560,693	 186,416
 Excess (deficiency) of revenues over expenditures	 (325,211)	 (262,687)	 2,319,265	 2,581,952
 Other financing sources (uses):				
Designated cash balance	1,081,423	829,169	-	(829,169)
Operating transfers in (out)	(756,212)	(566,482)	(1,863,680)	(1,297,198)
 Total other financing sources (uses)	 325,211	 262,687	 (1,863,680)	 (2,126,367)
 Net change in fund balances	 -	 -	 455,585	 455,585
 Fund balances - beginning of year	 -	 -	 7,502,821	 7,502,821
 Fund balance - end of the year	 \$ -	 \$ -	 \$ 7,958,406	 \$ 7,958,406

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

STATE OF NEW MEXICO

Exhibit C-2

CHAVES COUNTY

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Basis) and Actual

Road Fund

For the Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 660,000	\$ 653,149	\$ 653,149	\$ -
Intergovernmental	1,132,583	1,055,700	791,977	(263,723)
Miscellaneous	120,975	181,177	86,743	(94,434)
	<u>1,913,558</u>	<u>1,890,026</u>	<u>1,531,869</u>	<u>(358,157)</u>
EXPENDITURES				
Current:				
Highways and streets:				
Personnel services	2,304,293	2,211,435	2,211,437	(2)
Operating expenses	2,014,806	2,024,319	1,890,976	133,343
Supplies	65,150	76,278	76,138	140
Total highways and streets	<u>4,384,249</u>	<u>4,312,032</u>	<u>4,178,551</u>	<u>133,481</u>
Capital Outlay	<u>276,711</u>	<u>201,487</u>	<u>201,487</u>	<u>-</u>
Total expenditures	<u>4,660,960</u>	<u>4,513,519</u>	<u>4,380,038</u>	<u>133,481</u>
Excess (deficiency) of revenues over expenditures	<u>(2,747,402)</u>	<u>(2,623,493)</u>	<u>(2,848,169)</u>	<u>(224,676)</u>
Other financing sources (uses):				
Designated cash balance	679,461	555,552	-	(555,552)
Operating transfers in (out)	2,067,941	2,067,941	2,067,941	-
Total other financing sources (uses)	<u>2,747,402</u>	<u>2,623,493</u>	<u>2,067,941</u>	<u>(555,552)</u>
Net change in fund balances	-	-	(780,228)	(780,228)
Fund balance - beginning of year	-	-	744,205	744,205
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (36,023)</u>	<u>\$ (36,023)</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,596,000	\$ 2,797,149	\$ 2,797,149	\$ -
Interest on investments	25,000	67,814	67,814	-
Miscellaneous	5,000	24,532	24,532	-
	<u>2,626,000</u>	<u>2,889,495</u>	<u>2,889,495</u>	<u>-</u>
EXPENDITURES				
Current:				
Health and welfare:				
Personnel services	108,823	94,428	94,426	2
Operating expenses	4,506,504	5,148,334	5,147,335	999
Supplies	5,000	2,647	2,548	99
Total health and welfare	<u>4,620,327</u>	<u>5,245,409</u>	<u>5,244,309</u>	<u>1,100</u>
Capital outlay	-	-	-	-
Total expenditures	<u>4,620,327</u>	<u>5,245,409</u>	<u>5,244,309</u>	<u>1,100</u>
Excess (deficiency) of revenues over expenditures	<u>(1,994,327)</u>	<u>(2,355,914)</u>	<u>(2,354,814)</u>	<u>1,100</u>
Other financing sources (uses):				
Designated cash balance	121,367	482,954	-	(482,954)
Operating transfers in (out)	1,872,960	1,872,960	1,872,960	-
Total other financing sources (uses)	<u>1,994,327</u>	<u>2,355,914</u>	<u>1,872,960</u>	<u>(482,954)</u>
Net change in fund balances	-	-	(481,854)	(481,854)
Fund balance - beginning of year	-	-	792,791	792,791
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,937</u>	<u>\$ 310,937</u>

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

STATE OF NEW MEXICO

Exhibit C-4

CHAVES COUNTY

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ 2,200,000	\$ 2,200,000	\$ 3,920,083	\$ 1,720,083
	2,200,000	2,200,000	3,920,083	1,720,083
EXPENDITURES				
Current:				
Health and welfare:				
Personnel services	10,000	10,000	-	10,000
Operating expenses	120,000	120,000	-	120,000
Total expenditures	130,000	130,000	-	130,000
Excess (deficiency) of revenues over expenditures	2,070,000	2,070,000	3,920,083	1,850,083
Other financing sources (uses):				
Designated cash balance	1,119,689	1,119,689	-	(1,119,689)
Other	-	-	(742,149)	(742,149)
Operating transfers in (out)	(3,189,689)	(3,189,689)	(2,069,500)	1,120,189
Total other financing sources (uses)	(2,070,000)	(2,070,000)	(2,811,649)	(741,649)
Net change in fund balances	-	-	1,108,434	1,108,434
Fund balance - beginning of year	-	-	3,365,250	3,365,250
Fund balance - end of the year	\$ -	\$ -	\$ 4,473,684	\$ 4,473,684

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

STATE OF NEW MEXICO

Exhibit C-5

CHAVES COUNTY

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,330,175	\$ 3,374,460	\$ 1,068,097	\$ (2,306,363)
Miscellaneous	-	-	2,790	2,790
	<u>2,330,175</u>	<u>3,374,460</u>	<u>1,070,887</u>	<u>(2,303,573)</u>
EXPENDITURES				
Current:				
General government:				
Personnel services	13,809	5,210	4,750	460
Operating expenses	127,521	129,538	128,480	1,058
Supplies	400	7,566	6,302	1,264
Total expenditures	<u>141,730</u>	<u>142,314</u>	<u>139,532</u>	<u>2,782</u>
Capital outlay	<u>1,809,228</u>	<u>2,849,761</u>	<u>755,793</u>	<u>2,093,968</u>
Total expenditures	<u>1,950,958</u>	<u>2,992,075</u>	<u>895,325</u>	<u>2,096,750</u>
Excess (deficiency) of revenues over expenditures	<u>379,217</u>	<u>382,385</u>	<u>175,562</u>	<u>(206,823)</u>
Other financing sources (uses):				
Designated cash balance	(379,217)	(382,385)	-	382,385
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>(379,217)</u>	<u>(382,385)</u>	<u>-</u>	<u>382,385</u>
Net change in fund balances	-	-	175,562	175,562
Fund balance - beginning of year	-	-	364,938	364,938
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 540,500</u>	<u>\$ 540,500</u>

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

**STATE OF NEW MEXICO
CHAVES COUNTY**

Exhibit C-6

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Revenue Bond Reserve Fund
For the Year Ended June 30, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
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	-	-	-	-
Fund balance - end of the year	\$ -	\$ -	\$ -	\$ -

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, 2007

Exhibit D

ASSETS	<u>Agency Funds</u>
Cash and cash equivalents	\$ 640,922
Receivables:	
Property Taxes	1,067,887
Oil & Gas Taxes	<u>70,411</u>
 Total assets	 <u>\$ 1,779,220</u>
 LIABILITIES	
Due to other taxing units	<u>\$ 1,779,220</u>
 Total liabilities	 <u>\$ 1,779,220</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007

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.

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.

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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.

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 the government receives cash.

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 (Special Revenue) 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)

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Indigent Hospital Claims Fund (Special Revenue) 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 (Special Revenue) 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 Other Grants and Contracts Fund (Special Revenue) 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 that may be deposited in the Permanent Fund is any portion of the unappropriated general fund surplus that 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 that 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.

The Revenue Bond Reserve (Debt Service) is required by a bond covenant and is part of a bond ordinance. (Resolution R-02-14)

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 OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Cash and Cash Equivalents (Continued)

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.

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.

Accrued expenses consist of \$214,301 in payroll and related tax liabilities and \$77,193 in purchase card liabilities as of 6/30/07.

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 \$5,000 (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).

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets(Continued)

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 that 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.

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 \$149,467 of accrued vacation at June 30, 2007, 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.

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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, 2007**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Inventories

Inventories of the Road Fund consist of materials used in the Department's operations and are accounted for using the consumption method whereby inventories are recorded as expenditures in the period when used. Inventories are stated at the lower of average cost or market. Reported inventories are equally offset by the fund balance reserve, which indicates that they do not constitute an "available expendable resource."

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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, 2007. These amendments resulted in the following changes:

	Designated Cash Generated (Required) to Balance Budget	
	Original Budget	Final Budget
Budgeted funds:		
General	\$ 1,081,423	\$ 829,169
Road	679,461	555,552
Indigent Hospital Claims	121,367	482,954
County Income	1,119,689	1,119,689
Other Grants and Contracts	(379,217)	(382,385)
County Permanent	-	-
Revenue Bond Reserve	-	-
Other	1,313,639	1,543,061
	\$ 3,936,362	\$ 4,148,040

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, 2007**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (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	Other Grants & Contracts	County Permanent Fund	Other Govt. Fund
Net Change in Fund Balance (GAAP basis)	\$ 583,136	\$(670,788)	\$ (622,313)	\$1,108,434	\$125,730	\$ -	\$888,671
Adjustments:							
Receivables	(722,061)	(417,399)	(22,445)	-	43,646	-	(200,196)
Prepays	(39,576)	-	-	-	-	-	39,576
Accounts payable	219,895	133,668	162,903	-	6,185	-	(9,560)
Inventory	-	174,292	-	-	-	-	-
Deferred revenue	414,191	-	-	-	-	-	43,845
Other	-	(1)	1	-	1	-	5
Net Change in Fund Balance (Budget Basis)	\$ 455,585	\$(780,228)	\$ (481,854)	\$1,108,434	\$175,562	\$ -	\$762,341

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, 2007.

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.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

Excess of funds may 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.

At June 30, 2007 the carrying amount of the County's deposits was \$6,010,048. The total cash and temporary investment balance per the financial institutions was \$7,909,642 and consisted of demand deposits and certificates of deposit. Of this balance, \$700,000 was covered by federal depository insurance and \$5,782,495 was covered by collateral held in joint safekeeping by a third party in the County's name. The remaining \$2,177,674 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. As of June 30, 2007 \$1,471,274 of the County's \$7,909,642 in deposits were exposed to custodial credit risk.

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	First National Bank	Total
Total amount of deposits	\$ 1,000,000	\$ 3,685,183	\$ 600,000	\$ 2,124,459	\$500,000	\$7,909,642
FDIC coverage	100,000	200,000	200,000	100,000	100,000	700,000
Total uninsured public funds	\$ 900,000	\$ 3,485,183	\$ 400,000	\$ 2,024,459	\$400,000	\$7,209,642
Collateral requirement	\$ 450,000	\$ 1,742,592	\$ 200,000	\$ 1,012,229	\$200,000	\$3,604,821
Pledged security	755,546	2,223,142	439,937	2,028,649	335,221	5,782,495
Over collateralized	\$ 305,546	\$ 480,550	\$ 239,937	\$ 1,016,420	\$135,221	\$2,177,674

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.

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, 2007. The State of New Mexico is the regulatory oversight entity and

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

participation in the pool is voluntary. At June 30, 2007, the New MexiGROW Local Government Investment Pool was rated at AAAM and was considered a 24-day WAM.

As of June 30, 2007, 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	\$ 3,359,609	\$ -	\$ 3,359,609	\$ -	\$ -
U.S. Government Agencies					
Federal National Mortgage Association	15,461,796	1,474,350	6,780,001	7,228,996	1,452,800
Federal Home Loan Mortgage Corporation	15,435,478	13,174,050	6,389,124	1,470,405	1,977,200
Federal Home Loan Bank	10,273,907	1,481,719	6,854,064	1,938,125	-
Federal Farm Credit Bank	2,693,281	248,906	2,444,376	-	-
Federal Agricultural Mortgage Corporation	1,959,934	-	1,959,934	-	-
Government National Mortgage Association	8,515	-	-	-	8,515
State Investment Pool	854,800	-	854,800	-	-
Money Market and Cash Funds	15,123,067	15,123,067	-	-	-
Total	\$65,170,387	\$ 31,502,092	\$28,641,908	\$10,637,526	\$3,438,515

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.
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, 2007 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 and the U.S. Treasury bills were rated Aaa/AAA by Moody's Investors Service.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

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 24%, the Federal Home Loan Mortgage Corporation is 24%, the Federal Home Loan Bank is 16% and money market and cash funds is 23%. However, as previously illustrated, 5% of the County's investments are backed by the full faith and credit of the United States government and 64% are guaranteed by agencies sponsored by the United States government. These types of investments are considered to have minimal risk associated with them.

NOTE 4. RECEIVABLES

Receivables as of June 30, 2007, are as follows:

	General	Road	Indigent Hospital Claims	Other Grants and Contracts	Other Govt. Funds	Total
Receivables:						
Taxes:						
State of NM	\$ -	\$ -	\$177,030	\$ -	\$ 308,395	\$ 485,425
Gasoline Tax	-	30,790	-	-	28,005	58,795
Oil & Gas Tax	71,920	-	-	-	-	71,920
Property Tax	495,504	-	-	-	56,316	551,820
Motor Vehicle	-	116,876	-	-	-	116,876
Interest	24,602	-	-	-	-	24,602
Intergovernmental:						
City of Roswell	21,820	125	-	-	-	21,945
Dept. of Justice	-	-	-	53,159	-	53,159
Dept. of Finance & Administration	238,599	-	-	66,198	-	304,797
Other Receivables	61,354	269,608	-	158,519	51,087	540,568
Net Receivables	<u>\$913,799</u>	<u>\$417,399</u>	<u>\$177,030</u>	<u>\$277,876</u>	<u>\$443,803</u>	<u>\$2,229,907</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 4. RECEIVABLES (Continued)

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 \$551,820.

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, 2007 is as follows:

Transfers In	Transfers Out	Amount
Economic Development Fund	County Income Fund	\$ 150,000
Fire & Ambulance Fund	General Fund	5,000
Fire & Ambulance Fund	Berrendo Fire Fund	5,000
Fire & Ambulance Fund	Chaves County Fire District #8 Fund	2,000
Fire & Ambulance Fund	Dunken Fire Fund	2,000
Fire & Ambulance Fund	East Grand Plains Fund	4,000
Fire & Ambulance Fund	Midway Fire Fund	4,000
Fire & Ambulance Fund	Penasco Fire Fund	3,000
Fire & Ambulance Fund	Rio Felix Fire Fund	1,000
Fire & Ambulance Fund	Sierra Fire Fund	4,000
Indigent Hospital Claims	General Fund	1,872,960
General Fund	Agency - Construction Retainage Fund	20,221
Extraordinary Mandatory Redemption	Revenue Bond Debt Service Fund	1,329,213
Debt Service - Revenue Bonds	Revenue Bond Debt Service Fund	836,061
Road Fund	County Income Fund	1,912,000
Road Fund	General Fund	107,041
Road Fund	Personnel Reserve Fund	48,900

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

Interfund Receivable	Interfund Payable	Amount
General Fund	Public Safety Grants Fund	\$ 10,000
General Fund	Other Grants and Contracts Fund	375,000
General Fund	CDBG Fund	102,000
General Fund	Community DWI Fund	40,000
County Income Fund	Revenue Bond Reserve	1,200,000

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2007, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land is not subject to depreciation.

	Balance at July 1, 2006	Additions	Disposals	Adjustments	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 3,612,483	\$ 6,433	\$ -	\$ 50,040	\$ 3,668,956
Construction in progress	333,774	822,914	(376,837)	-	779,851
Infrastructure	57,835,297	-	(205,250)	-	57,630,047
Total capital assets, not being depreciated	61,781,554	829,347	(582,087)	50,040	62,078,854
Capital assets, being depreciated:					
Buildings	47,317,346	23,399	(312)	(50,040)	47,290,393
Machinery and equipment	20,661,071	1,333,296	(48,374)	-	21,945,993
Total capital assets, being depreciated	67,978,417	1,356,695	(48,686)	(50,040)	69,236,386
Less accumulated depreciation:					
Buildings and improvements	(12,136,629)	(685,241)	-	1,283	(12,820,587)
Machinery and Equipment	(13,144,060)	(1,101,463)	-	-	(14,245,523)
Total accumulated depreciation	(25,280,689)	(1,786,704)	-	1,283	(27,066,110)
Total capital assets, being depreciated, net	42,697,728	(430,009)	(48,686)	(48,757)	42,170,276
Governmental capital assets, net	\$104,479,282	\$ 399,338	\$ (630,773)	\$ 1,283	\$ 104,249,130

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 6. CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 1,101,541
Public safety and judiciary	449,097
Special grants	30,841
Conservation of Natural Resources	61,682
Health and welfare	143,543
Total depreciation expense	<u>\$ 1,786,704</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	18,865,821
Total	<u>\$ 20,745,322</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 2021:

	<u>Governmental Activities</u>
Year ending June 30,	
2008	\$ 292,680
2009	213,600
2010	219,800
2011	218,000
2012	225,000
2013-2017	1,165,900
2018-2022	744,700
Total future minimum lease income	<u>\$ 3,079,680</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

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 \$461,395. The future minimum lease payments for the leases are as follows:

	Governmental Activities
Year ending June 30,	
2008	\$ 457,027
2009	371,226
2010	86,179
2011	469,913
2012	-
Total future minimum lease income	\$ 1,384,345

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	2.55% - 5.00%	\$11,855,000

Revenue bond debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 475,000	\$ 594,150
2009	525,000	575,863
2010	625,000	553,075
2011	725,000	525,038
2012	750,000	493,688
2013 – 2017	4,670,000	1,878,475
2018 – 2022	4,085,000	535,494
	\$ 11,855,000	\$ 5,155,783

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 8. LONG TERM DEBT (Continued)

A description of bonds payable at June 30, 2007 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, 2007, consisted of the following:

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.

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.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 8. LONG TERM DEBT (Continued)

The annual requirements to amortize the notes payable outstanding as of June 30, 2007, including interest payments are as follows:

Year Ending June 30,	Principal	Interest
2008	\$ 25,262	\$ 13,724
2009	25,931	13,056
2010	26,652	12,338
2011	27,422	11,564
2012	28,243	10,750
2013 – 2017	147,475	47,492
2018 – 2022	79,933	18,803
2023 – 2027	36,993	2,514
	\$ 397,911	\$ 130,241

Changes in long-term liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
Gross receipts tax revenue bonds	\$ 13,235,000	\$ -	\$ 1,380,000	\$ 11,855,000	\$ 475,000
Total bonds payable	13,235,000	-	1,380,000	11,855,000	475,000
Capital leases	307,720	-	46,490	261,230	46,490
Notes payable	422,556	-	24,645	397,911	25,262
Compensated Absences	560,527	418,258	444,974	533,811	384,343
Governmental activities long-term liabilities	\$ 14,525,803	\$ 418,258	\$ 1,896,109	\$ 13,047,952	\$ 931,095

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.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

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.

None

- B. Excess of expenditures over appropriations.

For the fiscal year ended June 30, 2007, expenditures exceed appropriations in the Extraordinary Mandatory Redemption debt service fund by \$165,000. These overexpenditures were funded by greater than expected operating transfers into the fund and were caused by a greater than expected payments on the 2002 Gross Receipts Tax Revenue Bond.

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.

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, 2007, 2006, and 2005 were \$1,091,941, \$1,081,602, and \$1,025,133, 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

STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007

NOTE 12. POST-EMPLOYMENT BENEFITS (Continued)

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 the at 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.

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 4308 Carlisle Blvd, NE, Suite 104, Albuquerque, New Mexico 87107.

For the years ended June 30, 2007, 2006, and 2005, the County remitted \$92,779, \$94,382, and \$89,401, 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. RELATED PARTIES

On October 19, 2006, the County entered into a contract for roof repairs on the north and south building of the Administration Complex. The construction company is owned and operated by a member of the Planning and Zoning Committee. The \$385,925 roofing project is completed. At this time they are waiting for clearance on the final inspection to issue the final payment. As of June 30, 2007, \$385,733 had been paid to the construction company and one draw of \$1,192 was due and payable. In addition, on November 16, 2007, the County entered into another contract with the same company for roof repairs on the Chaves County Detention Center. The \$216,090 roofing project is completed and the final payment was approved on June 26, 2007. As of June 30, 2007, \$205,729 had been paid to the construction company and one draw of \$10,361 was due and payable.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 15. ACCOUNTING STANDARDS

In August 2005, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which is effective for financial statements for periods beginning after June 30, 2007. The statement establishes uniform financial reporting standards for OPEB plans and supersedes the interim guidance included in Statement No. 26, *Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans*. The approach followed in this Statement generally is consistent with the approach adopted in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, with modifications to reflect differences between pension plans and OPEB plans. The County believes it will have no significant effect on the financial statements for the upcoming year.

