

DOÑA ANA COUNTY

TABLE OF CONTENTS

JUNE 30, 2006

	<u>Page</u>	<u>Exhibit</u>
OFFICIAL ROSTER		
INDEPENDENT AUDITORS' REPORT	1	
MANAGEMENT DISCUSSION AND ANALYSIS	3	
BASIC FINANCIAL STATEMENTS:	13	
Statement of Net Assets	15	A-1
Statement of Activities	16	B-1
Balance Sheet - Governmental Funds	18	C-1
Reconciliation of Governmental Funds to Balance Sheet to the Statement of Net Assets	21	C-2
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	22	C-3
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	25	C-4
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual		
General Fund	26	C-5
Province Health Care Grant	27	C-6
Health Services (SLIAG)	28	C-7
PROPRIETARY FUND FINANCIAL STATEMENTS:	29	
Statement of Net Assets	30	D-1
Statement of Revenues, Expenses, and Changes in Fund Net Assets	32	D-2
Statement of Cash Flows	34	D-3
FIDUCIARY FUND FINANCIAL STATEMENTS:	37	
Statement of Fiduciary Net Assets	39	E-1
NOTES TO FINANCIAL STATEMENTS	41	
SUPPLEMENTARY INFORMATION:	75	
Non-Major Governmental Funds		
Combining Balance Sheet	76	H-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	84	H-2
Non-Major Enterprises Funds		
Combining Statement of Net Assets	92	H-3
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets ..	94	H-4
Combining Statement of Cash Flows	96	H-5
Non-Major Fiduciary Funds		
Combining Statement of Changes in Assets and Liabilities	98	H-6



DOÑA ANA COUNTY

TABLE OF CONTENTS

(Continued)

BUDGET COMPARISONS:	101	
Statement of Expenditures - General Fund - Budget (Non-GAAP) Actual (Cash Basis)	102	J-0
Special Revenue Funds:	109	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	113	J-1 to J-41
Debt Service Funds:	155	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	157	J-42
Capital Projects Funds:	159	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	161	J-43 to J-51
Enterprise Funds:	171	
Statement of Revenues, Expenses and Changes in Net Assets - Budget and Actual	173	J-52 to J-63
 OTHER SCHEDULES:	185	
Schedule of Reconciliation of Property Taxes	187	
County Treasurer's Property Tax Schedule	188	
Schedule of Joint Powers Agreements	193	
 FEDERAL AWARD SECTION:	195	
Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	197	
Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133	199	
Schedule of Findings and Questioned Costs	201	
Schedule of Status of Prior Findings	210	
Corrective Action Plan	211	
Schedule of Expenditures of Federal Awards	214	
Notes on Accounting Policies for Federal Awards	217	
Exit Conference	218	



DOÑA ANA COUNTY

OFFICIAL ROSTER

JUNE 30, 2006

Commissioners

<u>Name</u>	<u>Title</u>
Bill McCamley	Chairman, Commissioner, District 5
D. Kent Evans	Vice-Chairman, Commissioner, District 4
Oscar Vasquez Butler	Commissioner, District 1
Dolores Saldaña-Caviness	Commissioner, District 2
Paul B. Curry	Commissioner, District 3

Officials

Brian D. Haines	County Manager
Jim Schoonover	County Treasurer
Rita Torres	County Clerk
Gary Perez	County Assessor
Alice M. Salcido	Probate Judge
Todd Garrison	County Sheriff





DUNBAR/BROADDUS/GIBSON LLP

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Mr. Domingo P. Martinez, CGFM, State Auditor and
The Board of County Commissioners
Doña Ana County

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and major governmental fund budgetary comparisons of Doña Ana County (the "County"), as of and for the year ended June 30, 2006, 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, nonmajor enterprise, and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements and nonmajor and major governmental and enterprise fund budgetary comparisons as of and for the year ended June 30, 2006, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

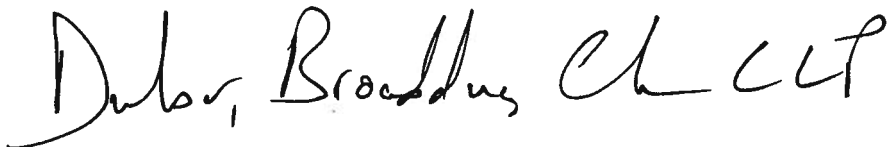
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information of Doña Ana County, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof, and the major governmental fund budgetary comparisons 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, nonmajor enterprise, fiduciary funds and the respective changes in financial position and cash flows, where applicable and nonmajor and major governmental and enterprise fund budgetary comparisons of Doña Ana County, as of June 30, 2006, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2006 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.