In August 2005, the Governmental Accounting Standards Board (GASB) issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. GASB Statement No. 45 is effective for financial statements for the periods beginning after June 30, 2007. This statement establishes standards for the measurement, recognition, and display of OPEB, expense/expenditures and related liabilities (assets), note disclosures, and if application, required supplementary information (RSI) in the financial reports of state and local governmental employers. The County believes it will have no significant effect on the financial statements for the upcoming year.

In September 2006, the Governmental Accounting Standards Board (GASB) issued Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-entity Transfers of Assets and Future Revenues*. This statement is effective for financial statements for the periods beginning after December 15, 2006. This statement establishes the criteria that governments will use to determine whether the proceeds received from the sale or pledge of receivables and future revenue should be reported as revenue or as a liability. The transaction will be treated as collateralized borrowing unless the criteria indicating a sale has taken place are met. The statement stipulates that governments should not revalue assets that are transferred between financial reporting entity components. 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.

In December 2006, the Governmental Accounting Standards Board (GASB) issued Statement No. 49, *Pollution Remedial Obligations*. This statement is effective for financial statements for the periods beginning after December 15, 2007. This statement establishes accounting standards for the recognition and reporting of liabilities related to environmental clean-up efforts. The County 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 \$95,589 and administrative fees of \$17,267.

NOTE 17. SUBSEQUENT EVENTS

On September 6, 2007, the Commissioners approved the \$10,225,000 refund of the 2002 Gross Receipts Tax Revenue Bond. This will release the requirement for the bond reserve and create additional revenue for the County.

**STATE OF NEW MEXICO
CHAVES COUNTY
Notes to Financial Statements
June 30, 2007**

NOTE 17. SUBSEQUENT EVENTS (Continued)

On October 11, 2007, the crusher was sold for a total price of \$450,000. The accumulated depreciation on the crusher was \$374,687 for a net book value of \$197,821. After sales expenses, the County received a check for \$402,000. Therefore, the County realized a gain on sale of \$204,179. The inventory at the crusher pit will continue to be used over the course of the next two years. However, the County will not be producing any more inventory.

NOTE 18. PRIOR PERIOD ADJUSTMENT

During the current year the County determined that the DWI Grant Fund needed to be reclassified as a special revenue fund versus an agency fund. As a result it was determined that the beginning fund balance of the Other Governmental Funds needed to be increased by \$42,188 for the prior year fund balance of the DWI Grant Fund.

In addition, it was determined that the purchase of land was incorrectly classified as buildings in the previous year. Therefore, an adjustment was made in the current year to reclassify the land to the correct category. As a result, accumulated depreciation on buildings was adjusted by \$1,283 to reverse depreciation expense that was taken in the previous year on land.

It was also determined that the current portion of compensated absences was reported in the fund financial statements in the prior year. The amounts reported were not due and payable at the close of the fiscal year ending June 30, 2006. Therefore, a prior period adjustment was made to the general fund for \$307,249 and to the Road fund for \$96,330.

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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, 2007

Statement A-1

	Totals by Fund Type			
	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Non-Major Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 5,772,521	\$ 2,110,340	\$ 258,579	\$ 8,141,440
Receivables:				
Taxes	84,321	177,029	117,364	378,714
Intergovernmental	15,089	-	-	15,089
Other	50,000	-	-	50,000
Prepaid assets	28,224	-	18,675	46,899
Total assets	\$ 5,950,155	\$ 2,287,369	\$ 394,618	\$ 8,632,142
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 71,362	\$ -	\$ 10,606	\$ 81,968
Accrued expenses	14,287	-	-	14,287
Deferred revenue	43,845	-	-	43,845
Due to other funds	152,000	-	-	152,000
Total liabilities	281,494	-	10,606	292,100
Fund balances:				
Reserved for debt service	-	2,287,369	-	2,287,369
Unreserved:				
Designated for subsequent year's expenditures:				
Special Revenue Funds	1,199,114	-	-	1,199,114
Capital Projects Funds	-	-	182,841	182,841
Undesignated:				
Special Revenue Funds	4,469,547	-	-	4,469,547
Capital Projects Funds	-	-	201,171	201,171
Total Fund Balances	5,668,661	2,287,369	384,012	8,340,042
Total liabilities and fund balances	\$ 5,950,155	\$ 2,287,369	\$ 394,618	\$ 8,632,142

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

STATE OF NEW MEXICO

Statement A-2

CHAVES COUNTY

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the Year Ended June 30, 2007

	Totals by Fund Type			
	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Non-Major Governmental Funds
REVENUES				
Taxes:				
Property taxes	\$ 1,521,818	\$ -	\$ 1,292,823	\$ 2,814,641
Gross receipts taxes	-	2,162,792	-	2,162,792
Intergovernmental	1,557,399	-	-	1,557,399
Charges for services	63,772	-	-	63,772
Refunds and recoveries	-	-	-	-
Interest on investments	192,227	69,664	-	261,891
Miscellaneous	214,137	5,759	-	219,896
Total revenues	<u>3,549,353</u>	<u>2,238,215</u>	<u>1,292,823</u>	<u>7,080,391</u>
EXPENDITURES				
Current:				
General government	180,788	-	1,575,327	1,756,115
Public safety	926,730	-	-	926,730
Highways and streets	304,243	-	-	304,243
Conservation of natural resources	781,183	-	-	781,183
Health and welfare	662	-	-	662
Special Grants and Projects	-	-	-	-
Capital outlay	448,076	-	24,720	472,796
Debt service:				
Principal	-	1,380,000	-	1,380,000
Commissions	-	2,082	-	2,082
Interest	-	585,494	-	585,494
Total expenditures	<u>2,641,682</u>	<u>1,967,576</u>	<u>1,600,047</u>	<u>6,209,305</u>
Excess (deficiency) of revenues over expenditures	907,671	270,639	(307,224)	871,086
Other financing sources (uses):				
Operating transfers in (out)	5,000	7,500	-	12,500
Other	5,085	-	-	5,085
Net change in fund balances	<u>917,756</u>	<u>278,139</u>	<u>(307,224)</u>	<u>888,671</u>
Fund balances-beginning of the year	4,708,717	2,009,230	691,236	7,409,183
Prior period adjustment	42,188	-	-	42,188
Fund balances - as restated	<u>4,750,905</u>	<u>2,009,230</u>	<u>691,236</u>	<u>7,451,371</u>
Fund balances - end of the year	<u>\$ 5,668,661</u>	<u>\$ 2,287,369</u>	<u>\$ 384,012</u>	<u>\$ 8,340,042</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, 2007**

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)

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)

**STATE OF NEW MEXICO
CHAVES COUNTY
Special Revenue Fund Descriptions
June 30, 2007**

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)

Community Driving While Intoxicated Fund

To account for revenues and expenditures from DWI grants in accordance with guidelines for DFA quarterly reporting. (Resolution 96-42)

STATE OF NEW MEXICO
 CHAVES COUNTY
 Combining Balance Sheet
 Non-Major Special Revenue Funds
 June 30, 2007

	Farm and Range Fund	Recreation Fund	Dunken Fire District Fund
ASSETS			
Cash and cash equivalents	\$ 24,832	\$ 126	\$ 117,872
Receivables:			
Taxes	-	-	-
Intergovernmental	-	-	-
Other	-	-	-
Prepaid assets	-	-	2,468
	<u>24,832</u>	<u>126</u>	<u>2,468</u>
Total assets	<u>\$ 24,832</u>	<u>\$ 126</u>	<u>\$ 120,340</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 500	\$ -	\$ 2,600
Accrued expenses	-	-	-
Deferred revenue	-	-	-
Due to other funds	-	-	-
Total liabilities	<u>500</u>	<u>-</u>	<u>2,600</u>
Fund balances:			
Unreserved:			
Designated for subsequent year's expenditures	-	-	-
Undesignated:	24,332	126	117,740
Total fund balances	<u>24,332</u>	<u>126</u>	<u>117,740</u>
Total liabilities and fund balances	<u>\$ 24,832</u>	<u>\$ 126</u>	<u>\$ 120,340</u>

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	Sierra Fire District Fund
\$ 220,418	\$ 123,723	\$ 76,110	\$ 90,174	\$ 192,910
-	-	-	-	-
-	-	-	369	-
-	-	-	-	-
2,690	2,332	2,638	2,726	2,977
<u>\$ 223,108</u>	<u>\$ 126,055</u>	<u>\$ 78,748</u>	<u>\$ 93,269</u>	<u>\$ 195,887</u>
\$ 2,207	\$ 4,846	\$ 3,912	\$ 12,547	\$ 6,147
-	-	-	243	-
-	-	-	-	-
-	-	-	-	-
2,207	4,846	3,912	12,790	6,147
118,804	18,547	15,084	41,263	91,413
102,097	102,662	59,752	39,216	98,327
<u>220,901</u>	<u>121,209</u>	<u>74,836</u>	<u>80,479</u>	<u>189,740</u>
<u>\$ 223,108</u>	<u>\$ 126,055</u>	<u>\$ 78,748</u>	<u>\$ 93,269</u>	<u>\$ 195,887</u>

STATE OF NEW MEXICO
 CHAVES COUNTY
 Combining Balance Sheet
 Non-Major Special Revenue Funds
 June 30, 2007

	Rio Felix Fire District Fund	Chaves County Fire District #8 Fund	Fire and Ambulance Fund
ASSETS			
Cash and cash equivalents	\$ 109,002	\$ 27,894	\$ 2,397,308
Receivables:			
Taxes	-	-	28,005
Intergovernmental	-	717	-
Other	-	-	-
Prepaid assets	2,072	2,409	-
Total assets	<u>\$ 111,074</u>	<u>\$ 31,020</u>	<u>\$ 2,425,313</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 46	\$ 2,446	\$ -
Accrued expenses	-	-	-
Deferred revenue	-	-	-
Due to other funds	-	-	-
Total liabilities	<u>46</u>	<u>2,446</u>	<u>-</u>
Fund balances:			
Unreserved:			
Designated for subsequent year's expenditures	45,818	22,320	-
Undesignated:	65,210	6,254	2,425,313
Total fund balances	<u>111,028</u>	<u>28,574</u>	<u>2,425,313</u>
Total liabilities and fund balances	<u>\$ 111,074</u>	<u>\$ 31,020</u>	<u>\$ 2,425,313</u>

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

Law Enforcement Grant Fund	Public Safety Grants Fund	Corrections Fees Fund	Environmental Gross Receipts Fund	Hospital Aged Accounts Fund
\$ 29,977	\$ 10,006	\$ 213,913	\$ 42,740	\$ 265,277
-	-	-	-	-
-	-	-	14,003	-
-	-	-	-	-
-	-	-	634	-
<u>\$ 29,977</u>	<u>\$ 10,006</u>	<u>\$ 213,913</u>	<u>\$ 57,377</u>	<u>\$ 265,277</u>
\$ 593	\$ -	\$ -	\$ 11,234	\$ -
-	-	-	915	-
-	-	-	-	-
-	10,000	-	-	-
<u>593</u>	<u>10,000</u>	<u>-</u>	<u>12,149</u>	<u>-</u>
-	4,476	-	35,464	185,100
29,384	(4,470)	213,913	9,764	80,177
<u>29,384</u>	<u>6</u>	<u>213,913</u>	<u>45,228</u>	<u>265,277</u>
<u>\$ 29,977</u>	<u>\$ 10,006</u>	<u>\$ 213,913</u>	<u>\$ 57,377</u>	<u>\$ 265,277</u>

STATE OF NEW MEXICO
 CHAVES COUNTY
 Combining Balance Sheet
 Non-Major Special Revenue Funds
 June 30, 2007

	Flood Control Fund	Special Road Construction Fund	Clerk Recording and Filing Fees Fund
ASSETS			
Cash and cash equivalents	\$ 792,958	\$ 607,168	\$ 130,952
Receivables:			
Taxes	56,316	-	-
Intergovernmental	-	-	-
Other	-	50,000	-
Prepaid assets	5,219	-	-
	<u>5,219</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 854,493</u>	<u>\$ 657,168</u>	<u>\$ 130,952</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 16	\$ 10,634	\$ 12,231
Accrued expenses	10,132	-	-
Deferred revenue	43,845	-	-
Due to other funds	-	-	-
Total liabilities	<u>53,993</u>	<u>10,634</u>	<u>12,231</u>
Fund balances:			
Unreserved:			
Designated for subsequent year's expenditures	100,816	416,000	90,654
Undesignated:	699,684	230,534	28,067
Total fund balances	<u>800,500</u>	<u>646,534</u>	<u>118,721</u>
Total liabilities and fund balances	<u>\$ 854,493</u>	<u>\$ 657,168</u>	<u>\$ 130,952</u>

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

<u>Property Valuation Fund</u>	<u>CDBG Grant Fund</u>	<u>DWI Fund</u>	<u>Total</u>
\$ 145,777	\$ 102,000	\$ 51,384	\$ 5,772,521
-	-	-	84,321
-	-	-	15,089
-	-	-	50,000
1,353	-	706	28,224
<u>\$ 147,130</u>	<u>\$ 102,000</u>	<u>\$ 52,090</u>	<u>\$ 5,950,155</u>
\$ 796	\$ -	\$ 607	\$ 71,362
562	-	2,435	14,287
-	-	-	43,845
-	102,000	40,000	152,000
<u>1,358</u>	<u>102,000</u>	<u>43,042</u>	<u>281,494</u>
13,355	-	-	1,199,114
132,417	-	9,048	4,469,547
145,772	-	9,048	5,668,661
<u>\$ 147,130</u>	<u>\$ 102,000</u>	<u>\$ 52,090</u>	<u>\$ 5,950,155</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, 2007

	Farm and Range Fund	Recreation Fund	Dunken Fire District Fund
REVENUES			
Taxes:			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental	51,317	-	57,938
Charges for services	-	-	-
Refunds and recoveries	-	-	-
Interest on investments	-	-	-
Miscellaneous	-	-	48
Total revenues	<u>51,317</u>	<u>-</u>	<u>57,986</u>
EXPENDITURES			
Current:			
General government	\$ -	\$ -	\$ -
Public safety	-	-	17,237
Highways and streets	-	-	-
Conservation of natural resources	47,000	-	-
Health and welfare	-	-	-
Special grants and projects	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	-	10,540
Debt service	-	-	-
Total expenditures	<u>47,000</u>	<u>-</u>	<u>27,777</u>
Excess (deficiency) of revenues over expenditures	<u>4,317</u>	<u>-</u>	<u>30,209</u>
Other financing sources (uses):			
Operating transfers in (out)	-	-	(2,000)
Gain/(loss) on sale of property	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,000)</u>
Net changes in fund balances	4,317	-	28,209
Fund balances - beginning of year	<u>20,015</u>	<u>126</u>	<u>89,531</u>
Fund balances - end of the year	<u>\$ 24,332</u>	<u>\$ 126</u>	<u>\$ 117,740</u>

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

<u>East Grand Plains Fire District Fund</u>	<u>Penasco Fire District Fund</u>	<u>Midway Fire District Fund</u>	<u>Berrendo Fire District Fund</u>	<u>Sierra Fire District Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
137,508	56,875	66,166	162,669	153,949
-	-	-	-	-
-	-	-	-	-
-	6	65	144	72
<u>137,508</u>	<u>56,881</u>	<u>66,231</u>	<u>162,813</u>	<u>154,021</u>
\$ -	\$ -	\$ -	\$ -	\$ -
58,364	28,543	51,245	84,181	91,022
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,797	-	-	44,203	-
-	-	-	-	-
<u>67,161</u>	<u>28,543</u>	<u>51,245</u>	<u>128,384</u>	<u>91,022</u>
<u>70,347</u>	<u>28,338</u>	<u>14,986</u>	<u>34,429</u>	<u>62,999</u>
(4,000)	(3,000)	(4,000)	(5,000)	(4,000)
-	1,080	3,510	-	-
<u>(4,000)</u>	<u>(1,920)</u>	<u>(490)</u>	<u>(5,000)</u>	<u>(4,000)</u>
66,347	26,418	14,496	29,429	58,999
<u>154,554</u>	<u>94,791</u>	<u>60,340</u>	<u>51,050</u>	<u>130,741</u>
<u>\$ 220,901</u>	<u>\$ 121,209</u>	<u>\$ 74,836</u>	<u>\$ 80,479</u>	<u>\$ 189,740</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, 2007

	<u>Rio Felix Fire District Fund</u>	<u>Chaves County Fire District #8 Fund</u>	<u>Fire and Ambulance Fund</u>
REVENUES			
Taxes:			
Property taxes	\$ -	\$ -	\$ 445,540
Intergovernmental	40,773	74,194	-
Charges for services	-	-	-
Refunds and recoveries	-	-	-
Interest on investments	-	-	180,408
Miscellaneous	41	-	17,088
Total revenues	<u>40,814</u>	<u>74,194</u>	<u>643,036</u>
EXPENDITURES			
Current:			
General government	\$ -	\$ -	\$ -
Public safety	12,253	74,621	-
Highways and streets	-	-	-
Conservation of natural resources	-	-	-
Health and welfare	-	-	-
Special grants and projects	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	2,576	2,425
Debt service	-	-	-
Total expenditures	<u>12,253</u>	<u>77,197</u>	<u>2,425</u>
Excess (deficiency) of revenues over expenditures	<u>28,561</u>	<u>(3,003)</u>	<u>640,611</u>
Other financing sources (uses):			
Operating transfers in (out)	(1,000)	(2,000)	30,000
Gain/(loss) on sale of property	-	-	-
Total other financing sources (uses)	<u>(1,000)</u>	<u>(2,000)</u>	<u>30,000</u>
Net changes in fund balances	27,561	(5,003)	670,611
Fund balances - beginning of year	<u>83,467</u>	<u>33,577</u>	<u>1,754,702</u>
Fund balances - end of the year	<u>\$ 111,028</u>	<u>\$ 28,574</u>	<u>\$ 2,425,313</u>

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

<u>Law Enforcement Grant Fund</u>	<u>Public Safety Grants Fund</u>	<u>Corrections Fees Fund</u>	<u>Environmental Gross Receipts Tax Fund</u>	<u>Hospital Aged Accounts Fund</u>
\$ -	\$ -	\$ -	\$ 222,770	\$ -
-	11,717	106,459	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	46,646
-	11,717	106,459	222,770	46,646
\$ -	\$ -	\$ -	\$ -	\$ -
33,916	17,621	18,029	-	-
-	-	-	191,799	-
-	-	-	-	-
-	-	-	-	662
-	-	-	-	-
-	-	-	73,412	-
-	-	-	-	-
33,916	17,621	18,029	265,211	662
(33,916)	(5,904)	88,430	(42,441)	45,984
-	-	-	-	-
495	-	-	-	-
495	-	-	-	-
(33,421)	(5,904)	88,430	(42,441)	45,984
62,805	5,910	125,483	87,669	219,293
\$ 29,384	\$ 6	\$ 213,913	\$ 45,228	\$ 265,277

**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, 2007**

	<u>Flood Control Fund</u>	<u>Special Road Construction Fund</u>	<u>Clerk Recording and Filing Fees Fund</u>
REVENUES			
Taxes:			
Property taxes	\$ 853,508	\$ -	\$ -
Intergovernmental	88,429	-	-
Charges for services	-	-	63,772
Refunds and recoveries	-	-	-
Interest on investments	-	11,819	-
Miscellaneous	123	100,000	-
Total revenues	<u>942,060</u>	<u>111,819</u>	<u>63,772</u>
EXPENDITURES			
Current:			
General government	\$ -	\$ -	\$ 17,198
Public safety	-	-	-
Highways and streets	-	112,444	-
Conservation of natural resources	734,183	-	-
Health and welfare	-	-	-
Special grants and projects	-	-	-
Culture and recreation	-	-	-
Capital outlay	227,911	-	52,056
Debt service	-	-	-
Total expenditures	<u>962,094</u>	<u>112,444</u>	<u>69,254</u>
Excess (deficiency) of revenues over expenditures	<u>(20,034)</u>	<u>(625)</u>	<u>(5,482)</u>
Other financing sources (uses):			
Operating transfers in (out)	-	-	-
Gain/(loss) on sale of property	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(20,034)</u>	<u>(625)</u>	<u>(5,482)</u>
Fund balances - beginning of year	820,534	647,159	124,203
Prior period adjustment	-	-	-
Fund balances - as restated	<u>820,534</u>	<u>647,159</u>	<u>124,203</u>
Fund balances - end of the year	<u>\$ 800,500</u>	<u>\$ 646,534</u>	<u>\$ 118,721</u>

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

Property Valuation Fund	CDBG Grant Fund	DWI Fund	Total
\$ -	\$ -	\$ -	\$ 1,521,818
185,426	-	363,979	1,557,399
-	-	-	63,772
-	-	-	-
-	-	-	192,227
-	-	49,904	214,137
<u>185,426</u>	<u>-</u>	<u>413,883</u>	<u>3,549,353</u>
\$ 163,590	\$ -	\$ -	\$ 180,788
-	-	439,698	926,730
-	-	-	304,243
-	-	-	781,183
-	-	-	662
-	-	-	-
-	-	-	-
18,831	-	7,325	448,076
<u>182,421</u>	<u>-</u>	<u>447,023</u>	<u>2,641,682</u>
<u>3,005</u>	<u>-</u>	<u>(33,140)</u>	<u>907,671</u>
-	-	-	5,000
-	-	-	5,085
<u>-</u>	<u>-</u>	<u>-</u>	<u>10,085</u>
<u>3,005</u>	<u>-</u>	<u>(33,140)</u>	<u>917,756</u>
142,767	-	-	4,708,717
-	-	42,188	42,188
<u>142,767</u>	<u>-</u>	<u>42,188</u>	<u>4,750,905</u>
\$ 145,772	\$ -	\$ 9,048	\$ 5,668,661

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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 48,000	\$ 48,000	\$ 51,317	\$ 3,317
Total revenues	<u>48,000</u>	<u>48,000</u>	<u>51,317</u>	<u>3,317</u>
EXPENDITURES				
Current:				
Conservation of natural resources:				
Operating expenses	47,000	47,000	46,500	500
Total expenditures	<u>47,000</u>	<u>47,000</u>	<u>46,500</u>	<u>500</u>
Excess (deficiency) of revenues over expenditures	<u>1,000</u>	<u>1,000</u>	<u>4,817</u>	<u>3,817</u>
Other financing sources (uses):				
Designated cash	(1,000)	(1,000)	-	1,000
Total other financing sources (uses)	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>	<u>1,000</u>
Net change in fund balance	-	-	4,817	4,817
Fund balance - beginning of year	-	-	20,015	20,015
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,832</u>	<u>\$ 24,832</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

Recreation Special Revenue Fund

For the Year Ended June 30, 2007

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

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-5

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 58,584	\$ 57,938	\$ 57,938	\$ -
Miscellaneous	-		48	48
Total revenues	<u>58,584</u>	<u>57,938</u>	<u>57,986</u>	<u>48</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	30,101	29,495	14,098	15,397
Supplies	14,000	14,000	548	13,452
Total public safety	<u>44,101</u>	<u>43,495</u>	<u>14,646</u>	<u>28,849</u>
Capital outlay	<u>47,500</u>	<u>47,500</u>	<u>10,540</u>	<u>36,960</u>
Total expenditures	<u>91,601</u>	<u>90,995</u>	<u>25,186</u>	<u>65,809</u>
Excess (deficiency) of revenues over expenditures	<u>(33,017)</u>	<u>(33,057)</u>	<u>32,800</u>	<u>65,857</u>
Other financing sources (uses):				
Designated cash	35,017	35,057	-	(35,057)
Operating transfers in (out)	(2,000)	(2,000)	(2,000)	-
Total other financing sources (uses)	<u>33,017</u>	<u>33,057</u>	<u>(2,000)</u>	<u>(35,057)</u>
Net change in fund balance	-	-	30,800	30,800
Fund balance - beginning of year	-	-	89,540	89,540
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,340</u>	<u>\$ 120,340</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 129,688	\$ 129,105	\$ 137,508	\$ 8,403
Miscellaneous	-	-	-	-
Total revenues	<u>129,688</u>	<u>129,105</u>	<u>137,508</u>	<u>8,403</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	62,522	64,083	49,715	14,368
Supplies	19,720	19,285	6,309	12,976
Total public safety	<u>82,242</u>	<u>83,368</u>	<u>56,024</u>	<u>27,344</u>
Capital outlay	<u>213,500</u>	<u>213,798</u>	<u>97,539</u>	<u>116,259</u>
Total expenditures	<u>295,742</u>	<u>297,166</u>	<u>153,563</u>	<u>143,603</u>
Excess (deficiency) of revenues over expenditures	<u>(166,054)</u>	<u>(168,061)</u>	<u>(16,055)</u>	<u>152,006</u>
Other financing sources (uses):				
Designated cash	170,054	172,061	-	(172,061)
Operating transfers in (out)	(4,000)	(4,000)	(4,000)	-
Total other financing sources (uses)	<u>166,054</u>	<u>168,061</u>	<u>(4,000)</u>	<u>(172,061)</u>
Net change in fund balance	-	-	(20,055)	(20,055)
Fund balance - beginning of year	-	-	154,422	154,422
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,367</u>	<u>\$ 134,367</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 54,483	\$ 56,875	\$ 56,875	\$ -
Miscellaneous	-	-	1,086	1,086
Total revenues	54,483	56,875	57,961	1,086
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	57,477	59,871	22,999	36,872
Supplies	19,000	19,000	773	18,227
Total public safety	76,477	78,871	23,772	55,099
Capital outlay	45,000	45,000	-	45,000
Total expenditures	121,477	123,871	23,772	100,099
Excess (deficiency) of revenues over expenditures	(66,994)	(66,996)	34,189	101,185
Other financing sources (uses):				
Designated cash	69,994	69,996	-	(69,996)
Operating transfers in (out)	(3,000)	(3,000)	(3,000)	-
Total other financing sources (uses)	66,994	66,996	(3,000)	(69,996)
Net change in fund balance	-	-	31,189	31,189
Fund balance - beginning of year	-	-	94,865	94,865
Fund balance - end of the year	\$ -	\$ -	\$ 126,054	\$ 126,054

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

STATE OF NEW MEXICO

Statement B-8

CHAVES COUNTY

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 63,594	\$ 66,166	\$ 66,166	\$ -
Miscellaneous	-	-	3,575	3,575
Total revenues	<u>63,594</u>	<u>66,166</u>	<u>69,741</u>	<u>3,575</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	37,582	42,353	30,587	11,766
Supplies	29,950	27,751	16,614	11,137
Total public safety	<u>67,532</u>	<u>70,104</u>	<u>47,201</u>	<u>22,903</u>
Capital outlay	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	<u>117,532</u>	<u>120,104</u>	<u>47,201</u>	<u>72,903</u>
Excess (deficiency) of revenues over expenditures	<u>(53,938)</u>	<u>(53,938)</u>	<u>22,540</u>	<u>76,478</u>
Other financing sources (uses):				
Designated cash	57,938	57,938	-	(57,938)
Operating transfers in (out)	(4,000)	(4,000)	(4,000)	-
Total other financing sources (uses)	<u>53,938</u>	<u>53,938</u>	<u>(4,000)</u>	<u>(57,938)</u>
Net change in fund balance	-	-	18,540	18,540
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>60,208</u>	<u>60,208</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,748</u>	<u>\$ 78,748</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 145,486	\$ 151,533	\$ 162,300	\$ 10,767
Miscellaneous	-	-	144	144
Total revenues	<u>145,486</u>	<u>151,533</u>	<u>162,444</u>	<u>10,911</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	72,655	78,506	55,662	22,844
Supplies	28,500	38,474	26,308	12,166
Total public safety	<u>101,155</u>	<u>116,980</u>	<u>81,970</u>	<u>35,010</u>
Capital outlay	<u>79,602</u>	<u>86,903</u>	<u>34,863</u>	<u>52,040</u>
Total expenditures	<u>180,757</u>	<u>203,883</u>	<u>116,833</u>	<u>87,050</u>
Excess (deficiency) of revenues over expenditures	<u>(35,271)</u>	<u>(52,350)</u>	<u>45,611</u>	<u>97,961</u>
Other financing sources (uses):				
Designated cash	40,271	57,350	-	(57,350)
Operating transfers in (out)	(5,000)	(5,000)	(5,000)	-
Total other financing sources (uses)	<u>35,271</u>	<u>52,350</u>	<u>(5,000)</u>	<u>(57,350)</u>
Net change in fund balance	-	-	40,611	40,611
Fund balance - beginning of year	-	-	<u>51,935</u>	<u>51,935</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,546</u>	<u>\$ 92,546</u>

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

STATE OF NEW MEXICO

Statement B-10

CHAVES COUNTY

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 122,520	\$ 127,394	\$ 159,949	\$ 32,555
Miscellaneous	-	-	72	72
Total revenues	<u>122,520</u>	<u>127,394</u>	<u>160,021</u>	<u>32,627</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	74,208	84,472	57,045	27,427
Supplies	48,718	50,467	29,007	21,460
Total public safety	<u>122,926</u>	<u>134,939</u>	<u>86,052</u>	<u>48,887</u>
Capital outlay	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>
Total expenditures	<u>197,926</u>	<u>209,939</u>	<u>86,052</u>	<u>123,887</u>
Excess (deficiency) of revenues over expenditures	<u>(75,406)</u>	<u>(82,545)</u>	<u>73,969</u>	<u>156,514</u>
Other financing sources (uses):				
Designated cash	79,406	86,545	-	(86,545)
Operating transfers in (out)	(4,000)	(4,000)	(4,000)	-
Total other financing sources (uses)	<u>75,406</u>	<u>82,545</u>	<u>(4,000)</u>	<u>(86,545)</u>
Net change in fund balance	-	-	69,969	69,969
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>125,631</u>	<u>125,631</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 195,600</u>	<u>\$ 195,600</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 38,058	\$ 39,058	\$ 40,773	\$ 1,715
Miscellaneous	-	-	41	41
Total revenues	<u>38,058</u>	<u>39,058</u>	<u>40,814</u>	<u>1,756</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	19,745	21,952	12,048	9,904
Supplies	5,200	5,200	62	5,138
Total public safety	<u>24,945</u>	<u>27,152</u>	<u>12,110</u>	<u>15,042</u>
Capital outlay	<u>68,838</u>	<u>68,838</u>	-	<u>68,838</u>
Total expenditures	<u>93,783</u>	<u>95,990</u>	<u>12,110</u>	<u>83,880</u>
Excess (deficiency) of revenues over expenditures	<u>(55,725)</u>	<u>(56,932)</u>	<u>28,704</u>	<u>85,636</u>
Other financing sources (uses):				
Designated cash	55,725	57,932	-	(57,932)
Operating transfers in (out)	-	(1,000)	(1,000)	-
Total other financing sources (uses)	<u>55,725</u>	<u>56,932</u>	<u>(1,000)</u>	<u>(57,932)</u>
Net change in fund balance	-	-	27,704	27,704
Fund balance - beginning of year	-	-	<u>83,370</u>	<u>83,370</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,074</u>	<u>\$ 111,074</u>

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

STATE OF NEW MEXICO

Statement B-12

CHAVES COUNTY

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 68,072	\$ 70,644	\$ 73,477	\$ 2,833
Miscellaneous	-	-	-	-
Total revenues	<u>68,072</u>	<u>70,644</u>	<u>73,477</u>	<u>2,833</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	52,543	70,387	62,411	7,976
Supplies	10,900	13,583	9,781	3,802
Total public safety	<u>63,443</u>	<u>83,970</u>	<u>72,192</u>	<u>11,778</u>
Capital outlay	<u>19,012</u>	<u>34,436</u>	<u>2,576</u>	<u>31,860</u>
Total expenditures	<u>82,455</u>	<u>118,406</u>	<u>74,768</u>	<u>43,638</u>
Excess (deficiency) of revenues over expenditures	<u>(14,383)</u>	<u>(47,762)</u>	<u>(1,291)</u>	<u>46,471</u>
Other financing sources (uses):				
Designated cash	16,383	49,762	-	(49,762)
Operating transfers in (out)	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>14,383</u>	<u>47,762</u>	<u>(2,000)</u>	<u>(49,762)</u>
Net change in fund balance	-	-	(3,291)	(3,291)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>33,594</u>	<u>33,594</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,303</u>	<u>\$ 30,303</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 301,900	\$ 301,900	\$ 441,440	\$ 139,540
Interest on investments	30,125	30,125	180,408	150,283
Miscellaneous	-	-	17,088	17,088
Total revenues	<u>332,025</u>	<u>332,025</u>	<u>638,936</u>	<u>306,911</u>
EXPENDITURES				
Current:				
Operations and maintenance	50,000	50,000	-	50,000
Capital outlay	<u>116,250</u>	<u>116,250</u>	<u>2,425</u>	<u>113,825</u>
Total expenditures	<u>166,250</u>	<u>166,250</u>	<u>2,425</u>	<u>163,825</u>
Excess (deficiency) of revenues over expenditures	<u>165,775</u>	<u>165,775</u>	<u>636,511</u>	<u>470,736</u>
Other financing sources (uses):				
Designated cash	(195,775)	(195,775)	-	195,775
Operating transfers in (out)	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total other financing sources (uses)	<u>(165,775)</u>	<u>(165,775)</u>	<u>30,000</u>	<u>195,775</u>
Net change in fund balance	-	-	666,511	666,511
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>1,730,796</u>	<u>1,730,796</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,397,307</u>	<u>\$ 2,397,307</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 42,800	\$ 42,800	\$ 42,200	\$ (600)
Miscellaneous	-		495	495
Total revenues	<u>42,800</u>	<u>42,800</u>	<u>42,695</u>	<u>(105)</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	21,179	13,770	8,193	5,577
Supplies	24,087	28,597	25,206	3,391
Total public safety	<u>45,266</u>	<u>42,367</u>	<u>33,399</u>	<u>8,968</u>
Capital outlay	<u>18,179</u>	<u>21,079</u>	-	<u>21,079</u>
Total expenditures	<u>63,445</u>	<u>63,446</u>	<u>33,399</u>	<u>30,047</u>
Excess (deficiency) of revenues over expenditures	<u>(20,645)</u>	<u>(20,646)</u>	<u>9,296</u>	<u>29,942</u>
Other financing sources (uses):				
Designated cash	20,645	20,646	-	(20,646)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>20,645</u>	<u>20,646</u>	<u>-</u>	<u>(20,646)</u>
Net change in fund balance	-	-	9,296	9,296
Fund balance - beginning of year	-	-	<u>20,604</u>	<u>20,604</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,900</u>	<u>\$ 29,900</u>

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

STATE OF NEW MEXICO

Statement B-15

CHAVES COUNTY

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 15,710	\$ 15,710	\$ 11,717	\$ (3,993)
Miscellaneous	-	-	-	-
Total revenues	<u>15,710</u>	<u>15,710</u>	<u>11,717</u>	<u>(3,993)</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	4,000	5,263	1,352	3,911
Supplies	22,752	21,973	16,269	5,704
Total public safety	<u>26,752</u>	<u>27,236</u>	<u>17,621</u>	<u>9,615</u>
Capital outlay	<u>3,214</u>	<u>3,214</u>	<u>-</u>	<u>3,214</u>
Total expenditures	<u>29,966</u>	<u>30,450</u>	<u>17,621</u>	<u>12,829</u>
Excess (deficiency) of revenues over expenditures	<u>(14,256)</u>	<u>(14,740)</u>	<u>(5,904)</u>	<u>8,836</u>
Other financing sources (uses):				
Designated cash	14,256	14,740	-	(14,740)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>14,256</u>	<u>14,740</u>	<u>-</u>	<u>(14,740)</u>
Net change in fund balance	-	-	(5,904)	(5,904)
Fund balance - beginning of year	-	-	5,910	5,910
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 6</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 106,459	\$ 6,459
Miscellaneous	-	-	-	-
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>106,459</u>	<u>6,459</u>
EXPENDITURES				
Current:				
Public safety:				
Personnel expenses	41,362	37,529	-	37,529
Operating expenses	44,196	48,030	18,029	30,001
Total expenditures	<u>85,558</u>	<u>85,559</u>	<u>18,029</u>	<u>67,530</u>
Excess (deficiency) of revenues over expenditures	<u>14,442</u>	<u>14,441</u>	<u>88,430</u>	<u>73,989</u>
Other financing sources (uses):				
Designated cash	(14,442)	(14,441)	-	14,441
Total other financing sources (uses)	<u>(14,442)</u>	<u>(14,441)</u>	<u>-</u>	<u>14,441</u>
Net change in fund balance	-	-	88,430	88,430
Fund balance - beginning of year	-	-	125,483	125,483
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213,913</u>	<u>\$ 213,913</u>

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

STATE OF NEW MEXICO

Statement B-17

CHAVES COUNTY

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 150,346	\$ 220,721	\$ 220,720	\$ (1)
Charges for services	-	-	-	-
Total revenues	<u>150,346</u>	<u>220,721</u>	<u>220,720</u>	<u>(1)</u>
EXPENDITURES				
Current:				
General government:				
Personnel services	84,537	80,497	78,944	1,553
Operating expenses	80,756	110,212	110,044	168
Supplies	450	-	-	-
Total expenditures	<u>165,743</u>	<u>190,709</u>	<u>188,988</u>	<u>1,721</u>
Capital outlay	<u>28,000</u>	<u>73,413</u>	<u>73,412</u>	<u>1</u>
Total expenditures	<u>193,743</u>	<u>264,122</u>	<u>262,400</u>	<u>1,722</u>
Excess (deficiency) of revenues over expenditures	<u>(43,397)</u>	<u>(43,401)</u>	<u>(41,680)</u>	<u>1,721</u>
Other financing sources (uses):				
Designated cash	<u>43,397</u>	<u>43,401</u>	<u>-</u>	<u>(43,401)</u>
Total other financing sources (uses)	<u>43,397</u>	<u>43,401</u>	<u>-</u>	<u>(43,401)</u>
Net change in fund balance	-	-	(41,680)	(41,680)
Fund balance - beginning of year	-	-	84,139	84,139
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,459</u>	<u>\$ 42,459</u>

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

STATE OF NEW MEXICO

Statement B-18

CHAVES COUNTY

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, 2007

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 10,000	\$ 10,000	\$ 46,647	\$ 36,647
Total revenues	10,000	10,000	46,647	36,647
EXPENDITURES				
Current:				
Health and welfare:				
Operating expenses	1,600	1,600	-	1,600
Supplies	3,500	3,500	662	2,838
Total health and welfare	5,100	5,100	662	4,438
Capital outlay	-	-	-	-
Total expenditures	5,100	5,100	662	4,438
Excess (deficiency) of revenues over expenditures	4,900	4,900	45,985	41,085
Other financing sources (uses):				
Designated cash	(4,900)	(4,900)	-	4,900
Total other financing sources (uses)	(4,900)	(4,900)	-	4,900
Net change in fund balance	-	-	45,985	45,985
Fund balance - beginning of year	-	-	219,293	219,293
Fund balance - end of the year	\$ -	\$ -	\$ 265,278	\$ 265,278

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-19

**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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 720,000	\$ 720,000	\$ 854,353	\$ 134,353
Intergovernmental	92,768	92,768	88,429	(4,339)
Miscellaneous	4,500	4,500	123	(4,377)
Total revenues	<u>817,268</u>	<u>817,268</u>	<u>942,905</u>	<u>125,637</u>
EXPENDITURES				
Current:				
Conservation of natural resources:				
Personnel services	563,242	564,942	524,849	40,093
Operating expenses	199,191	215,494	189,597	25,897
Supplies	40,000	25,000	19,744	5,256
Total public safety	<u>802,433</u>	<u>805,436</u>	<u>734,190</u>	<u>71,246</u>
Capital outlay	<u>247,000</u>	<u>244,000</u>	<u>227,911</u>	<u>16,089</u>
Total expenditures	<u>1,049,433</u>	<u>1,049,436</u>	<u>962,101</u>	<u>87,335</u>
Excess (deficiency) of revenues over expenditures	<u>(232,165)</u>	<u>(232,168)</u>	<u>(19,196)</u>	<u>212,972</u>
Other financing sources (uses):				
Designated cash	232,165	232,168	-	(232,168)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>232,165</u>	<u>232,168</u>	<u>-</u>	<u>(232,168)</u>
Net change in fund balance	-	-	(19,196)	(19,196)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>807,241</u>	<u>807,241</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 788,045</u>	<u>\$ 788,045</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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ 4,000	\$ 4,000	\$ 11,819	\$ 7,819
Miscellaneous	100,000	100,000	50,000	(50,000)
Total revenues	<u>104,000</u>	<u>104,000</u>	<u>61,819</u>	<u>(42,181)</u>
EXPENDITURES				
Current:				
Highways and streets:				
Operating expenses	558,125	558,125	101,810	456,315
Total expenditures	<u>558,125</u>	<u>558,125</u>	<u>101,810</u>	<u>456,315</u>
Excess (deficiency) of revenues over expenditures	<u>(454,125)</u>	<u>(454,125)</u>	<u>(39,991)</u>	<u>414,134</u>
Other financing sources (uses):				
Designated cash	454,125	454,125	-	(454,125)
Total other financing sources (uses)	<u>454,125</u>	<u>454,125</u>	<u>-</u>	<u>(454,125)</u>
Net change in fund balance	-	-	(39,991)	(39,991)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>647,159</u>	<u>647,159</u>
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 607,168</u>	<u>\$ 607,168</u>

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

STATE OF NEW MEXICO

Statement B-21

CHAVES COUNTY

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, 2007

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 60,000	\$ 60,000	\$ 63,772	\$ 3,772
Total revenues	60,000	60,000	63,772	3,772
EXPENDITURES				
Current:				
General government:				
Operating expenses	33,600	27,385	4,966	22,419
Supplies	-	5,000	-	5,000
Total expenditures	33,600	32,385	4,966	27,419
Capital outlay	45,600	46,817	52,056	(5,239)
Total expenditures	79,200	79,202	57,022	22,180
Excess (deficiency) of revenues over expenditures	(19,200)	(19,202)	6,750	25,952
Other financing sources (uses):				
Designated cash	19,200	91,202	-	(91,202)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	19,200	91,202	-	(91,202)
Net change in fund balance	-	72,000	6,750	(65,250)
Fund balance - beginning of year	-	-	124,202	124,202
Fund balance - end of the year	\$ -	\$ 72,000	\$ 130,952	\$ 58,952