94
04-19-07

The management's discussion and analysis information on pages 4 to 12 , is not part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, the combining and individual fund financial statements and the budgetary comparisons, that collectively comprise the County basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the County. We have also included the schedule of reconciliation of property taxes, county treasurer's property tax schedule, and the schedule of joint powers agreements. 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 basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Duane Broadus CPA". The signature is written in a cursive style with a large initial "D".

El Paso, Texas
November 6, 2006

MANAGEMENT DISCUSSION AND ANALYSIS

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

The Dona Ana County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended June 30, 2006. Please read it in conjunction with the Dona Ana County's financial statements beginning on page 13.

FINANCIAL HIGHLIGHTS

- The County completed fiscal year 2006 with \$336,406,756 in total assets; this is a 39.7% increase in assets when compared to the \$240,830,559 in fiscal year 2005. Total Liabilities for net assets decrease by roughly 1.0% or 766,435 to \$79,000,250; while Total Net Assets increased by approximately 59.8% or 96,342,632 to complete the fiscal year at \$257,406,506.
- Governmental Activity increased by roughly 84.3% or \$91,878,209 to end the fiscal year at \$200,906,271; while Business-Type Activities increased by 8.6% or \$4,464,423 for a fiscal year change in total net asset balance of \$257,406,506; while revenues increased by 2.0% (\$90,763,786) and expenditures (\$89,736,801) which over shadowed revenues by 3.7%.
- The County's financial analysis of County Governmental Funds indicates a decrease in total assets of \$16,774,905 or 15.4% to \$92,305,278; total liabilities increased by 1,852,072 or 11.7%, while total fund balance decreased by 18,626,977 or 20.0%.
- On February 10, 2005, the Doña Ana County, the City of Sunland Park and Verde Group, LLC, entered into a Memorandum of Understanding to create a Joint Water Wastewater Authority to provide water, wastewater services, and, zoning and subdivision services for the Santa Teresa-Border Area of Southern Doña Ana County. Included in this agreement is the transfer of fixed assets from Doña Ana County to the newly created entity. Current worth of these assets to be transferred approximates \$14,000,000. This MOU is still in effect in the current fiscal year.
- An Ordinance was adopted for the imposition of an excise tax equal to 1/16th of one percent (.0625%) of the gross receipts reported and/or required to be reported with the proceeds going towards the Doña Ana County Detention Center.
- An Ordinance was adopted for the imposition of an excise tax equal to 1/16th of one percent (.0625%) of the gross receipts reported and/or required to be reported with 7/12th of the proceeds to be distributed to the Sheriff's Department for their purpose, and the remaining 5/12th to be distributed to the Fire Marshal for their purpose.
- County Departments were able to move into the newly constructed County Government Center by fiscal year end. Construction costs for the County Government Center reached \$26,019,052, which represents 98.2% of the budgeted amount.
- In March, the Board of County Commissioners approved the sale of the building located on Boutz Street for a price of \$764,000; Health and Human Services departments were utilizing the facility.
- The Fillmore Special Assessment District obligation was due to be paid-off in fiscal year 2010, however, the County was able to pay-off this obligation this fiscal year.
- Doña Ana County received state appropriations totaling \$5,000,000 for the Colonias Initiative from the State of New Mexico Governor's Office to improve infrastructure within the 40 substandard designated colonia communities within the County's boundaries.
- In January the Board of County Commissioners hired the County's first Internal Auditor. The position entails planning annual audits of County Department's through review of policies and procedures within Departments and reporting of finds to the Board of County Commissioners, the Internal Audit Committee, and/or County Manager.
- In fiscal year 2006 the County entered into negotiations with County Sheriff Deputies, Detention Officers, and blue-collar employees to establish union agreements.
- In February, the County signed a union agreement calling for annual step increases based on years of service for County Sheriff Deputies. Non-unionized County employees received a 3.6% cost of living allowance (COLA).
- Total bonded debt at June 30, 2006 for the County was \$55,235,000.