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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 175,000	\$ 175,000	\$ 185,426	\$ 10,426
Total revenues	<u>175,000</u>	<u>175,000</u>	<u>185,426</u>	<u>10,426</u>
EXPENDITURES				
Current:				
General government:				
Personnel services	139,711	139,711	138,781	930
Operating expenses	37,013	37,013	24,809	12,204
Total expenditures	<u>176,724</u>	<u>176,724</u>	<u>163,590</u>	<u>13,134</u>
Capital outlay	<u>21,760</u>	<u>21,760</u>	<u>18,831</u>	<u>2,929</u>
Total expenditures	<u>198,484</u>	<u>198,484</u>	<u>182,421</u>	<u>16,063</u>
Excess (deficiency) of revenues over expenditures	<u>(23,484)</u>	<u>(23,484)</u>	<u>3,005</u>	<u>26,489</u>
Other financing sources (uses):				
Designated cash	23,484	23,484	-	(23,484)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>23,484</u>	<u>23,484</u>	<u>-</u>	<u>(23,484)</u>
Net change in fund balance	-	-	3,005	3,005
Fund balance - beginning of year	-	-	142,767	142,767
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,772</u>	<u>\$ 145,772</u>

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

STATE OF NEW MEXICO

Statement B-23

CHAVES COUNTY

**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, 2007**

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

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

STATE OF NEW MEXICO
CHAVES COUNTY

Statement B-24

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
DWI Special Revenue Fund
For the Year Ended June 30, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 270,000	\$ 357,200	\$ 363,979	\$ 6,779
Miscellaneous	45,000	49,904	49,904	-
Total revenues	<u>315,000</u>	<u>407,104</u>	<u>413,883</u>	<u>6,779</u>
EXPENDITURES				
Current:				
Public safety:				
Operating expenses	250,042	383,533	382,897	636
Supplies	9,849	56,196	56,194	2
Capital outlay	-	7,326	7,325	1
Total expenditures	<u>259,891</u>	<u>447,055</u>	<u>446,416</u>	<u>639</u>
Excess (deficiency) of revenues over expenditures	<u>55,109</u>	<u>(39,951)</u>	<u>(32,533)</u>	<u>7,418</u>
Other financing sources (uses):				
Designated cash	<u>(55,109)</u>	39,951	-	<u>(39,951)</u>
Total other financing sources (uses)	<u>(55,109)</u>	<u>39,951</u>	<u>-</u>	<u>(39,951)</u>
Net change in fund balance	-	-	(32,533)	(32,533)
Fund balance - beginning of year	-	-	42,188	42,188
Fund balance - end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,655</u>	<u>\$ 9,655</u>

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

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DEBT SERVICE FUNDS

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**STATE OF NEW MEXICO
CHAVES COUNTY
Debt Service Fund Descriptions
June 30, 2007**

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, 2007

	<u>General Obligation Bonds Fund</u>	<u>Gross Receipts Tax Bonds Fund</u>	<u>Revenue Bonds Debt Service #2 Fund</u>
ASSETS			
Cash and cash equivalents	\$ 280	\$ 786,374	\$ -
Receivables:			
Taxes	-	-	177,029
 Total assets	<u>\$ 280</u>	<u>\$ 786,374</u>	<u>\$ 177,029</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Deferred revenue	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:			
Reserved:			
Reserved for debt service	280	786,374	177,029
Total fund balances	<u>280</u>	<u>786,374</u>	<u>177,029</u>
 Total liabilities and fund balances	<u>\$ 280</u>	<u>\$ 786,374</u>	<u>\$ 177,029</u>

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

<u>Extraordinary Mandatory Redemption Fund</u>	<u>Total</u>
\$ 1,323,686	\$ 2,110,340
<u>-</u>	<u>177,029</u>
<u>\$ 1,323,686</u>	<u>\$ 2,287,369</u>
<u>\$ -</u>	<u>\$ -</u>
<u>-</u>	<u>-</u>
<u>1,323,686</u>	<u>2,287,369</u>
<u>1,323,686</u>	<u>2,287,369</u>
<u>\$ 1,323,686</u>	<u>\$ 2,287,369</u>

STATE OF NEW MEXICO
CHAVES COUNTY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Debt Service Funds
For the Year Ended June 30, 2007

	<u>General Obligation Bonds Fund</u>	<u>Gross Receipts Tax Bonds Fund</u>	<u>Revenue Bonds Debt Service #2 Fund</u>
REVENUES			
Taxes:			
Gross receipts taxes	\$ -	\$ -	\$ 2,162,792
Interest on investments	-	52,807	11,682
Miscellaneous	15	-	5,744
Total revenues	<u>15</u>	<u>52,807</u>	<u>2,180,218</u>
EXPENDITURES			
Current:			
Debt service			
Principal	\$ -	\$ 425,000	\$ -
Commissions	-	2,082	-
Interest	-	585,494	-
Total expenditures	<u>-</u>	<u>1,012,576</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>15</u>	<u>(959,769)</u>	<u>2,180,218</u>
Other financing sources (uses):			
Operating transfers in (out)	-	836,061	(2,157,774)
Total other financing sources (uses)	<u>-</u>	<u>836,061</u>	<u>(2,157,774)</u>
Net changes in fund balances	15	(123,708)	22,444
Fund balances - beginning of year	<u>265</u>	<u>910,082</u>	<u>154,585</u>
Fund balances - end of the year	<u>\$ 280</u>	<u>\$ 786,374</u>	<u>\$ 177,029</u>

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

<u>Extraordinary Mandatory Redemption Fund</u>	<u>Total</u>
\$ -	\$ 2,162,792
5,175	69,664
-	5,759
<u>5,175</u>	<u>2,238,215</u>
\$ 955,000	\$ 1,380,000
-	2,082
-	585,494
<u>955,000</u>	<u>1,967,576</u>
<u>(949,825)</u>	<u>270,639</u>
<u>1,329,213</u>	<u>7,500</u>
<u>1,329,213</u>	<u>7,500</u>
379,388	278,139
<u>944,298</u>	<u>2,009,230</u>
<u>\$ 1,323,686</u>	<u>\$ 2,287,369</u>

STATE OF NEW MEXICO

Statement C-3

CHAVES COUNTY

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, 2007

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	35	35
Total revenues	-	-	35	35
EXPENDITURES				
Principal	-	-	-	-
Interest	-	-	-	-
Commissions	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	35	35
Other financing sources (uses):				
Designated cash	-	-	-	-
Operating transfer in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	35	35
Fund balance - beginning of year	-	-	245	245
Fund balance - end of the year	\$ -	\$ -	\$ 280	\$ 280

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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ -	\$ -	\$ 52,807	\$ 52,807
Total revenues	-	-	52,807	52,807
EXPENDITURES				
Principal	475,000	475,000	425,000	50,000
Interest	602,463	602,463	585,494	16,969
Commissions	-	-	2,082	(2,082)
Total expenditures	1,077,463	1,077,463	1,012,576	64,887
Excess (deficiency) of revenues over expenditures	(1,077,463)	(1,077,463)	(959,769)	117,694
Other financing sources (uses):				
Designated cash	-	-	-	-
Operating transfers in (out)	1,077,463	1,077,463	836,061	(241,402)
Total other financing sources (uses)	1,077,463	1,077,463	836,061	(241,402)
Net change in fund balance	-	-	(123,708)	(123,708)
Fund balance - beginning of year	-	-	910,081	910,081
Fund balance - end of the year	\$ -	\$ -	\$ 786,373	\$ 786,373

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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,941,000	\$ 1,941,000	\$ 2,141,127	\$ 200,127
Interest	5,000	5,000	11,143	6,143
Miscellaneous	3,000	3,000	5,504	2,504
Total revenues	<u>1,949,000</u>	<u>1,949,000</u>	<u>2,157,774</u>	<u>208,774</u>
EXPENDITURES				
Debt service	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>1,949,000</u>	<u>1,949,000</u>	<u>2,157,774</u>	<u>208,774</u>
Other financing sources (uses):				
Designated cash	-	-	-	-
Operating transfers in (out)	<u>(1,949,000)</u>	<u>(1,949,000)</u>	<u>(2,157,774)</u>	<u>(208,774)</u>
Total other financing sources (uses)	<u>(1,949,000)</u>	<u>(1,949,000)</u>	<u>(2,157,774)</u>	<u>(208,774)</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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, 2006**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest on investments	\$ -	\$ -	\$ 5,175	\$ 5,175
Total revenues	-	-	5,175	5,175
EXPENDITURES				
Debt service	790,000	790,000	955,000	(165,000)
Total expenditures	790,000	790,000	955,000	(165,000)
Excess (deficiency) of revenues over expenditures	(790,000)	(790,000)	(949,825)	(159,825)
Other financing sources (uses):				
Designated cash	(81,537)	(81,537)	-	81,537
Operating transfers in (out)	871,537	871,537	1,329,213	457,676
Total other financing sources (uses)	790,000	790,000	1,329,213	539,213
Net change in fund balance	-	-	379,388	379,388
Fund balance - beginning of year	-	-	944,298	944,298
Fund balance - end of the year	\$ -	\$ -	\$ 1,323,686	\$ 1,323,686

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, 2007**

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 three 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.

Courthouse Construction Project Fund

The purpose of this fund is to account for the remodeling of the courthouse.

STATE OF NEW MEXICO
 CHAVES COUNTY
 Combining Balance Sheet
 Non-Major Capital Projects
 June 30, 2007

Statement D-1

	Detention Construction Project Fund	Administration Construction Project Fund	Courthouse Construction Project Fund	Total
ASSETS				
Cash and cash equivalents	\$ 233,513	\$ 682	\$ 24,384	\$ 258,579
Prepaid expenses	18,675	-	-	18,675
Receivables:				
Taxes	117,364	-	-	117,364
Total assets	<u>\$ 369,552</u>	<u>\$ 682</u>	<u>\$ 24,384</u>	<u>\$ 394,618</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 10,606	\$ -	\$ -	\$ 10,606
Accrued expenses	-	-	-	-
Total liabilities	<u>10,606</u>	<u>-</u>	<u>-</u>	<u>10,606</u>
Fund balances:				
Unreserved:				
Designated for subsequent year's expenditures	182,841	-	-	182,841
Undesignated:	176,105	682	24,384	201,171
Total fund balances	<u>358,946</u>	<u>682</u>	<u>24,384</u>	<u>384,012</u>
Total liabilities and fund balances	<u>\$ 369,552</u>	<u>\$ 682</u>	<u>\$ 24,384</u>	<u>\$ 394,618</u>

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

CHAVES COUNTY

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Projects Funds
For the Year Ended June 30, 2007**

	Detention Construction Project	Administration Construction Project	Courthouse Construction Project	Total
REVENUES				
Taxes:				
Property taxes	\$ 1,292,823	\$ -	\$ -	\$ 1,292,823
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>1,292,823</u>	<u>-</u>	<u>-</u>	<u>1,292,823</u>
EXPENDITURES				
Current:				
General government	1,575,327	-	-	1,575,327
Total expenditures	<u>1,575,327</u>	<u>-</u>	<u>-</u>	<u>1,575,327</u>
Capital outlay	<u>5,306</u>	<u>19,414</u>	<u>-</u>	<u>24,720</u>
Total expenditures	<u>1,580,633</u>	<u>19,414</u>	<u>-</u>	<u>1,600,047</u>
Excess (deficiency) of revenues over expenditures	<u>(287,810)</u>	<u>(19,414)</u>	<u>-</u>	<u>(307,224)</u>
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(287,810)</u>	<u>(19,414)</u>	<u>-</u>	<u>(307,224)</u>
Fund balances - beginning of year	<u>646,756</u>	<u>20,096</u>	<u>24,384</u>	<u>691,236</u>
Fund balances - end of the year	<u>\$ 358,946</u>	<u>\$ 682</u>	<u>\$ 24,384</u>	<u>\$ 384,012</u>

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

STATE OF NEW MEXICO

Statement D-3

CHAVES COUNTY

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, 2007

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,294,000	\$ 1,294,000	\$ 1,176,040	\$ (117,960)
Miscellaneous	-	-	-	-
Total revenues	1,294,000	1,294,000	1,176,040	(117,960)
EXPENDITURES				
Current:				
General government	1,628,442	1,603,732	1,525,650	78,082
Capital outlay	-	5,309	5,307	2
Total expenditures	1,628,442	1,609,041	1,530,957	78,084
Excess (deficiency) of revenues over expenditures	(334,442)	(315,041)	(354,917)	(39,876)
Other financing sources (uses):				
Designated cash	334,442	315,041	-	(315,041)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	334,442	315,041	-	(315,041)
Net change in fund balance	-	-	(354,917)	(354,917)
Fund balance - beginning of year	-	-	646,681	646,681
Fund balance - end of the year	\$ -	\$ -	\$ 291,764	\$ 291,764

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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Current:				
General government	-	-	-	-
Capital outlay	-	19,415	19,414	1
Total expenditures	-	19,415	19,414	1
Excess (deficiency) of revenues over expenditures	-	(19,415)	(19,414)	1
Other financing sources (uses):				
Designated cash	-	19,415	-	(19,415)
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	19,415	-	(19,415)
Net change in fund balance	-	-	(19,414)	(19,414)
Fund balance - beginning of year	-	-	20,096	20,096
Fund balance - end of the year	\$ -	\$ -	\$ 682	\$ 682

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, 2007**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
	-	-	-	-
EXPENDITURES				
Current:				
General government:				
Operating expenses	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses):				
Designated cash balance	-	-	-	-
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balance - beginning of year	-	-	23,384	23,384
Fund balance - end of the year	\$ -	\$ -	\$ 23,384	\$ 23,384

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, 2007**

	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.

SUPPORTING SCHEDULES

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, 2007

	Balance June 30, 2006	Transfers in/ Additions	Transfer out/ Deletions
Governmental funds capital assets:			
Land	\$ 3,612,483	\$ 6,433	\$ -
Buildings	47,317,346	23,399	312
Machinery and equipment	20,661,071	1,333,296	48,374
Infrastructure	62,139,132	-	205,250
Construction in progress	333,774	822,914	376,837
Total governmental funds capital assets	\$ 134,063,806	\$ 2,186,042	\$ 630,773
Investments in governmental funds capital assets by source:			
General Fund revenues	\$ 33,037,018	\$ 619,579	\$ 107,910
Federal grants	2,728,764	-	32,798
State grants	11,935,542	630,836	7,964
Special revenue funds	71,293,724	308,102	374,410
Special assessments	2,064,536	347,525	97,695
Donated	304,090	280,000	4,275
Unknown and other sources	12,700,132	-	5,721
Total governmental funds capital assets	\$ 134,063,806	\$ 2,186,042	\$ 630,773

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

<u>Adjustments</u>	<u>Balance June 30, 2007</u>
\$ 50,040	\$ 3,668,956
(50,040)	47,290,393
-	21,945,993
(4,303,835)	57,630,047
-	779,851
<u>\$ (4,303,835)</u>	<u>\$ 131,315,240</u>

\$ (4,303,835)	\$ 29,244,852
-	2,695,966
-	12,558,414
-	71,227,416
-	2,314,366
-	579,815
-	12,694,411
<u>\$ (4,303,835)</u>	<u>\$ 131,315,240</u>

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FIDUCIARY FUNDS

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STATE OF NEW MEXICO

Schedule II

CHAVES COUNTY

Schedule of Changes in Fiduciary Assets and Liabilities

Fiduciary Funds

Year Ended June 30, 2007

	Balance June 30, 2006	Additions	Deletions	Balance June 30, 2007
ASSETS				
Cash and cash equivalents	\$ 376,432	\$ 14,658,650	\$ 14,394,160	\$ 640,922
Prepaid expenses	286	-	286	-
Receivables:				
Property Taxes	950,832	1,067,887	950,832	1,067,887
Oil & Gas Taxes	93,473	70,411	93,473	70,411
Total assets	<u>\$ 1,421,023</u>	<u>\$ 15,796,948</u>	<u>\$ 15,438,751</u>	<u>\$ 1,779,220</u>
LIABILITIES				
Accrued expenses	\$ 953,686	\$ -	\$ 953,686	\$ -
Due to other taxing units	467,337	15,796,948	14,485,065	1,779,220
Total liabilities	<u>\$ 1,421,023</u>	<u>\$ 15,796,948</u>	<u>\$ 15,438,751</u>	<u>\$ 1,779,220</u>

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

STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF JOINT POWERS AGREEMENTS
June 30, 2007

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
A-06-014	Chaves County and Flood Control	Chaves County and Flood Control	To establish Flood Control as a Chaves County department

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	\$ 260,541	\$ 260,541	NM Association of Counties	NM Association of Counties	NM Association of Counties
07/01/87 - Indefinite	\$ 281,881	\$ 281,881	NM Association of Counties	NM Association of Counties	NM Association of Counties
10/19/84 - Indefinite	N/A	N/A	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	\$ 640	Chaves County	N/A	Chaves County
May 26, 1999 - June 30, 2000 annually	\$ 106,259	\$ 106,259	Chaves County	N/A	Chaves County
04/09/01 - Indefinite	\$ 11,000	\$ 11,000	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	\$ 1,369	Chaves County	N/A	Chaves County
12/13/02 - Indefinite	Unknown	Unknown	Chaves County	N/A	Chaves County
09/13/04 - Indefinite	N/A	N/A	Chaves County	N/A	Chaves County
N/A	Unknown	Unknown	Chaves County	N/A	Chaves County
07/19/05 - Indefinite	\$ 323,250	\$ 323,250	Pecos Valley Regional Communication Center District	N/A	Pecos Valley Regional Communication Center District
N/A	Unknown	Unknown	Chaves County	N/A	Chaves County
04/06/06 - Indefinite	Unknown	Unknown	Chaves County	N/A	Chaves County

STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF MEMORANDUMS OF UNDERSTANDING
June 30, 2007

MOU #	County #	a	b	c	d
M-06-003		Chaves County & DFA/LGDD/DWI Program	Chaves County	Repository for the designated screening & tracking data from each NM DWI Program	02/16/06 - 06/30/07
M-06-005	A-02-150	Chaves County and La Casa De Buena Salud	La Casa De Buena Salud	Renewal of professional medical services contract	10/01/05 - 09/30/06
M-06-006	A-04-16	NM Department of Public Safety and Chaves County	NM Department of Public Safety	Renewal of lease agreement	07/01/06 - 06/30/07
M-06-008	A-02-53 A-02-54 A-03-22	Chaves County and Summit Food Services Management, Inc.	Summit Food Services Management, Inc.	Renewal of professional food management contract	07/01/06 - 06/30/07
M-06-010	A-03-127	Chaves County and ECO Planning, Inc.	ECO Planning, Inc.	Professional services contract	07/01/06 - 06/30/07
M-06-011		Chaves County & Eastern NM Medical Services	Eastern New Mexico Medical Services Corporation	Cooperative disaster and emergency planning and response	03/01/06-02/28/08
M-06-012	A-03-75	Chaves County & Town of Hagerman	Chaves County	Emergency services for Chaves County	07/01/06-06/30/07
M-06-013	A-03-76	Chaves County & Town of Dexter	Town of Dexter	Emergency services for Chaves County	07/01/06-06/30/07
M-06-014	A-03-77	Chaves County & Town of Lake Arthur	Town of Lake Arthur	Emergency services for Chaves County	07/01/06-06/30/07
M-06-015	A-03-094	Chaves County & SOY Mariachi	SOY Mariachi	Renewal of lease agreement	07/01/06-06/30/07
M-06-016	A-04-021	Chaves County and La Casa De Buena Salud	La Casa De Buena Salud	Renewal of lease agreement	07/01/06 - 06/30/07
M-06-017	A-02-050	Chaves County and Wayne A Delamater, MD	Dr. Wayne A Delamater	Renewal of lease agreement	07/01/06 - 06/30/07
M-06-018	N-05-006	Chaves County and Ameripride Linen	Chaves County	Renewal of lease agreement	07/06/06-06/30/07
M-06-019	A-05-037	Chaves County & SENM Economic Development	SENM Economic Development	Renewal of lease agreement	07/01/06 - 06/30/07
M-06-020	A-03-130	Chaves County and Town of Dexter	Town of Dexter	Renewal of lease agreement	07/01/06-06/30/07
M-06-021	A-03-117	Chaves County & Dr. Donald Wenner	Dr. Donald Wenner	Renewal of lease agreement	01/01/07-12/31/07
M-06-022	A-05-083	Chaves County and the Roswell Hispano Chamber of Commerce	Roswell Hispano Chamber of Commerce	Renewal of lease agreement	01/01/07-12/31/07
M-07-001	A-06-028	Chaves County and ASPEN of New Mexico	Chaves County	Renewal of professional services contract	01/01/07-06/30/07
M-07-027	A-03-062	Chaves County & City of Roswell	City of Roswell	Professional services contract	07/01/05-06/30/07
M-07-003	A-04-016	Chaves County & Public Safety Motor Transportation	Public Safety Motor Transportation	Renewal of lease agreement	07/01/06-06/30/07
M-07-008	A-06-018	Chaves County & Diane Taylor	Chaves County	Professional services contract	07/01/06-06/30/07
M-07-011	A-06-021	Chaves County and Dexter Municipal School District	Dexter Municipal School District	Renewal of professional services contract	07/01/06-06/30/08
M-07-012	A-06-023	Chaves County and Hagerman Muni Schools	Hagerman Municipal School District	Renewal of professional services contract	07/01/06-06/30/07
M-07-013	A-06-025	Chaves County and Lake Arthur Municipal Schools	Lake Arthur Municipal School District	Renewal of professional services contract	07/01/06-06/30/07
M-07-015	A-06-029	Chaves County and Crossroads Counseling	Chaves County	Renewal of professional services contract	07/01/06-06/30/07
M-07-017	A-06-032	Chaves County and Teen Court	Teen Court	Renewal of professional services contract	07/01/06-06/30/07
M-07-018	A-06-033	Chaves County and CASA	CASA	Renewal of professional services contract	07/01/06-06/30/07
M-07-004	A-06-053	Chaves County and Dr. Jack Graham	Chaves County	Renewal of lease agreement	07/01/06-06/30/07

Columns:

- a Participants
- b Party responsible for operations
- c Description
- d Beginning and ending dates of the MOU
- 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.

e	f	g	h	i
N/A	N/A	Chaves County & NM DFA	N/A	Chaves County & NM DFA
\$ 350,000	\$ 274,622	Chaves County and La Casa De Buena Salud	N/A	Chaves County
N/A	N/A	NM Department of Public Safety and Chaves County	N/A	Chaves County
\$ 275,500	\$ 406,125	Summit Food Services Management, Inc.	N/A	Chaves County
\$ 22,500	\$ 22,500	Chaves County	N/A	Chaves County
N/A	N/A	Eastern New Mexico Medical Servies Corporation	N/A	Eastern New Mexico Medical Servies Corporation & Chaves
\$ 15,000	\$ 15,000	Chaves County & Town of Hagerman	N/A	Chaves County
\$ 15,000	\$ 5,000	Chaves County & Town of Dexter	N/A	Chaves County
\$ 15,000	\$ -	Chaves County & Town of Lake Arthur	N/A	Chaves County
\$ 10,000	\$ 10,000	Chaves County	N/A	Chaves County
\$ 1,200	\$ 1,200	Chaves County and La Casa De Buena Salud	N/A	Chaves County
\$ 37,200	\$ 37,200	Chaves County	N/A	Chaves County
\$ 1,800	\$ 1,800	Chaves County	N/A	Chaves County
\$ 1,200	\$ 1,200	Chaves County & SENM Economic Development	N/A	Chaves County
\$ 2,800	\$ 2,825	Chaves County and Town of Dexter	N/A	Chaves County
\$ 43,560	\$ 43,560	Chaves County	N/A	Chaves County
\$ 4,200	\$ 4,200	Chaves County and the Roswell Hispano Chamber of Commerce	N/A	Chaves County
\$ 50,000	\$ 50,000	Chaves County	N/A	Chaves County
\$ 25,000	\$ 25,000	Chaves County	N/A	Chaves County
\$ 4,800	\$ 4,800	Chaves County	N/A	Chaves County
\$ 12,000	\$ 12,000	Chaves County	N/A	Chaves County
\$ 17,000	\$ 17,000	Chaves County	N/A	Chaves County
\$ 17,000	\$ 17,000	Chaves County	N/A	Chaves County
\$ 17,000	\$ 17,000	Chaves County	N/A	Chaves County
\$ 55,000	\$ 54,960	Chaves County	N/A	Chaves County
\$ 10,000	\$ 10,000	Chaves County	N/A	Chaves County
\$ 8,000	\$ 8,000	Chaves County	N/A	Chaves County
\$ 14,100	\$ 14,100	Chaves County	N/A	Chaves County

**STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Collateral Pledged by Depository
For the Year Ended June 30, 2007**

Name of Depository	Description of Pledged Collateral	Fair Market Value June 30, 2007	Name and Location of Safekeeper
First Federal Bank	FNMA 31410AAD8 Due 7/1/36	\$ 755,546	Federal Home Loan Bank Dallas, TX
First National Bank	FHLB 31339X3P7 Due 11/26/10	335,221	Federal Home Loan Bank Dallas, TX
Pioneer Bank	FHLMC ARM 1B0951 Due 7/1/33	566,370	Federal Home Loan Bank Dallas, TX
	FHLMC ARM 780217 Due 1/1/33	349,184	Federal Home Loan Bank Dallas, TX
	GNMA 780313-1 Due 1/15/11	4,015	Federal Home Loan Bank Dallas, TX
	GNMA II ARM 080540 Due 9/20/31	716,199	Federal Home Loan Bank Dallas, TX
	FHLMC 782804 Due 11/1/34	587,374	Federal Home Loan Bank Dallas, TX
		<u>2,223,142</u>	
Wells Fargo Bank	FNION 31371MNG8 Due 1/1/36	439,937	Federal Reserve Bank Kansas, City, MO
Bank of America	GNMA 36200Q3L6 Due 2/15/32	7,301	Federal Reserve Bank Boston, MA
	GNMA 36201ELN8 Due 1/15/17	23,110	Federal Reserve Bank Boston, MA
	GNMA 36202DQ20 Due 12/20/31	50,224	Federal Reserve Bank Boston, MA
	GNMA 36202DX63 Due 6/20/33	51,949	Federal Reserve Bank Boston, MA
	GNMA 36203LAX0 Due 11/15/23	93,130	Federal Reserve Bank Boston, MA

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

Name of Depository	Description of Pledged Collateral	Fair Market Value June 30, 2006	Name and Location of Safekeeper
Bank of America (continued)	GNMA 36209VNV2 Due 1/15/29	558	Federal Reserve Bank Boston, MA
	GNMA 36210AZH3 Due 1/15/29	818	Federal Reserve Bank Boston, MA
	GNMA 36225ADJ6 Due 1/15/25	74,496	Federal Reserve Bank Boston, MA
	GNMA 36225AT59 Due 5/15/09	360	Federal Reserve Bank Boston, MA
	GNMA 36225ATP5 Due 12/15/23	48,038	Federal Reserve Bank Boston, MA
	GNMA 36225AYK0 Due 2/15/13	522,354	Federal Reserve Bank Boston, MA
	GNMA 36225BAN8 Due 09/15/24	67,538	Federal Reserve Bank Boston, MA
	GNMA 36225BRY6 Due 02/15/17	1,715	Federal Reserve Bank Boston, MA
	GNMA 36225BUU0 Due 9/20/32	32,576	Federal Reserve Bank Boston, MA
	GNMA 36225BZR2 Due 10/15/18	1,048,317	Federal Reserve Bank Boston, MA
	GNMA 36290XH29 Due 08/15/33	6,165	Federal Reserve Bank Boston, MA
		<u>2,028,649</u>	
		<u>\$ 5,782,495</u>	

STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Individual Deposit Accounts and Investments
For the Year Ended June 30, 2007

Type of Bank Account	Bank of Albuquerque	Bank of America	First Federal	First National Bank	Pioneer Bank
Checking Sheriff's Special Fund	\$ -	\$ -	\$ -	\$ -	\$ 17,925
Checking CCDC Inmate	-	-	-	-	56,730
Checking Federal Taxes	-	-	-	-	-
Checking CDBG	-	-	-	-	102,000
Checking L F Road	-	-	-	-	607,168
Checking General Operating	-	-	-	-	2,394,009
Checking Payroll	-	-	-	-	3,321
CD	-	1,000,000	500,000	500,000	500,000
CD	-	1,115,103	500,000	-	-
GNMA	-	-	-	-	-
FJLMC	-	-	-	-	-
FNMA	-	-	-	-	-
FHLB	-	-	-	-	-
FFCB	-	-	-	-	-
Farmer Mac	-	-	-	-	-
New MexicGROW	-	-	-	-	-
Money Market Cash	-	-	-	-	-
US Treasury Bills	3,347,945	-	-	-	-
Total on deposit	3,347,945	2,115,103	1,000,000	500,000	3,681,153
Reconciling items	11,664	-	-	-	(1,428,121)
Reconciled balance as of 06/30/07	\$ 3,359,609	\$ 2,115,103	\$ 1,000,000	\$ 500,000	\$ 2,253,032

Petty cash

Total cash and temporary investments

Less: cash and temporary investments - Agency Funds

Combined balance sheet total - June 30, 2007

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

Wells Fargo Bank	Wachovia Securities	Merrill Lynch	NM State Treasurer	Totals
\$ -	\$ -	\$ -	\$ -	\$ 17,925
-	-	-	-	56,730
100,000	-	-	-	100,000
-	-	-	-	102,000
-	-	-	-	607,168
-	-	-	-	2,394,009
-	-	-	-	3,321
500,000	-	-	-	3,000,000
-	-	-	-	1,615,103
-	8,001	-	-	8,001
12,471,309	-	2,964,170	-	15,435,479
13,014,467	-	2,447,330	-	15,461,797
10,273,908	-	-	-	10,273,908
2,693,282	-	-	-	2,693,282
1,959,934	-	-	-	1,959,934
-	-	-	854,800	854,800
17,455,913	-	201,227	-	17,657,140
-	-	-	-	3,347,945
58,468,813	8,001	5,612,727	854,800	75,588,542
(2,547,409)	514	13,332	-	(3,950,020)
<u>\$ 55,921,404</u>	<u>\$ 8,515</u>	<u>\$ 5,626,059</u>	<u>\$ 854,800</u>	71,638,522
				<u>650</u>
				71,639,172
				<u>(640,922)</u>
				<u>\$ 70,998,250</u>

STATE OF NEW MEXICO

Schedule VII

CHAVES COUNTY

**Tax Roll Reconciliation - Changes in Property Taxes Receivable
For the Year Ended June 30, 2007**

Property taxes receivable, beginning of year	\$ 1,400,479
Changes to Tax Roll:	
Net taxes charged to treasurer for fiscal year	20,412,658
Adjustment for Special Predator Control and Pecos Valley Water Master	(7,556)
Adjustments for error in prior year tax receivable balance	<u>580</u>
Total receivable prior to collection	21,806,161
Collections for fiscal year ended June 30, 2007	<u>(20,186,454)</u>
Property taxes receivable, end of year	<u><u>\$ 1,619,707</u></u>
Property taxes receivable by year:	
1994-1997	\$ 2,178
1998	4,278
1999	16,534
2000	4,039
2001	4,382
2002	6,764
2003	22,360
2004	59,218
2005	313,801
2006	<u>1,186,153</u>
Total taxes receivable	<u><u>\$ 1,619,707</u></u>

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, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
CATTLE - HORSE STATE LEVY	1997	37,087.36	622.83	36,898.82	622.83	36,898.82	188.54
CATTLE - HORSE STATE LEVY	1998	55,051.93	1,004.97	54,830.35	1,004.97	54,830.35	221.58
CATTLE - HORSE STATE LEVY	1999	54,936.68	999.55	54,896.04	999.55	54,896.04	40.64
CATTLE - HORSE STATE LEVY	2000	54,474.55	994.94	54,453.72	994.94	54,453.72	20.83
CATTLE - HORSE STATE LEVY	2001	51,716.56	929.80	51,714.04	929.80	51,714.04	2.52
CATTLE - HORSE STATE LEVY	2002	44,788.39	18.91	44,775.65	18.91	44,775.65	12.74
CATTLE - HORSE STATE LEVY	2003	41,820.09	23.37	41,630.89	23.37	41,630.89	189.20
CATTLE - HORSE STATE LEVY	2004	44,799.49	244.57	44,438.01	244.57	44,438.01	361.48
CATTLE - HORSE STATE LEVY	2005	50,317.84	7,366.10	49,181.14	7,366.10	49,181.14	1,136.70
CATTLE - HORSE STATE LEVY	2006	53,853.27	51,273.28	51,273.28	51,273.28	51,273.28	2,579.99
		488,846.16	63,478.32	484,091.94	63,478.32	484,091.94	4,754.22
DAIRY STATE LEVY	1997	47,657.59	-	47,655.38	-	47,655.38	2.21
DAIRY STATE LEVY	1998	62,503.00	-	62,338.21	-	62,338.21	164.79
DAIRY STATE LEVY	1999	63,100.42	-	60,156.06	-	60,156.06	2,944.36
DAIRY STATE LEVY	2000	82,547.42	125.84	82,433.97	125.84	82,433.97	113.45
DAIRY STATE LEVY	2001	98,217.48	-	98,217.48	-	98,217.48	-
DAIRY STATE LEVY	2002	119,884.94	2,407.27	119,884.94	2,407.27	119,884.94	-
DAIRY STATE LEVY	2003	121,862.68	1,847.15	121,862.68	1,847.15	121,862.68	-
DAIRY STATE LEVY	2004	110,305.21	1,719.10	110,305.21	1,719.10	110,305.21	-
DAIRY STATE LEVY	2005	127,836.83	-	123,710.54	-	123,710.54	4,126.29
DAIRY STATE LEVY	2006	165,692.56	156,398.25	156,398.25	156,398.25	156,398.25	9,294.31
		999,608.13	162,497.61	982,962.72	162,497.61	982,962.72	16,645.41
GOAT STATE LEVY	1997	13,797.12	385.28	13,519.37	385.28	13,519.37	277.75
GOAT STATE LEVY	1998	20,670.53	601.59	20,339.33	601.59	20,339.33	331.20
GOAT STATE LEVY	1999	8,812.05	157.19	8,670.48	157.19	8,670.48	141.57
GOAT STATE LEVY	2000	7,194.30	110.44	7,101.98	110.44	7,101.98	92.32
GOAT STATE LEVY	2001	6,517.82	-	6,425.50	-	6,425.50	92.32
GOAT STATE LEVY	2002	4,467.90	-	4,348.12	-	4,348.12	119.78
GOAT STATE LEVY	2003	3,406.67	-	3,403.97	-	3,403.97	2.70
GOAT STATE LEVY	2004	3,025.91	-	3,025.75	-	3,025.75	0.16
GOAT STATE LEVY	2005	4,097.15	501.76	4,094.65	501.76	4,094.65	2.50
GOAT STATE LEVY	2006	4,303.50	4,165.22	4,165.22	4,165.22	4,165.22	138.28
		76,292.95	5,921.48	75,094.37	5,921.48	75,094.37	1,198.58
FLOOD CONTROL	1997	392,837.36	0.17	392,837.36	0.17	392,837.36	-
FLOOD CONTROL	1998	400,506.72	0.17	400,453.80	0.17	400,453.80	52.92
FLOOD CONTROL	1999	425,140.37	6.14	425,139.70	6.14	425,139.70	0.67
FLOOD CONTROL	2000	449,859.51	10.10	449,768.47	10.10	449,768.47	91.04
FLOOD CONTROL	2001	700,366.66	81.07	700,199.44	81.07	700,199.44	167.22
FLOOD CONTROL	2002	715,366.64	179.87	715,285.18	179.87	715,285.18	81.46
FLOOD CONTROL	2003	758,004.39	1,690.41	757,353.30	1,690.41	757,353.30	651.09
FLOOD CONTROL	2004	750,266.66	9,578.14	748,401.95	9,578.14	748,401.95	1,864.71
FLOOD CONTROL	2005	821,237.61	27,887.94	809,216.94	27,887.94	809,216.94	12,020.67
FLOOD CONTROL	2006	856,237.03	814,851.11	814,851.11	814,851.11	814,851.11	41,385.92
		6,269,822.95	854,285.12	6,213,507.25	854,285.12	6,213,507.25	56,315.70

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, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
PECOS VALLEY CONSERVANCY DIST	1997	338,048.96	0.15	338,048.96	0.15	338,048.96	-
PECOS VALLEY CONSERVANCY DIST	1998	344,564.75	0.15	344,516.43	0.15	344,516.43	48.32
PECOS VALLEY CONSERVANCY DIST	1999	399,242.37	6.11	399,241.70	6.11	399,241.70	0.67
PECOS VALLEY CONSERVANCY DIST	2000	823,727.98	19.64	823,717.70	19.64	823,717.70	10.28
PECOS VALLEY CONSERVANCY DIST	2001	876,111.40	111.93	876,036.73	111.93	876,036.73	74.67
PECOS VALLEY CONSERVANCY DIST	2002	898,434.12	235.07	898,324.57	235.07	898,324.57	109.55
PECOS VALLEY CONSERVANCY DIST	2003	937,834.16	2,141.21	937,070.85	2,141.21	937,070.85	763.31
PECOS VALLEY CONSERVANCY DIST	2004	989,466.79	13,282.02	986,904.13	13,282.02	986,904.13	2,562.66
PECOS VALLEY CONSERVANCY DIST	2005	1,084,770.97	36,450.28	1,068,065.25	36,450.28	1,068,065.25	16,705.72
PECOS VALLEY CONSERVANCY DIST	2006	1,135,339.72	1,079,957.11	1,079,957.11	1,079,957.11	1,079,957.11	55,382.61
PECOS VALLEY CONSERVANCY DIST		7,827,541.22	1,132,203.67	7,751,883.43	1,132,203.67	7,751,883.43	75,657.79
SOIL & WATER CONSERVATION	1997	37,763.04	0.04	37,763.04	0.04	37,763.04	-
SOIL & WATER CONSERVATION	1998	38,066.18	0.03	38,065.11	0.03	38,065.11	1.07
SOIL & WATER CONSERVATION	1999	63,191.06	0.05	63,190.41	0.05	63,190.41	0.65
SOIL & WATER CONSERVATION	2000	67,621.01	0.05	67,620.07	0.05	67,620.07	0.94
SOIL & WATER CONSERVATION	2001	79,507.59	2.72	79,498.54	2.72	79,498.54	9.05
SOIL & WATER CONSERVATION	2002	81,046.22	8.80	81,014.98	8.80	81,014.98	31.24
SOIL & WATER CONSERVATION	2003	84,012.41	106.28	83,930.72	106.28	83,930.72	81.69
SOIL & WATER CONSERVATION	2004	88,581.82	866.65	88,272.40	866.65	88,272.40	309.42
SOIL & WATER CONSERVATION	2005	99,111.45	2,580.43	97,892.97	2,580.43	97,892.97	1,218.48
SOIL & WATER CONSERVATION	2006	108,118.50	103,185.86	103,185.86	103,185.86	103,185.86	4,932.64
SOIL & WATER CONSERVATION		747,019.28	106,750.91	740,434.10	106,750.91	740,434.10	6,585.18
UPPER HONDO SOIL & WATER CONSERVATION DIST	1997	14.16	-	14.16	-	14.16	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	1998	13.46	-	13.46	-	13.46	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	1999	12.11	-	12.11	-	12.11	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	2000	13.98	-	13.98	-	13.98	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	2001	13.75	-	13.75	-	13.75	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	2002	13.86	-	13.86	-	13.86	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	2003	10.15	-	10.15	-	10.15	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	2004	11.74	-	11.74	-	11.74	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	2005	11.46	-	11.46	-	11.46	-
UPPER HONDO SOIL & WATER CONSERVATION DIST	2006	11.40	11.40	11.40	11.40	11.40	-
UPPER HONDO SOIL & WATER CONSERVATION DIST		126.07	11.40	126.07	11.40	126.07	-
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	1997	-	-	-	-	-	-
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	1998	12,286.04	0.10	12,286.04	0.10	12,286.04	-
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	1999	-	-	-	-	-	-
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	2000	13,253.71	0.10	13,253.71	0.10	13,253.71	-
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	2001	15,362.34	0.10	15,362.34	0.10	15,362.34	-
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	2002	15,670.68	0.10	15,670.68	0.10	15,670.68	-
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	2003	15,859.78	12.21	15,852.63	12.21	15,852.63	7.15
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	2004	16,268.27	84.14	16,224.45	84.14	16,224.45	43.82
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	2005	16,671.53	516.60	16,532.99	516.60	16,532.99	138.54
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST	2006	17,921.97	17,238.97	17,238.97	17,238.97	17,238.97	683.00
HAGERMAN-DEXTER SOIL & WATER CONSERVATION DIST		123,294.32	17,852.32	122,421.81	17,852.32	122,421.81	872.51