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of 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.

Government-Wide Financial Statements

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

The *Statement of Net Assets* presents information on all the County's assets and liabilities, with the difference between the two reported as net assets.

The *Statement of Activities* presents information showing how the County's net assets changed during fiscal year 2006. 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, and unused vacation leave).

Both of these financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include General Government, Public Safety, Public Works, Health and Welfare, and Cultural and Recreation. The business-type activities of the County include Water, Wastewater, and Rental Housing Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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 reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County adopts an annual appropriated budget for its general, special revenue, debt service and capital projects funds. A budgetary comparison statement has been provided for these funds to demonstrate budgetary compliance.

The basic governmental fund financial statements begin on page 18 of this report.

Proprietary Fund

The County maintains one type of proprietary fund. *Enterprise funds* are used to report the same function presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to various Water and Wastewater Utilities, and HUD's Low Rent Housing Villa Sereno, as well as operations.

The basic proprietary fund financial statements begin on page 29 of this report.

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs.

The basic fiduciary fund financial statements begin on page 37 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-74 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found starting on page 75 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds, and internal service funds are presented in the supplementary information section of this report. Combining schedules can be found on pages 75-97 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Broad Overview of Finances)

The County implemented the new financial reporting model required by Governmental Accounting Standards Board Statement No. 34 in fiscal year ended June 30, 2003. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the County as a whole.

Doña Ana County
Management Discussion & Analysis
Condensed Schedule of Net Assets
As of June 30, 2006 and 2005

	2006	2005	2006	2005	2006	2005
	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total Primary Government	Total Primary Government
Assets:						
Current and Other Assets	\$ 91,087,382	\$ 109,810,525	\$ 1,988,421	\$ 1,951,768	\$ 93,075,803	\$ 111,762,293
Capital Assets	185,381,579	76,005,614	57,949,374	53,062,652	243,330,953	129,068,266
Total Assets	<u>276,468,961</u>	<u>185,816,139</u>	<u>59,937,795</u>	<u>55,014,420</u>	<u>336,406,756</u>	<u>240,830,559</u>
Liabilities:						
Current Liabilities	14,100,042	14,333,134	292,128	212,689	14,392,170	14,545,823
Non-Current Liabilities	61,462,648	62,454,943	3,145,432	2,765,919	64,608,080	65,220,862
Total Liabilities	<u>75,562,690</u>	<u>76,788,077</u>	<u>3,437,560</u>	<u>2,978,608</u>	<u>79,000,250</u>	<u>79,766,685</u>
Net Assets:						
Invested in Capital Assets	126,679,217	15,659,949	-	50,296,743	126,679,217	65,956,692
Restricted Assets	19,444,177	26,065,704	-	-	19,444,177	26,065,704
Unrestricted Assets	54,782,877	67,302,409	56,500,235	1,739,069	111,283,112	69,041,478
Total Net Assets	<u>200,906,271</u>	<u>109,028,062</u>	<u>56,500,235</u>	<u>52,035,812</u>	<u>257,406,506</u>	<u>161,063,874</u>
Total Liabilities And Net Assets	<u>\$ 276,468,961</u>	<u>\$ 185,816,139</u>	<u>\$ 59,937,795</u>	<u>\$ 55,014,420</u>	<u>\$ 336,406,756</u>	<u>\$ 240,830,559</u>

The largest portion of the County's net assets reflects its investment in capital assets (i.e., land, land improvements, buildings, equipment, utility infrastructure), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted* net assets may be used to meet the County's ongoing obligations to citizens and creditors.

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

Governmental Activities

Governmental activities increased the County's net assets by \$96,342,632. The increase indicated in Revenues for Taxes, Penalties and Interest from the prior year is due property re-assessments and new investment strategies in-part due to proceeds received from liquidation of assets of Memorial Medical Center. Other Revenue also includes the proceeds from the Memorial Medical Center lease with Province Healthcare, Inc as discussed below.

On June 1, 2004, the County and the City of Las Cruces terminated the lease of the County- and City-owned hospital to Memorial Medical Center, Inc. (MMCI, a non-profit corporation) and executed a new 40-year lease to Province Healthcare, Inc. (PHI). The County and City each began receiving half of MMCI's assets from the resulting liquidation of the corporation. The increase in Net assets mentioned above is primarily a result of the prepayment of the 40-year lease by PHI and the liquidation of MMCI. More detailed information about the hospital lease is presented in page 70, Note 15 to the financial statements.