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, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
PENASCO S & W CONSERVATION DIST	1997	2,313.15	-	2,313.15	-	2,313.15	-
PENASCO S & W CONSERVATION DIST	1998	2,319.20	-	2,319.20	-	2,319.20	-
PENASCO S & W CONSERVATION DIST	1999	2,315.82	-	2,315.82	-	2,315.82	-
PENASCO S & W CONSERVATION DIST	2000	2,318.69	-	2,318.69	-	2,318.69	-
PENASCO S & W CONSERVATION DIST	2001	2,657.21	-	2,657.21	-	2,657.21	-
PENASCO S & W CONSERVATION DIST	2002	2,689.99	-	2,689.99	-	2,689.99	-
PENASCO S & W CONSERVATION DIST	2003	2,709.45	-	2,709.45	-	2,709.45	-
PENASCO S & W CONSERVATION DIST	2004	2,954.45	0.33	2,954.45	0.33	2,954.45	-
PENASCO S & W CONSERVATION DIST	2005	2,962.20	221.89	2,962.96	221.89	2,962.96	3.24
PENASCO S & W CONSERVATION DIST	2006	3,031.82	3,025.42	3,025.42	3,025.42	3,025.42	6.40
		26,275.98	3,247.64	26,266.34	3,247.64	26,266.34	9.64
CENTRAL VALLEY S & W CONSERVATION DIST	1997	980.34	-	980.34	-	980.34	-
CENTRAL VALLEY S & W CONSERVATION DIST	1998	1,105.71	-	1,105.71	-	1,105.71	-
CENTRAL VALLEY S & W CONSERVATION DIST	1999	1,117.33	-	1,117.33	-	1,117.33	-
CENTRAL VALLEY S & W CONSERVATION DIST	2000	1,120.40	-	1,120.40	-	1,120.40	-
CENTRAL VALLEY S & W CONSERVATION DIST	2001	1,130.46	0.96	1,130.46	0.96	1,130.46	-
CENTRAL VALLEY S & W CONSERVATION DIST	2002	1,171.49	0.94	1,171.49	0.94	1,171.49	-
CENTRAL VALLEY S & W CONSERVATION DIST	2003	1,259.93	1.31	1,256.51	1.31	1,256.51	3.42
CENTRAL VALLEY S & W CONSERVATION DIST	2004	1,301.46	4.23	1,283.95	4.23	1,283.95	17.51
CENTRAL VALLEY S & W CONSERVATION DIST	2005	2,893.10	513.77	2,636.70	513.77	2,636.70	256.40
CENTRAL VALLEY S & W CONSERVATION DIST	2006	1,424.13	903.10	903.10	903.10	903.10	521.03
		13,504.35	1,424.31	12,705.99	1,424.31	12,705.99	798.36
BORDER S & W CONSERVATION DIST	1997	325.40	-	325.40	-	325.40	-
BORDER S & W CONSERVATION DIST	1998	650.77	-	650.77	-	650.77	-
BORDER S & W CONSERVATION DIST	1999	655.13	-	655.13	-	655.13	-
BORDER S & W CONSERVATION DIST	2000	653.88	-	653.88	-	653.88	-
BORDER S & W CONSERVATION DIST	2001	852.89	-	852.89	-	852.89	-
BORDER S & W CONSERVATION DIST	2002	830.97	-	830.97	-	830.97	-
BORDER S & W CONSERVATION DIST	2003	823.69	-	823.69	-	823.69	-
BORDER S & W CONSERVATION DIST	2004	812.86	-	812.86	-	812.86	-
BORDER S & W CONSERVATION DIST	2005	674.70	11.61	674.70	11.61	674.70	-
BORDER S & W CONSERVATION DIST	2006	663.59	660.91	660.91	660.91	660.91	2.68
		6,943.88	672.52	6,941.20	672.52	6,941.20	2.68
COTTONWOOD-WALNUT CREEK	1997	4,249.23	-	4,249.23	-	4,249.23	-
COTTONWOOD-WALNUT CREEK	1998	4,918.41	-	4,918.41	-	4,918.41	-
COTTONWOOD-WALNUT CREEK	1999	4,988.14	-	4,988.14	-	4,988.14	-
COTTONWOOD-WALNUT CREEK	2000	5,037.28	-	5,037.28	-	5,037.28	-
COTTONWOOD-WALNUT CREEK	2001	8,242.17	5.75	8,242.17	5.75	8,242.17	-
COTTONWOOD-WALNUT CREEK	2002	8,578.89	5.74	8,578.89	5.74	8,578.89	-
COTTONWOOD-WALNUT CREEK	2003	9,354.17	5.71	9,354.17	5.71	9,354.17	-
COTTONWOOD-WALNUT CREEK	2004	9,692.64	5.78	9,659.05	5.78	9,659.05	33.59
COTTONWOOD-WALNUT CREEK	2005	10,040.78	1,419.91	9,376.69	1,419.91	9,376.69	664.09
COTTONWOOD-WALNUT CREEK	2006	10,171.46	7,297.36	7,297.36	7,297.36	7,297.36	2,874.10
		75,273.17	8,740.25	71,701.39	8,740.25	71,701.39	3,571.78

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, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
BISON	1999	-	-	-	-	-	-
BISON	2003	31.34	-	31.34	-	31.34	-
BISON	2004	6.17	-	6.17	-	6.17	-
BISON	2005	4.67	-	4.67	-	4.67	-
BISON	2006	7.09	7.09	7.09	7.09	7.09	-
BISON		49.27	7.09	49.27	7.09	49.27	-
RATITES	1999	-	-	-	-	-	-
RATITES	1999	-	-	-	-	-	-
STATE DEBT SERVICE	1994	-	-	(13.99)	-	(13.99)	13.99
STATE DEBT SERVICE	1995	-	0.29	(1.89)	0.29	(1.89)	1.89
STATE DEBT SERVICE	1996	-	-	(15.34)	-	(15.34)	15.34
STATE DEBT SERVICE	1997	608,972.68	247.42	608,901.24	247.42	608,901.24	71.44
STATE DEBT SERVICE	1998	667,730.02	296.73	667,555.48	296.73	667,555.48	174.54
STATE DEBT SERVICE	1999	783,675.34	276.98	782,878.87	276.98	782,878.87	796.47
STATE DEBT SERVICE	2000	843,575.84	231.02	843,358.87	231.02	843,358.87	216.97
STATE DEBT SERVICE	2001	1,016,157.42	249.15	1,015,921.03	249.15	1,015,921.03	236.39
STATE DEBT SERVICE	2002	656,443.87	733.65	656,105.36	733.65	656,105.36	338.51
STATE DEBT SERVICE	2003	936,055.76	2,217.48	934,978.27	2,217.48	934,978.27	1,077.49
STATE DEBT SERVICE	2004	643,846.39	9,422.54	641,012.45	9,422.54	641,012.45	2,833.94
STATE DEBT SERVICE	2005	850,429.50	25,445.48	835,984.98	25,445.48	835,984.98	14,444.52
STATE DEBT SERVICE	2006	929,413.38	875,430.95	875,430.95	875,430.95	875,430.95	53,982.43
STATE DEBT SERVICE		7,936,300.20	914,551.69	7,862,096.28	914,551.69	7,862,096.28	74,203.92
COUNTY OPERATIONAL	1994	-	-	(75.72)	-	(75.72)	75.72
COUNTY OPERATIONAL	1995	-	1.70	(10.25)	1.70	(10.25)	10.25
COUNTY OPERATIONAL	1996	-	-	(83.06)	-	(83.06)	83.06
COUNTY OPERATIONAL	1997	4,572,565.16	2,002.74	4,572,029.16	2,002.74	4,572,029.16	536.00
COUNTY OPERATIONAL	1998	4,032,374.06	2,428.35	4,030,999.32	2,428.35	4,030,999.32	1,374.74
COUNTY OPERATIONAL	1999	4,310,877.20	2,431.49	4,304,519.22	2,431.49	4,304,519.22	6,357.98
COUNTY OPERATIONAL	2000	4,547,213.05	1,793.43	4,545,581.83	1,793.43	4,545,581.83	1,631.22
COUNTY OPERATIONAL	2001	4,803,911.84	1,839.49	4,802,290.51	1,839.49	4,802,290.51	1,621.33
COUNTY OPERATIONAL	2002	4,915,918.58	5,684.90	4,913,612.15	5,684.90	4,913,612.15	2,306.43
COUNTY OPERATIONAL	2003	5,083,800.38	14,743.09	5,076,725.18	14,743.09	5,076,725.18	7,075.20
COUNTY OPERATIONAL	2004	5,310,069.72	60,960.78	5,292,591.35	60,960.78	5,292,591.35	17,478.37
COUNTY OPERATIONAL	2005	5,842,063.01	170,193.29	5,750,881.33	170,193.29	5,750,881.33	91,181.68
COUNTY OPERATIONAL	2006	6,197,714.66	5,831,942.77	5,831,942.77	5,831,942.77	5,831,942.77	365,771.89
COUNTY OPERATIONAL		49,616,507.66	6,094,022.03	49,121,003.79	6,094,022.03	49,121,003.79	495,503.87
COUNTY DEBT SERVICE	1997	382,924.92	-	382,924.92	-	382,924.92	-
COUNTY DEBT SERVICE	1998	396,087.42	-	396,087.42	-	396,087.42	-
COUNTY DEBT SERVICE	1999	428,324.58	-	428,324.58	-	428,324.58	-
COUNTY DEBT SERVICE	2000	406,615.69	-	406,615.69	-	406,615.69	-
COUNTY DEBT SERVICE	2001	375,373.73	-	375,373.73	-	375,373.73	-
COUNTY DEBT SERVICE	2002	332,605.98	-	332,605.98	-	332,605.98	-
COUNTY DEBT SERVICE	2003	-	-	-	-	-	-

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, 2007

Schedule VI

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
COUNTY DEBT SERVICE		2,321,932.32	-	2,321,932.32	-	2,321,932.32	-
CHAVES COMM. COL(1)	1994	-	-	(10.20)	-	(10.20)	10.20
CHAVES COMM. COL(1)	1995	-	0.23	(1.38)	0.23	(1.38)	1.38
CHAVES COMM. COL(1)	1996	-	-	(11.18)	-	(11.18)	11.18
CHAVES COMM. COL(1)	1997	433,125.03	170.70	433,084.69	170.70	433,084.69	40.34
CHAVES COMM. COL(1)	1998	449,380.24	207.00	449,265.13	207.00	449,265.13	115.11
CHAVES COMM. COL(1)	1999	477,892.21	216.85	477,290.52	216.85	477,290.52	601.69
CHAVES COMM. COL(1)	2000	504,699.50	163.05	504,543.27	163.05	504,543.27	156.23
CHAVES COMM. COL(1)	2001	535,176.43	199.76	535,007.87	199.76	535,007.87	168.56
CHAVES COMM. COL(1)	2002	549,509.20	588.57	549,266.13	588.57	549,266.13	243.07
CHAVES COMM. COL(1)	2003	566,716.98	1,716.77	565,912.24	1,716.77	565,912.24	804.74
CHAVES COMM. COL(1)	2004	590,530.71	7,217.46	588,431.09	7,217.46	588,431.09	2,099.62
CHAVES COMM. COL(1)	2005	646,585.39	19,426.15	635,841.84	19,426.15	635,841.84	10,743.55
CHAVES COMM. COL(1)	2006	686,952.72	646,446.79	646,446.79	646,446.79	646,446.79	40,505.93
CHAVES COMM. COL(1)		5,440,568.41	676,353.33	5,385,066.81	676,353.33	5,385,066.81	55,501.60
CHAVES COMM. COL DEBT(2)	1994	-	-	(14.85)	-	(14.85)	14.85
CHAVES COMM. COL DEBT(2)	1995	-	0.41	(2.01)	0.41	(2.01)	2.01
CHAVES COMM. COL DEBT(2)	1996	-	-	(16.29)	-	(16.29)	16.29
CHAVES COMM. COL DEBT(2)	1997	607,214.41	237.81	607,158.23	237.81	607,158.23	56.18
CHAVES COMM. COL DEBT(2)	1998	623,506.14	288.31	623,347.71	288.31	623,347.71	158.43
CHAVES COMM. COL DEBT(2)	1999	710,748.12	303.94	709,922.52	303.94	709,922.52	825.60
CHAVES COMM. COL DEBT(2)	2000	742,675.37	232.35	742,458.58	232.35	742,458.58	216.79
CHAVES COMM. COL DEBT(2)	2001	776,679.06	288.25	776,441.37	288.25	776,441.37	237.69
CHAVES COMM. COL DEBT(2)	2002	789,703.88	831.45	789,360.82	831.45	789,360.82	343.06
CHAVES COMM. COL DEBT(2)	2003	831,576.02	2,515.71	830,435.05	2,515.71	830,435.05	1,140.97
CHAVES COMM. COL DEBT(2)	2004	843,328.75	10,605.06	840,323.89	10,605.06	840,323.89	3,004.86
CHAVES COMM. COL DEBT(2)	2005	930,601.07	28,547.64	915,278.50	28,547.64	915,278.50	15,322.57
CHAVES COMM. COL DEBT(2)	2006	971,848.51	914,701.28	914,701.28	914,701.28	914,701.28	57,147.23
CHAVES COMM. COL DEBT(2)		7,827,881.33	958,552.21	7,749,394.80	958,552.21	7,749,394.80	78,486.53
N.M. JR. COLLEGE	1997	736.76	-	736.76	-	736.76	-
N.M. JR. COLLEGE	1998	1,251.37	-	1,251.37	-	1,251.37	-
N.M. JR. COLLEGE	1999	1,610.09	-	1,610.09	-	1,610.09	-
N.M. JR. COLLEGE	2000	204.96	-	204.96	-	204.96	-
N.M. JR. COLLEGE	2001	213.68	-	213.68	-	213.68	-
N.M. JR. COLLEGE	2002	259.38	-	259.38	-	259.38	-
N.M. JR. COLLEGE	2003	256.08	-	256.08	-	256.08	-
N.M. JR. COLLEGE	2004	239.73	-	239.73	-	239.73	-
N.M. JR. COLLEGE	2005	240.65	-	240.65	-	240.65	-
N.M. JR. COLLEGE	2006	227.63	227.63	227.63	227.63	227.63	-
N.M. JR. COLLEGE		5,240.33	227.63	5,240.33	227.63	5,240.33	-
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	1994	-	-	(62.86)	-	(62.86)	62.86
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	1996	-	-	(65.63)	-	(65.63)	65.63
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	1997	2,193,830.81	477.81	2,193,825.05	477.81	2,193,825.05	5.76

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	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	1998	2,238,363.41	574.70	2,238,010.12	574.70	2,238,010.12	353.29
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	1999	2,409,345.38	599.05	2,409,221.92	599.05	2,409,221.92	123.46
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	2000	2,516,232.91	205.80	2,516,038.15	205.80	2,516,038.15	194.76
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	2001	2,644,260.96	592.22	2,643,960.35	592.22	2,643,960.35	300.61
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	2002	2,683,502.29	777.46	2,682,463.23	777.46	2,682,463.23	1,039.06
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	2003	2,769,816.40	7,848.88	2,766,167.66	7,848.88	2,766,167.66	3,648.74
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	2004	2,890,919.90	41,282.50	2,880,538.68	41,282.50	2,880,538.68	10,381.22
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	2005	3,141,574.40	104,850.11	3,087,051.64	104,850.11	3,087,051.64	54,522.76
SCH. DIST. # 1 IN - MUNICIPAL OPERATIONAL	2006	3,302,716.53	3,097,123.06	3,097,123.06	3,097,123.06	3,097,123.06	205,593.47
		<u>26,790,562.99</u>	<u>3,254,331.59</u>	<u>26,514,271.37</u>	<u>3,254,331.59</u>	<u>26,514,271.37</u>	<u>276,291.62</u>
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1994	-	5.92	(5.73)	5.92	(5.73)	5.73
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1996	-	-	(5.98)	-	(5.98)	5.98
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1997	-	87.60	(0.50)	87.60	(0.50)	0.50
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1998	-	138.11	(30.94)	138.11	(30.94)	30.94
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	1999	926,543.77	122.17	926,532.96	122.17	926,532.96	10.81
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2000	899,466.78	58.51	899,449.57	58.51	899,449.57	17.21
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2001	1,044,845.23	143.11	1,044,818.08	143.11	1,044,818.08	27.15
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2002	891,316.79	252.84	891,224.37	252.84	891,224.37	92.42
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2003	889,639.74	1,869.54	889,312.61	1,869.54	889,312.61	327.13
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2004	452,348.28	8,940.93	451,410.23	8,940.93	451,410.23	938.05
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2005	596,374.88	25,465.06	591,453.57	25,465.06	591,453.57	4,921.31
SCH. DIST. # 1 IN - MUNICIPAL DEBT SERVICE	2006	296,656.93	278,257.20	278,257.20	278,257.20	278,257.20	18,399.73
		<u>5,997,192.40</u>	<u>315,340.99</u>	<u>5,972,415.44</u>	<u>315,340.99</u>	<u>5,972,415.44</u>	<u>24,776.96</u>
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1994	-	-	(2.48)	-	(2.48)	2.48
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1996	-	-	(2.59)	-	(2.59)	2.59
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1997	152,953.79	30.32	152,953.41	30.32	152,953.41	0.38
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1998	158,217.92	35.86	158,194.83	35.86	158,194.83	23.09
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	1999	169,947.18	35.30	169,939.11	35.30	169,939.11	8.07
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2000	178,388.02	8.68	178,376.37	8.68	178,376.37	11.65
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2001	187,010.46	28.90	186,996.78	28.90	186,996.78	13.68
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2002	130,528.23	31.18	130,470.64	31.18	130,470.64	57.59
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2003	136,309.04	357.27	136,125.52	357.27	136,125.52	183.52
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2004	142,712.77	1,945.59	142,243.95	1,945.59	142,243.95	468.82
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2005	154,881.25	5,110.40	152,379.64	5,110.40	152,379.64	2,501.61
SCH. DIST. # 1 IN - SCH. DIST. OPERATIONAL	2006	162,047.94	151,469.92	151,469.92	151,469.92	151,469.92	10,578.02
		<u>1,572,996.60</u>	<u>159,053.42</u>	<u>1,559,145.10</u>	<u>159,053.42</u>	<u>1,559,145.10</u>	<u>13,851.50</u>
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1994	-	2.07	(43.59)	2.07	(43.59)	43.59
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1996	-	-	(45.51)	-	(45.51)	45.51
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1997	1,728,265.95	341.38	1,728,262.11	341.38	1,728,262.11	3.84
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1998	1,807,278.33	426.97	1,807,042.89	426.97	1,807,042.89	235.44
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	1999	1,568,322.00	438.80	1,568,239.72	438.80	1,568,239.72	82.28
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2000	1,605,625.49	165.81	1,605,494.58	165.81	1,605,494.58	130.91
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2001	1,545,752.05	460.59	1,545,545.48	460.59	1,545,545.48	206.57

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State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2002	1,102,709.40	649.66	1,102,006.16	649.66	1,102,006.16	703.24
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2003	2,438,806.36	6,118.59	2,436,317.31	6,118.59	2,436,317.31	2,489.05
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2004	2,403,942.02	31,573.24	2,396,804.51	31,573.24	2,396,804.51	7,137.51
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2005	2,336,877.34	81,623.49	2,298,431.89	81,623.49	2,298,431.89	37,445.45
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE	2006	2,257,249.31	2,117,248.56	2,117,248.56	2,117,248.56	2,117,248.56	140,000.75
SCH. DIST. # 1 IN - SCH. DIST. DEBT SERVICE		18,794,828.25	2,239,049.16	18,606,304.11	2,239,049.16	18,606,304.11	188,524.14
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1994	-	-	(17.10)	-	(17.10)	17.10
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1996	-	-	(17.85)	-	(17.85)	17.85
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1997	796,435.92	125.48	796,434.41	125.48	796,434.41	1.51
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1998	817,403.14	151.31	817,310.78	151.31	817,310.78	92.36
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	1999	940,522.94	159.00	940,490.66	159.00	940,490.66	32.28
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2000	975,767.55	56.99	975,716.19	56.99	975,716.19	51.36
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2001	1,011,617.84	162.16	1,011,536.80	162.16	1,011,536.80	81.04
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2002	737,845.02	217.61	737,569.13	217.61	737,569.13	275.89
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2003	780,043.61	2,160.16	779,067.13	2,160.16	779,067.13	976.48
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2004	792,203.66	11,303.82	789,403.54	11,303.82	789,403.54	2,800.12
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2005	852,626.29	28,716.02	837,936.06	28,716.02	837,936.06	14,690.23
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP	2006	885,543.08	830,619.37	830,619.37	830,619.37	830,619.37	54,923.71
SCH. DIST. # 1 IN - SCH. DIST. CAP. IMP		8,590,009.05	873,671.92	8,516,049.12	873,671.92	8,516,049.12	73,959.93
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1994	-	-	(0.66)	-	(0.66)	0.66
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1995	-	-	(0.43)	-	(0.43)	0.43
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1996	-	-	(0.51)	-	(0.51)	0.51
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1997	-	43.43	(15.41)	43.43	(15.41)	15.41
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1998	-	53.71	(6.57)	53.71	(6.57)	6.57
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	1999	-	48.16	(288.06)	48.16	(288.06)	288.06
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2000	-	41.20	(58.13)	41.20	(58.13)	58.13
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2001	-	44.97	(50.03)	44.97	(50.03)	50.03
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2002	59,792.51	230.12	59,757.63	230.12	59,757.63	34.88
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2003	59,944.78	259.37	59,854.04	259.37	59,854.04	90.74
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2004	62,637.74	581.18	62,442.58	581.18	62,442.58	195.16
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2005	69,101.27	1,439.51	68,473.17	1,439.51	68,473.17	628.10
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL	2006	75,226.42	72,198.41	72,198.41	72,198.41	72,198.41	3,028.01
SCH. DIST. # 1 OUT - SCH. DIST. OPERATIONAL		326,702.72	74,940.06	322,306.03	74,940.06	322,306.03	4,396.69
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1994	-	0.78	(11.64)	0.78	(11.64)	11.64
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1995	-	0.50	(7.48)	0.50	(7.48)	7.48
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1996	-	-	(8.89)	-	(8.89)	8.89
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1997	-	482.62	(162.91)	482.62	(162.91)	162.91
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1998	-	592.04	(67.00)	592.04	(67.00)	67.00
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	1999	-	737.66	(2,941.20)	737.66	(2,941.20)	2,941.20
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2000	-	516.74	(632.17)	516.74	(632.17)	632.17
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2001	-	571.29	(574.66)	571.29	(574.66)	574.66
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2002	426,216.73	2,605.02	425,762.54	2,605.02	425,762.54	454.19
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2003	923,665.64	3,314.07	922,536.29	3,314.07	922,536.29	1,129.35
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2004	913,501.13	8,343.66	910,929.25	8,343.66	910,929.25	2,571.88