Business-type Activities

Construction continues on water and wastewater utilities for the County. The County is anticipating the transfer of assets of the Border (Santa Teresa) Water and Wastewater facilities to the Joint Water Wastewater Authority. Overall the County utility connections increased by 619 connections for a total of 2,594. South Central's Customer base increased by 315 connections in the current fiscal year; while La Mesa (143) and San Miguel (146) account for a total of 289 connections.

Doña Ana County
Management Discussion & Analysis
Summary of Changes In Net Assets
As of June 30, 2006 and 2005

	2006	2005	2006	2005	2006	2005
	Governmental Activities	Governmental Activities	Business-Type Activities	Business-Type Activities	Total Primary Government	Total Primary Government
Revenues:						
Program Revenues						
Charges for Services	\$ 20,186,647	\$ 19,341,055	\$ 1,056,481	\$ 918,773	\$ 21,243,128	\$ 20,259,828
Operating Grants and Contributions	8,392,069	8,237,181	-	-	8,392,069	8,237,181
Capital Grants and Contributions	3,479,996	9,497,590	-	-	3,479,996	9,497,590
General Revenue:						
Taxes, Penalties and Interest	44,196,407	39,696,322	-	-	44,196,407	39,696,322
Investment Income	3,439,120	2,345,452	41,649	8,893	3,480,769	2,354,345
Other Revenue	9,827,449	8,885,241	143,968	44,654	9,971,417	8,929,895
Total Revenue	89,521,688	88,002,841	1,242,098	972,320	90,763,786	88,975,161
Expenses						
General Government	16,709,942	17,335,837	-	-	16,709,942	17,335,837
Public Safety	30,025,498	27,310,699	-	-	30,025,498	27,310,699
Public Works	13,874,801	6,490,206	-	-	13,874,801	6,490,206
Health and Welfare	14,754,353	13,243,334	-	-	14,754,353	13,243,334
Cultural Recreation	8,664,562	7,367,335	-	-	8,664,562	7,367,335
Bond Issuance Cost	2,760,701	3,438,709	-	-	2,760,701	3,438,709
Fiscal Agent's Fees	36,741	28,479	-	-	36,741	28,479
Capital Outlay	1,013,062	8,245,821	-	-	1,013,062	8,245,821
Water	-	-	222,194	169,743	222,194	169,743
Wastewater	-	-	1,674,947	1,276,263	1,674,947	1,276,263
Total Expenses	87,839,660	83,460,420	1,897,141	1,446,006	89,736,801	84,906,426
Increase in net assets before transfers	1,682,028	4,542,421	(655,043)	(473,686)	1,026,985	4,068,735
Transfers	829,608	(1,613,492)	60,255	200,255	889,863	(1,413,237)
Change in Net Assets	2,511,636	2,928,929	(594,788)	(273,431)	1,916,848	2,655,498
Net Assets – Beginning of year	109,028,064	96,113,255	52,035,813	31,085,769	161,063,877	127,199,024
Prior Period Adjustment	89,366,571	9,985,878	5,059,210	21,223,474	94,425,781	31,209,352
Net assets – End of year	\$ 200,906,271	\$ 109,028,062	\$ 56,500,235	\$ 52,035,812	\$ 257,406,506	\$ 161,063,874

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spend-able resources. Such information is useful in assessing the County's financing requirements. In particular, Unreserved Fund Balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Doña Ana County
Management Discussion & Analysis
Condensed Balance Sheet of Government Funds
As of June 30, 2006 and 2005