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State of New Mexico
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AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2005	901,837.02	20,981.76	893,110.14	20,981.76	893,110.14	8,726.88
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE	2006	910,957.05	873,532.80	873,532.80	873,532.80	873,532.80	37,424.25
SCH. DIST. # 1 OUT - SCH. DIST. DEBT SERVICE		4,076,177.57	911,678.94	4,021,465.07	911,678.94	4,021,465.07	54,712.50
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1994	-	-	(4.57)	-	(4.57)	4.57
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1995	-	-	(2.93)	-	(2.93)	2.93
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1996	-	-	(3.49)	-	(3.49)	3.49
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1997	-	173.73	(63.91)	173.73	(63.91)	63.91
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1998	-	216.35	(26.29)	216.35	(26.29)	26.29
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	1999	-	200.57	(1,153.86)	200.57	(1,153.86)	1,153.86
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2000	-	174.23	(248.01)	174.23	(248.01)	248.01
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2001	-	195.17	(225.45)	195.17	(225.45)	225.45
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2002	285,190.18	946.20	285,012.00	946.20	285,012.00	178.18
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2003	295,431.19	1,185.48	294,988.13	1,185.48	294,988.13	443.06
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2004	301,038.43	2,980.60	300,029.45	2,980.60	300,029.45	1,008.98
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2005	330,271.53	7,428.74	326,847.88	7,428.74	326,847.88	3,423.65
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.	2006	357,378.20	342,696.26	342,696.26	342,696.26	342,696.26	14,681.94
SCH. DIST. # 1 OUT - SCH. DIST. CAP. IMP.		1,569,309.53	356,197.33	1,547,845.21	356,197.33	1,547,845.21	21,464.32
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	1997	3,539.50	14.79	3,532.32	14.79	3,532.32	7.18
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	1998	3,660.94	18.17	3,651.10	18.17	3,651.10	9.84
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	1999	4,003.11	15.52	3,995.66	15.52	3,995.66	7.45
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2000	3,998.26	12.71	3,993.27	12.71	3,993.27	4.99
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2001	3,601.76	0.01	3,596.87	0.01	3,596.87	4.89
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2002	3,225.84	0.02	3,219.82	0.02	3,219.82	6.02
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2003	3,189.26	0.01	3,188.73	0.01	3,188.73	0.53
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2004	3,833.18	0.17	3,831.94	0.17	3,831.94	1.24
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2005	3,497.34	141.75	3,493.64	141.75	3,493.64	3.70
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL	2006	3,583.32	3,520.31	3,520.31	3,520.31	3,520.31	63.01
SCH. DIST. # 14 - SCH. DIST. OPERATIONAL		36,132.51	3,723.46	36,023.66	3,723.46	36,023.66	108.85
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	1997	15,717.99	27.85	15,709.59	27.85	15,709.59	8.40
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	1998	17,789.44	34.71	17,777.93	34.71	17,777.93	11.51
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	1999	19,119.56	29.18	19,110.84	29.18	19,110.84	8.72
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2000	14,922.44	23.36	14,916.60	23.36	14,916.60	5.84
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2001	16,253.35	2.37	16,247.63	2.37	16,247.63	5.72
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2002	2,307.88	2.92	2,300.83	2.92	2,300.83	7.05
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2003	5,477.72	0.26	5,477.10	0.26	5,477.10	0.62
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2004	12,556.91	0.87	12,555.46	0.87	12,555.46	1.45
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2005	5,912.55	240.42	5,908.23	240.42	5,908.23	4.32
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE	2006	4,290.52	4,215.83	4,215.83	4,215.83	4,215.83	74.69
SCH. DIST. # 14 - SCH. DIST. DEBT SERVICE		114,348.36	4,577.77	114,220.04	4,577.77	114,220.04	128.32
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	1997	14,380.58	59.14	14,351.85	59.14	14,351.85	28.73
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	1998	15,050.29	72.69	15,010.93	72.69	15,010.93	39.36
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	1999	16,397.56	62.08	16,367.76	62.08	16,367.76	29.80
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2000	16,371.29	50.84	16,351.34	50.84	16,351.34	19.95

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, 2007

Schedule VI

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2001	14,762.35	0.06	14,742.80	0.06	14,742.80	19.55
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2002	13,225.75	0.07	13,201.66	0.07	13,201.66	24.09
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2003	13,073.33	-	13,071.19	-	13,071.19	2.14
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2004	15,677.74	0.67	15,672.78	0.67	15,672.78	4.96
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2005	14,329.83	578.40	14,315.05	578.40	14,315.05	14.78
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.	2006	14,668.47	14,413.12	14,413.12	14,413.12	14,413.12	255.35
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV.		147,937.19	15,237.07	147,498.48	15,237.07	147,498.48	438.71
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	1997	20,784.53	120.02	20,721.11	120.02	20,721.11	63.42
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	1998	22,334.63	147.01	22,247.74	147.01	22,247.74	86.89
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	1999	21,874.34	126.03	21,808.57	126.03	21,808.57	65.77
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	2000	26,005.80	103.73	25,961.75	103.73	25,961.75	44.05
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	2001	20,652.53	-	20,609.37	-	20,609.37	43.16
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	2002	18,692.45	-	18,639.27	-	18,639.27	53.18
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	2003	27,205.62	-	27,200.91	-	27,200.91	4.71
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	2004	26,658.94	0.81	26,647.99	0.81	26,647.99	10.95
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	2005	29,921.12	1,205.88	29,888.49	1,205.88	29,888.49	32.63
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33	2006	32,380.65	31,816.97	31,816.97	31,816.97	31,816.97	563.68
SCH. DIST. # 14 - SCH. DIST. CAP. IMPROV. - HB33		246,510.61	33,520.45	245,542.17	33,520.45	245,542.17	968.44
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	1997	1,719.09	-	1,719.09	-	1,719.09	-
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	1998	1,835.95	-	1,835.95	-	1,835.95	-
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	1999	1,968.69	-	1,968.27	-	1,968.27	0.42
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2000	2,335.69	-	2,335.27	-	2,335.27	0.42
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2001	2,538.11	0.20	2,538.11	0.20	2,538.11	-
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2002	2,254.79	1.10	2,254.79	1.10	2,254.79	-
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2003	2,384.43	7.25	2,331.87	7.25	2,331.87	52.56
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2004	2,377.95	18.72	2,316.28	18.72	2,316.28	61.67
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2005	2,338.57	127.21	2,235.42	127.21	2,235.42	103.15
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL	2006	2,470.93	2,210.86	2,210.86	2,210.86	2,210.86	260.07
SCH. DIST. # 20 IN - MUNICIPAL OPERATIONAL		22,224.20	2,365.34	21,745.91	2,365.34	21,745.91	478.29
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	1997	3,616.97	-	3,616.97	-	3,616.97	-
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	1998	3,841.63	-	3,841.63	-	3,841.63	-
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	1999	3,876.90	-	3,876.81	-	3,876.81	0.09
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2000	4,083.48	-	4,083.38	-	4,083.38	0.10
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2001	4,336.29	0.04	4,336.29	0.04	4,336.29	-
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2002	428.53	0.19	428.53	0.19	428.53	-
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2003	448.38	0.69	439.40	0.69	439.40	8.98
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2004	445.40	2.50	434.78	2.50	434.78	10.62
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2005	430.55	20.15	412.71	20.15	412.71	17.84
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL	2006	470.11	424.65	424.65	424.65	424.65	45.46
SCH. DIST. # 20 IN - SCH. DIST. OPERATIONAL		21,978.24	448.22	21,895.15	448.22	21,895.15	83.09
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1997	45,008.88	-	45,008.88	-	45,008.88	-
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1998	67,318.19	-	67,318.19	-	67,318.19	-
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1999	55,675.57	0.12	55,674.70	0.12	55,674.70	0.87

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State of New Mexico
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AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2000	51,638.42	0.12	51,637.54	0.12	51,637.54	0.88
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2001	33,862.67	0.49	33,862.67	0.49	33,862.67	-
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2002	4,390.43	2.68	4,390.43	2.68	4,390.43	-
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2003	7,356.21	37.00	7,247.19	37.00	7,247.19	109.02
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2004	4,769.81	68.36	4,641.91	68.36	4,641.91	127.90
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2005	5,709.29	348.42	5,495.33	348.42	5,495.33	213.96
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	2006	5,125.10	4,585.68	4,585.68	4,585.68	4,585.68	539.42
		280,854.57	5,042.87	279,862.52	5,042.87	279,862.52	992.05
SCH. DIST. # 20 IN - SCH. DIST. DEBT SERVICE	1997	15,419.28	-	15,419.28	-	15,419.28	-
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	1998	16,299.80	-	16,299.80	-	16,299.80	-
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	1999	16,467.19	-	16,466.81	-	16,466.81	0.38
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2000	17,337.05	-	17,336.67	-	17,336.67	0.38
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2001	-	0.18	-	0.18	-	-
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2002	2,112.81	0.96	2,112.81	0.96	2,112.81	-
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2003	2,190.52	5.04	2,143.27	5.04	2,143.27	47.25
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2004	2,137.49	14.90	2,082.06	14.90	2,082.06	55.43
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2005	2,065.05	108.97	1,972.33	108.97	1,972.33	92.72
SCH. DIST. # 20 IN - SCH. DIST. CAP. IMPROV.	2006	2,221.06	1,987.29	1,987.29	1,987.29	1,987.29	233.77
		76,250.25	2,117.34	75,820.32	2,117.34	75,820.32	429.93
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	1997	-	-	(2.04)	-	(2.04)	2.04
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	1998	-	-	(2.15)	-	(2.15)	2.15
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	1999	-	-	(1.91)	-	(1.91)	1.91
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2000	-	0.17	(1.64)	0.17	(1.64)	1.64
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2001	-	0.76	(1.10)	0.76	(1.10)	1.10
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2002	4,403.60	0.82	4,402.36	0.82	4,402.36	1.24
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2003	4,331.37	1.46	4,326.09	1.46	4,326.09	5.28
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2004	4,545.98	9.40	4,528.93	9.40	4,528.93	17.05
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2005	5,229.85	76.56	4,607.87	76.56	4,607.87	621.98
SCH. DIST. # 20 OUT - SCH. DIST. OPERATIONAL	2006	5,532.12	3,994.17	3,994.17	3,994.17	3,994.17	1,537.95
		24,042.92	4,083.34	21,850.58	4,083.34	21,850.58	2,192.34
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	1997	-	3.70	(24.72)	3.70	(24.72)	24.72
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	1998	-	3.91	(26.10)	3.91	(26.10)	26.10
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	1999	-	3.48	(23.22)	3.48	(23.22)	23.22
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2000	-	6.15	(19.93)	6.15	(19.93)	19.93
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2001	-	11.21	(13.39)	11.21	(13.39)	13.39
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2002	37,661.27	12.27	37,646.24	12.27	37,646.24	15.03
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2003	60,760.67	26.52	60,706.41	26.52	60,706.41	54.26
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2004	41,672.05	147.86	41,497.96	147.86	41,497.96	174.09
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2005	58,403.46	2,020.57	52,613.40	2,020.57	52,613.40	5,790.06
SCH. DIST. # 20 OUT - SCH. DIST. DEBT SERVICE	2006	52,221.14	37,805.60	37,805.60	37,805.60	37,805.60	14,415.54
		250,718.59	40,041.27	230,162.25	40,041.27	230,162.25	20,556.34
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	1997	-	-	(10.71)	-	(10.71)	10.71
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	1998	-	-	(11.31)	-	(11.31)	11.31

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State of New Mexico
 Chaves County
 Property Tax Schedule
 For the Year Ended June 30, 2007

Schedule VI

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	1999	-	-	(10.06)	-	(10.06)	10.06
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	2000	-	0.73	(8.64)	0.73	(8.64)	8.64
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	2001	-	3.10	(5.80)	3.10	(5.80)	5.80
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	2002	18,123.81	3.37	18,117.30	3.37	18,117.30	6.51
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	2003	17,866.69	5.96	17,843.18	5.96	17,843.18	23.51
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	2004	18,674.45	41.84	18,599.00	41.84	18,599.00	75.45
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	2005	21,446.52	358.60	18,937.29	358.60	18,937.29	2,509.23
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.	2006	22,631.04	16,383.79	16,383.79	16,383.79	16,383.79	6,247.25
SCH. DIST. # 20 OUT - SCH. DIST. CAP. IMPROV.		98,742.51	16,797.39	89,834.04	16,797.39	89,834.04	8,908.47
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	1997	555.60	-	555.60	-	555.60	-
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	1998	566.22	-	566.22	-	566.22	-
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	1999	560.80	-	560.80	-	560.80	-
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2000	547.67	-	547.67	-	547.67	-
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2001	526.81	-	526.81	-	526.81	-
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2002	575.53	-	575.53	-	575.53	-
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2003	704.72	-	704.72	-	704.72	-
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2004	994.77	-	994.77	-	994.77	-
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2005	882.22	4.85	881.20	4.85	881.20	1.02
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL	2006	1,067.93	1,065.86	1,065.86	1,065.86	1,065.86	2.07
SCH. DIST. # 27 - SCH. DIST. OPERATIONAL		6,982.27	1,070.71	6,979.18	1,070.71	6,979.18	3.09
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	1997	-	-	-	-	-	-
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	1998	-	-	-	-	-	-
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	1999	-	-	-	-	-	-
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2000	-	-	-	-	-	-
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2001	7,024.29	-	7,024.29	-	7,024.29	-
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2002	9,267.05	-	9,267.05	-	9,267.05	-
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2003	8,432.32	-	8,432.32	-	8,432.32	-
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2004	10,000.62	-	10,000.62	-	10,000.62	-
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2005	7,621.63	41.38	7,614.11	41.38	7,614.11	7.52
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE	2006	8,111.88	8,096.60	8,096.60	8,096.60	8,096.60	15.28
SCH. DIST. # 27 - SCH. DIST. DEBT SERVICE		50,457.79	8,137.98	50,434.99	8,137.98	50,434.99	22.80
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	1997	2,280.34	-	2,280.34	-	2,280.34	-
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	1998	2,321.54	-	2,321.54	-	2,321.54	-
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	1999	2,296.36	-	2,296.36	-	2,296.36	-
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2000	2,244.47	-	2,244.47	-	2,244.47	-
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2001	2,158.33	-	2,158.33	-	2,158.33	-
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2002	2,354.13	-	2,354.13	-	2,354.13	-
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2003	2,965.03	-	2,965.03	-	2,965.03	-
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2004	4,118.87	-	4,118.87	-	4,118.87	-
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2005	3,658.96	19.41	3,654.90	19.41	3,654.90	4.06
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.	2006	4,386.59	4,378.33	4,378.33	4,378.33	4,378.33	8.26
SCH. DIST. # 27 - SCH. DIST. CAP. IMPROV.		28,784.62	4,397.74	28,772.30	4,397.74	28,772.30	12.32
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	1997	279.17	-	279.17	-	279.17	-

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, 2007

Schedule VI

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	1998	290.39	-	290.39	-	290.39	-
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	1999	319.53	-	319.53	-	319.53	-
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2000	305.53	-	305.53	-	305.53	-
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2001	333.37	-	333.37	-	333.37	-
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2002	328.67	-	328.67	-	328.67	-
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2003	515.46	0.10	514.71	0.10	514.71	0.75
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2004	582.65	0.10	581.93	0.10	581.93	0.72
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2005	638.29	5.22	635.55	5.22	635.55	2.74
SCH. DIST. # 28 - SCH. DIST. OPERATIONAL	2006	692.73	688.58	688.58	688.58	688.58	4.15
		4,265.79	694.00	4,277.43	694.00	4,277.43	8.36
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	1997	-	-	-	-	-	-
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	1998	-	-	-	-	-	-
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	1999	-	-	-	-	-	-
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2000	-	-	-	-	-	-
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2001	4,584.93	-	4,584.93	-	4,584.93	-
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2002	5,460.44	-	5,460.44	-	5,460.44	-
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2003	6,217.83	1.60	6,212.31	1.60	6,212.31	5.52
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2004	6,004.17	1.54	5,998.84	1.54	5,998.84	5.33
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2005	5,590.87	46.00	5,570.57	46.00	5,570.57	20.30
SCH. DIST. # 28 - SCH. DIST. DEBT SERVICE	2006	5,338.21	5,304.03	5,304.03	5,304.03	5,304.03	34.18
		33,196.45	5,353.17	33,131.12	5,353.17	33,131.12	65.33
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	1997	1,203.12	-	1,203.12	-	1,203.12	-
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	1998	-	-	-	-	-	-
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	1999	1,357.46	-	1,357.46	-	1,357.46	-
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2000	1,299.49	-	1,299.49	-	1,299.49	-
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2001	1,408.80	-	1,408.80	-	1,408.80	-
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2002	1,387.13	-	1,387.13	-	1,387.13	-
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2003	2,188.45	0.44	2,185.47	0.44	2,185.47	2.98
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2004	2,472.88	0.42	2,470.00	0.42	2,470.00	2.88
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2005	2,684.05	20.86	2,673.08	20.86	2,673.08	10.97
SCH. DIST. # 28 - SCH. DIST. CAP. IMPROV.	2006	2,888.03	2,869.50	2,869.50	2,869.50	2,869.50	18.53
		16,889.41	2,891.22	16,854.05	2,891.22	16,854.05	35.36
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	1997	4,648.42	-	4,648.42	-	4,648.42	-
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	1998	4,876.96	-	4,876.96	-	4,876.96	-
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	1999	5,120.20	-	5,120.20	-	5,120.20	-
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	2000	5,447.82	-	5,447.82	-	5,447.82	-
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	2001	5,661.81	-	5,661.81	-	5,661.81	-
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	2002	5,786.32	3.56	5,781.53	3.56	5,781.53	4.79
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	2003	6,037.86	55.43	6,000.10	55.43	6,000.10	37.76
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	2004	6,554.37	94.72	6,452.00	94.72	6,452.00	102.37
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	2005	6,871.16	522.85	6,539.16	522.85	6,539.16	332.00
SCH. DIST. # 6 IN - MUNICIPAL OPERATIONAL	2006	6,937.24	6,210.43	6,210.43	6,210.43	6,210.43	726.81
		57,942.16	6,886.99	56,738.43	6,886.99	56,738.43	1,203.73

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State of New Mexico
Chaves County
Property Tax Schedule
For the Year Ended June 30, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	1997	4,988.72	-	4,988.72	-	4,988.72	-
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	1998	5,139.14	-	5,139.14	-	5,139.14	-
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	1999	5,302.36	-	5,302.36	-	5,302.36	-
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	2000	5,861.24	-	5,861.24	-	5,861.24	-
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	2001	6,435.13	-	6,435.13	-	6,435.13	-
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	2002	1,110.77	0.64	1,110.77	0.64	1,110.77	0.89
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	2003	1,167.10	9.83	1,158.82	9.83	1,158.82	8.28
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	2004	1,266.18	16.83	1,245.40	16.83	1,245.40	20.78
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	2005	1,324.66	94.54	1,260.62	94.54	1,260.62	64.04
SCH. DIST. # 6 IN - SCH. DIST. OPERATIONAL	2006	1,323.35	1,187.72	1,187.72	1,187.72	1,187.72	135.63
		33,919.54	1,309.56	33,689.92	1,309.56	33,689.92	229.62
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	1997	104,509.14	-	104,509.14	-	104,509.14	-
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	1998	113,223.49	-	113,223.49	-	113,223.49	-
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	1999	117,933.33	-	117,933.33	-	117,933.33	-
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	2000	122,330.56	-	122,330.56	-	122,330.56	-
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	2001	91,459.20	-	91,459.20	-	91,459.20	-
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	2002	21,841.46	18.28	21,825.05	18.28	21,825.05	16.41
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	2003	27,593.63	254.75	27,480.17	254.75	27,480.17	113.46
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	2004	26,109.57	462.48	25,780.72	462.48	25,780.72	328.85
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	2005	27,341.32	2,405.76	26,232.66	2,405.76	26,232.66	1,108.66
SCH. DIST. # 6 IN - SCH. DIST. DEBT SERVICE	2006	23,351.66	20,867.05	20,867.05	20,867.05	20,867.05	2,484.61
		675,693.36	24,008.32	671,641.37	24,008.32	671,641.37	4,051.99
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	1997	23,216.50	-	23,216.50	-	23,216.50	-
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	1998	1,246.09	-	1,246.09	-	1,246.09	-
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	1999	24,605.33	-	24,605.33	-	24,605.33	-
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	2000	27,094.25	-	27,094.25	-	27,094.25	-
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	2001	29,351.48	-	29,351.48	-	29,351.48	-
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	2002	6,263.68	4.03	6,258.66	4.03	6,258.66	5.02
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	2003	6,504.85	61.60	6,470.13	61.60	6,470.13	34.72
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	2004	6,801.13	106.16	6,700.50	106.16	6,700.50	100.63
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	2005	7,148.75	577.77	6,809.50	577.77	6,809.50	339.25
SCH. DIST. # 6 IN - SCH. DIST. CAP. IMPROV.	2006	7,145.54	6,385.26	6,385.26	6,385.26	6,385.26	760.28
		139,377.60	7,134.82	138,137.70	7,134.82	138,137.70	1,239.90
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	1997	-	1.52	(0.96)	1.52	(0.96)	0.96
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	1998	-	2.39	(0.58)	2.39	(0.58)	0.58
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	1999	5,302.36	1.64	5,300.71	1.64	5,300.71	1.65
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2000	-	2.14	(1.00)	2.14	(1.00)	1.00
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2001	-	5.86	(0.69)	5.86	(0.69)	0.69
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2002	6,046.03	0.12	6,045.33	0.12	6,045.33	0.70
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2003	6,777.87	1.68	6,765.98	1.68	6,765.98	11.89
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2004	7,408.18	24.83	7,389.12	24.83	7,389.12	19.06
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2005	8,348.43	467.10	8,294.23	467.10	8,294.23	54.20
SCH. DIST. # 6 OUT - SCH. DIST. OPERATIONAL	2006	9,063.24	8,737.20	8,737.20	8,737.20	8,737.20	326.04
		42,946.11	9,244.48	42,529.34	9,244.48	42,529.34	416.77

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, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	1997	-	31.44	(19.07)	31.44	(19.07)	19.07
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	1998	-	43.16	(11.50)	43.16	(11.50)	11.50
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	1999	-	28.97	(25.41)	28.97	(25.41)	25.41
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2000	-	35.67	(19.98)	35.67	(19.98)	19.98
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2001	-	93.05	(13.84)	93.05	(13.84)	13.84
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2002	90,772.05	4.19	90,758.10	4.19	90,758.10	13.95
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2003	126,433.43	60.94	126,235.72	60.94	126,235.72	197.71
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2004	121,502.15	527.30	121,210.56	527.30	121,210.56	291.59
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2005	134,602.55	7,984.84	133,706.42	7,984.84	133,706.42	896.13
SCH. DIST. # 6 OUT - SCH. DIST. DEBT SERVICE	2006	125,579.04	120,643.58	120,643.58	120,643.58	120,643.58	4,935.46
		598,889.22	129,453.14	592,464.58	129,453.14	592,464.58	6,424.64
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	1997	-	7.37	(5.84)	7.37	(5.84)	5.84
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	1998	23,806.45	10.82	23,802.93	10.82	23,802.93	3.52
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	1999	-	6.54	(7.78)	6.54	(7.78)	7.78
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2000	-	8.51	(6.11)	8.51	(6.11)	6.11
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2001	-	23.94	(4.23)	23.94	(4.23)	4.23
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2002	26,031.56	0.47	26,027.29	0.47	26,027.29	4.27
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2003	29,805.14	7.29	29,744.64	7.29	29,744.64	60.50
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2004	31,649.42	125.55	31,560.19	125.55	31,560.19	89.23
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2005	35,484.74	2,062.33	35,210.52	2,062.33	35,210.52	274.22
SCH. DIST. # 6 OUT - SCH. DIST. CAP. IMPROV.	2006	38,426.88	36,916.64	36,916.64	36,916.64	36,916.64	1,510.24
		185,204.19	39,169.46	183,238.25	39,169.46	183,238.25	1,965.94
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1995	-	0.37	-	0.37	-	-
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1997	4,902.88	-	4,902.88	-	4,902.88	-
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1998	5,026.05	-	5,026.05	-	5,026.05	-
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	1999	5,375.80	-	5,375.80	-	5,375.80	-
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2000	5,806.41	-	5,806.41	-	5,806.41	-
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2001	6,804.28	16.14	6,804.28	16.14	6,804.28	-
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2002	7,223.16	16.96	7,223.16	16.96	7,223.16	-
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2003	7,429.89	21.47	7,412.24	21.47	7,412.24	17.65
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2004	8,057.21	196.42	7,981.26	196.42	7,981.26	75.95
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2005	8,563.63	312.25	8,277.68	312.25	8,277.68	285.95
SCH. DIST. # 8 IN - MUNICIPAL OPERATIONAL	2006	9,309.16	8,625.61	8,625.61	8,625.61	8,625.61	683.55
		68,498.47	9,189.22	67,435.37	9,189.22	67,435.37	1,063.10
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1995	-	0.07	-	0.07	-	-
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1997	8,495.35	-	8,495.35	-	8,495.35	-
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1998	8,942.51	-	8,942.51	-	8,942.51	-
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	1999	9,694.25	-	9,694.25	-	9,694.25	-
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2000	11,417.91	-	11,417.91	-	11,417.91	-
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2001	13,764.86	2.85	13,764.86	2.85	13,764.86	-
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2002	1,360.03	3.00	1,360.03	3.00	1,360.03	-
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2003	1,394.85	3.76	1,391.50	3.76	1,391.50	3.35
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2004	1,530.52	38.54	1,516.16	38.54	1,516.16	14.36
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2005	1,643.18	56.72	1,587.95	56.72	1,587.95	55.23

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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	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL	2006	1,798.84	1,667.24	1,667.24	1,667.24	1,667.24	131.60
SCH. DIST. # 8 IN - SCH. DIST. OPERATIONAL		60,042.30	1,772.18	59,837.76	1,772.18	59,837.76	204.54
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1995	-	2.65	-	2.65	-	-
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1997	201,331.94	-	201,331.94	-	201,331.94	-
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1998	256,499.20	-	256,499.20	-	256,499.20	-
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	1999	271,265.12	-	271,265.12	-	271,265.12	-
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2000	274,764.99	-	274,764.99	-	274,764.99	-
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2001	358,584.17	114.07	358,584.17	114.07	358,584.17	-
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2002	46,270.18	119.85	46,270.18	119.85	46,270.18	-
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2003	32,057.86	155.38	31,953.40	155.38	31,953.40	104.46
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2004	42,200.12	1,054.29	41,747.87	1,054.29	41,747.87	452.25
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2005	49,145.14	2,072.84	47,535.55	2,072.84	47,535.55	1,609.59
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE	2006	52,335.71	48,454.36	48,454.36	48,454.36	48,454.36	3,881.35
SCH. DIST. # 8 IN - SCH. DIST. DEBT SERVICE		1,584,454.43	51,973.44	1,578,406.78	51,973.44	1,578,406.78	6,047.65
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1995	-	0.59	-	0.59	-	-
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1997	50,726.11	-	50,726.11	-	50,726.11	-
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1998	52,054.64	-	52,054.64	-	52,054.64	-
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	1999	55,236.23	-	55,236.23	-	55,236.23	-
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2000	63,207.96	-	63,207.96	-	63,207.96	-
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2001	73,752.39	25.33	73,752.39	25.33	73,752.39	-
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2002	9,448.68	26.62	9,448.68	26.62	9,448.68	-
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2003	9,644.10	33.62	9,619.90	33.62	9,619.90	24.20
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2004	10,199.42	232.67	10,094.64	232.67	10,094.64	104.78
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2005	10,992.37	448.59	10,619.43	448.59	10,619.43	372.94
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.	2006	12,125.97	11,226.68	11,226.68	11,226.68	11,226.68	899.29
SCH. DIST. # 8 IN - SCH. DIST. CAP. IMPROV.		347,387.87	11,994.10	345,986.66	11,994.10	345,986.66	1,401.21
SCH. DIST. # 8 IN - 80.64	1995	-	0.39	-	0.39	-	-
SCH. DIST. # 8 IN - 80.64	1997	-	-	-	-	-	-
SCH. DIST. # 8 IN - 80.64	1998	-	-	-	-	-	-
SCH. DIST. # 8 IN - 80.64	1999	-	-	-	-	-	-
SCH. DIST. # 8 IN - 80.64	2000	-	-	-	-	-	-
SCH. DIST. # 8 IN - 80.64	2001	-	16.83	-	16.83	-	-
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DBT. SEV.	2002	-	17.68	-	17.68	-	-
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DBT. SEV.	2003	13,462.65	24.58	13,448.89	24.58	13,448.89	13.76
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DBT. SEV.	2004	9,164.18	162.73	9,104.61	162.73	9,104.61	59.57
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DBT. SEV.	2005	7,251.55	331.34	7,039.53	331.34	7,039.53	212.02
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DBT. SEV.	2006	6,893.61	6,382.36	6,382.36	6,382.36	6,382.36	511.25
SCH. DIST. # 8 IN - SCH. DIST. EDUC. TECH. DBT. SEV.		36,771.99	6,935.91	35,975.39	6,935.91	35,975.39	796.60
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1996	-	-	(0.27)	-	(0.27)	0.27
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1997	-	4.42	-	4.42	-	-
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1998	-	4.16	(23.38)	4.16	(23.38)	23.38
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	1999	-	12.89	-	12.89	-	-
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2000	-	16.84	(0.20)	16.84	(0.20)	0.20

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, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2001	-	0.56	(3.41)	0.56	(3.41)	3.41
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2002	13,474.30	0.53	13,470.43	0.53	13,470.43	3.87
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2003	14,242.14	20.70	14,234.66	20.70	14,234.66	7.48
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2004	13,752.30	73.34	13,731.67	73.34	13,731.67	20.63
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2005	18,293.02	201.21	18,199.03	201.21	18,199.03	93.99
SCH. DIST. # 8 OUT - SCH. DIST. OPERATIONAL	2006	19,675.24	18,848.28	18,848.28	18,848.28	18,848.28	826.96
		79,437.00	19,182.93	78,456.81	19,182.93	78,456.81	980.19
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1996	-	-	(10.47)	-	(10.47)	10.47
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1997	-	176.68	-	176.68	-	-
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1998	-	192.13	(421.34)	192.13	(421.34)	421.34
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	1999	-	336.49	-	336.49	-	-
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2000	-	423.93	(7.58)	423.93	(7.58)	7.58
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2001	-	28.32	(130.43)	28.32	(130.43)	130.43
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2002	328,078.57	27.62	327,946.59	27.62	327,946.59	131.98
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2003	235,800.44	730.31	235,564.25	730.31	235,564.25	236.19
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2004	279,425.83	2,081.37	278,783.37	2,081.37	278,783.37	642.46
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2005	383,636.37	6,040.04	380,829.84	6,040.04	380,829.84	2,806.53
SCH. DIST. # 8 OUT - SCH. DIST. DEBT SERVICE	2006	398,152.83	380,416.01	380,416.01	380,416.01	380,416.01	17,736.82
		1,625,094.04	390,452.90	1,602,970.24	390,452.90	1,602,970.24	22,123.80
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1996	-	-	(2.43)	-	(2.43)	2.43
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1997	-	39.24	-	39.24	-	-
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1998	-	40.93	(97.62)	40.93	(97.62)	97.62
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	1999	-	75.58	-	75.58	-	-
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2000	-	95.26	(1.76)	95.26	(1.76)	1.76
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2001	-	5.03	(30.22)	5.03	(30.22)	30.22
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2002	66,995.82	4.94	66,985.24	4.94	66,985.24	30.58
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2003	70,565.62	160.67	70,510.90	160.67	70,510.90	54.72
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2004	67,534.94	460.94	67,386.08	460.94	67,386.08	148.86
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2005	86,849.80	1,328.37	86,199.54	1,328.37	86,199.54	650.26
SCH. DIST. # 8 OUT - SCH. DIST. CAP. IMPROV.	2006	92,250.42	88,140.88	88,140.88	88,140.88	88,140.88	4,109.54
		384,196.60	90,351.84	379,070.61	90,351.84	379,070.61	5,125.99
SCH. DIST. # 8 OUT - 81.64	1996	-	-	(1.38)	-	(1.38)	1.38
SCH. DIST. # 8 OUT - 81.64	1997	-	26.07	-	26.07	-	-
SCH. DIST. # 8 OUT - 81.64	1998	-	35.02	(55.50)	35.02	(55.50)	55.50
SCH. DIST. # 8 OUT - 81.64	1999	-	49.65	-	49.65	-	-
SCH. DIST. # 8 OUT - 81.64	2000	-	62.67	(1.00)	62.67	(1.00)	1.00
SCH. DIST. # 8 OUT - 81.64	2001	-	6.24	(17.18)	6.24	(17.18)	17.18
SCH. DIST. # 8 OUT - SCH. DIST. EDUC. TECH. DBT. SEV.	2002	-	6.17	(17.38)	6.17	(17.38)	17.38
SCH. DIST. # 8 OUT - SCH. DIST. EDUC. TECH. DBT. SEV.	2003	99,024.08	111.50	98,992.97	111.50	98,992.97	31.11
SCH. DIST. # 8 OUT - SCH. DIST. EDUC. TECH. DBT. SEV.	2004	60,680.14	317.29	60,595.52	317.29	60,595.52	84.62
SCH. DIST. # 8 OUT - SCH. DIST. EDUC. TECH. DBT. SEV.	2005	56,607.09	935.68	56,237.42	935.68	56,237.42	369.67
SCH. DIST. # 8 OUT - SCH. DIST. EDUC. TECH. DBT. SEV.	2006	52,444.35	50,108.09	50,108.09	50,108.09	50,108.09	2,336.26
		268,755.66	51,658.38	265,841.56	51,658.38	265,841.56	2,914.10

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, 2007

AGENCY	TAX YEAR	PROPERTY TAXES LEVIED	COLLECTED IN CURRENT YEAR	COLLECTED TO DATE	DISTRIBUTED IN CURRENT YEAR	DISTRIBUTED TO DATE	COUNTY RECEIVABLE AT YEAR END
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	1997	71.15	-	71.15	-	71.15	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	1998	121.74	-	121.74	-	121.74	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	1999	170.83	-	170.83	-	170.83	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2000	15.82	-	15.82	-	15.82	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2001	22.45	-	22.45	-	22.45	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2002	22.23	-	22.23	-	22.23	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2003	21.88	-	21.88	-	21.88	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2004	20.34	-	20.34	-	20.34	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2005	19.29	-	19.29	-	19.29	-
SCH. DIST. # 1-L - SCH. DIST. OPERATIONAL	2006	18.10	18.10	18.10	18.10	18.10	-
		503.83	18.10	503.83	18.10	503.83	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	1997	621.08	-	621.08	-	621.08	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	1998	1,628.14	-	1,628.14	-	1,628.14	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	1999	2,078.74	-	2,078.74	-	2,078.74	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2000	180.47	-	180.47	-	180.47	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2001	148.53	-	148.53	-	148.53	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2002	200.97	-	200.97	-	200.97	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2003	218.68	-	218.68	-	218.68	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2004	233.73	-	233.73	-	233.73	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2005	134.66	-	134.66	-	134.66	-
SCH. DIST. # 1-L - SCH. DIST. DEBT SERVICE	2006	64.20	64.20	64.20	64.20	64.20	-
		5,509.20	64.20	5,509.20	64.20	5,509.20	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	1997	305.67	-	305.67	-	305.67	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	1998	508.30	-	508.30	-	508.30	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	1999	708.50	-	708.50	-	708.50	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2000	87.40	-	87.40	-	87.40	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2001	112.65	-	112.65	-	112.65	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2002	111.28	-	111.28	-	111.28	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2003	109.67	-	109.67	-	109.67	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2004	102.56	-	102.56	-	102.56	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2005	95.62	-	95.62	-	95.62	-
SCH. DIST. # 1-L - SCH. DIST. CAP. IMPROV.	2006	91.61	91.61	91.61	91.61	91.61	-
		2,233.26	91.61	2,233.26	91.61	2,233.26	-
GRAND TOTALS		165,178,000.20	20,186,453.86	163,558,292.91	20,186,453.86	163,558,292.91	1,619,707.29

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

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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./A.B.V., C.V.A.
LARI E. GALLAGHER, C.P.A.
RYAN L. MILLER, 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**

Mr. Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget,
County Manager, County Commissioners and
Citizens of 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, (the "County") as of and for the year ended June 30, 2007, and have issued our report thereon dated November 14, 2007. 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, 2007, 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 Chaves County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Chaves County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Chaves County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2007-1 and 2007-2.

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

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.

November 14, 2007

STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Findings
June 30, 2007

Schedule VIII

A. FINDINGS – FINANCIAL STATEMENT AUDIT

2007-1: Disaster Recovery Plan

Condition:

The County does not have a disaster recovery plan in place for the computer system. The program utilized by the County was designed in house to specifically address the needs of the County. In the event of a disaster, such a plan would contain provisions for alternate supplies and hardware necessary to reduce the risk of interruption of critical business functions.

Cause:

With the pending retirement of the Systems Administrator, who is the only person capable of operating the computer system that was developed in house, management was waiting until the implementation of the new accounting software program to develop a disaster recovery plan.

Criteria:

Statement of Auditing Standard (SAS) 94, *The Effect of Information Technology on the Auditor's Consideration of Internal Control in a Financial Statement Audit* require the evaluation internal controls related to IT Systems, including the evaluation of disaster recovery plans.

Effect:

In the event of a disaster, the County would not be able to minimize the interruption of critical business functions.

Recommendation:

The County should strengthen controls over disaster recovery to ensure that an approved plan is in place for critical applications. Disaster recovery procedures should be tested periodically to ensure recoverability of computer systems.

Client Response:

Management concurs with the finding. Although we currently do not have a policy, management maintains we could recover from backup systems, (daily backups), and the ability to use another county's system, (Otero County did the payroll in the past). Therefore, management's opinion is, although we may not completely minimize the interruption of critical business functions we could however mitigate the effects of a disaster and address the essential parts of business operations.

Management has strategically planned to address this issue by implementing new systems software in fiscal year 07-08.

STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Findings
June 30, 2007

A. FINDINGS – FINANCIAL STATEMENT AUDIT (Continued)

2007-2 Over Spending of Certain Budget Line Items

Condition

During our examination we noted that one line item in the Extraordinary Mandatory Redemption Debt Service Fund had expenditures in excess of budgeted amounts for debt service expenditures.

Criteria

State budgeting requirement 6.20.2.9 NMSA 1978 sets forth budget preparation standards and states that budgetary control shall be at the function level and that over-expenditure of a function shall not be allowed.

Cause

No budget line item transfers for the overages were proposed or approved by the governing body.

Effect

The effect of this condition is that certain expenditures exceeded budget line items.

Recommendation

We recommend that a responsible party perform a periodic review of the budget. Any anticipated budgetary transfers can be isolated and authorization can be obtained before the overspending of line item expenditures.

Agency Response

Management concurs with this finding. Periodic reviews do occur and we were aware of this condition. However, this issue was not addressed fully to compensate for the variance. In the future, management will enhance the securitization of budgetary variances by an assignment to a secondary level of review.

**STATE OF NEW MEXICO
CHAVES COUNTY
Schedule of Findings
June 30, 2007**

C. FINDINGS – PRIOR YEAR AUDIT

2006-1: Disposition of Property – Resolved and not repeated

D. EXIT CONFERENCE

The contents of this report were discussed at an exit conference held on November 14, 2007. The following individuals were in attendance.

Chaves County Officials

Stan Riggs, County Manager
Richard Taylor, Commissioner
Greg Nibert, Commissioner
Joe Sedillo, Finance Director
Anita Maner Hernandez, County Treasurer
Emma Russell, Chief Deputy Treasurer
Amy Montgomery, Accounting Tech

Auditor

Ron Miller, Principal
Ryan Miller, Manager

E. 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.