	2006	2005	2006	2005	2006	2005	2006	2005
	General Fund	General Fund	Health Services (SLIAG)	Health Services (SLIAG)	Province Health Care Grant	Province Health Care Grant	County Admin Bldg Project	County Admin Bldg Project
Assets								
Pooled cash and investment	\$ 45,043,642	\$ 46,906,603	\$ 1,244,395	\$ 4,049,692	\$ 4,634,492	\$ 5,100,802	\$ 691,032	\$ 12,919,950
Interest Receivable	3,926	131,338	-	-	4,135	14,669	1,647	30,899
Taxes Receivable	3,162,137	2,487,899	-	-	-	-	-	-
Allowance For Uncollectible Taxes	(520,508)	(853,741)	-	-	-	-	-	-
Accounts Receivable, Net	2,281,839	7,875,207	479,741	427,917	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-	-	-
Due From Other Funds	1,049,823	-	-	-	-	-	-	-
Inventories	170,615	179,973	-	-	-	-	-	-
Total Assets	51,191,474	56,727,279	1,724,136	4,477,609	4,638,627	5,115,471	692,679	12,950,849
Liabilities and Fund Balance Liabilities								
A/P, accruals and other liabilities	2,211,855	1,267,970	27,297	16,125	-	-	124,333	1,502,033
Deferred revenues	5,891,245	5,392,350	-	-	5,000,000	5,000,000	-	-
Total Liabilities	8,103,100	6,660,320	27,297	16,125	5,000,000	5,000,000	124,333	1,502,033
Fund Balances								
Reserved	12,661,612	12,670,970	-	-	-	-	568,346	11,448,816
Unreserved designated	17,974,863	17,974,863	-	-	-	-	-	-
Unreserved and undesignated	12,451,899	19,421,136	1,696,839	4,461,484	(361,373)	115,471	-	-
Total Fund Balances	43,088,374	50,066,969	1,696,839	4,461,484	(361,373)	115,471	568,346	11,448,816
Total Liabilities and Fund Balance	\$ 51,191,474	\$ 56,727,289	\$ 1,724,136	\$ 4,477,609	\$ 4,638,627	\$ 5,115,471	\$ 692,679	\$ 12,950,849

	2006	2005	2006	2005
	Non-major Governmental Fund	Non-major Governmental Fund	Total Governmental Funds	Total Governmental Funds
Assets				
Pooled cash and investment	\$ 29,094,316	\$ 23,548,657	\$ 80,707,877	\$ 92,525,704
Interest Receivable	33,883	42,225	43,591	219,131
Taxes Receivable	155,809	213,631	3,317,946	2,701,530
Allowance For Uncollectible Taxes	(26,604)	(38,453)	(547,112)	(892,194)
Accounts Receivable, Net	4,788,134	6,042,915	7,549,714	14,346,039
Intergovernmental receivables	12,484	-	12,484	-
Due From Other Funds	343	-	1,050,166	-
Inventories	(3)	-	170,612	179,973
Total Assets	34,058,362	29,808,975	92,305,278	109,080,183
Liabilities and Fund Balance Liabilities				
A/P, accruals and other liabilities	3,059,754	2,170,777	5,423,239	4,956,905
Deferred revenues	1,417,973	531,130	12,309,218	10,923,480
Total Liabilities	4,477,727	2,701,907	17,732,457	15,880,385
Fund Balances				
Reserved	6,892,094	8,427,566	20,122,052	32,547,352
Unreserved designated	-	-	17,974,863	17,974,863
Unreserved and undesignated	22,688,541	18,679,492	36,475,906	42,677,583
Total Fund Balances	29,580,635	27,107,058	74,572,821	93,199,798
Total Liabilities and Fund Balance	\$ 34,058,362	\$ 29,808,965	\$ 92,305,278	\$ 109,080,183

The unreserved and undesignated portion of the total governmental fund balance is \$36,475,906 and is available for spending at the County's discretion. Of the amount remaining in fund balance, \$17,974,863 is designated for health care and \$20,122,052 is reserved for debt service and inventories.

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

As of the end of fiscal year 2006, the County's governmental funds reported combined ending fund balances of \$74,572,822, a decrease of \$18,626,976 in comparison with the prior year. The general fund balance at the end of fiscal year 2006 is reported at \$43,088,375, which is a decrease of \$6,978,584. This is mainly attributable to an increase in total expenditures; the County entering into Union Agreements with the Sheriff's office and providing non-union employees with a 3.6% cost of living adjustment, increased insurance premiums, Capital Outlay Purchases and other financing sources.

Doña Ana County
Management Discussion & Analysis
Condensed Schedule of Government Funds
Changes In Fund Balance
As of June 30, 2006 and 2005

	2006	2005	2006	2005	2006	2005	2006	2005
	General Fund	General Fund	Health Services (SLIAG)	Health Services (SLIAG)	Province Health Care Grant	Province Health Care Grant	County Admin Bldg Project	County Admin Bldg Project
Fund Balance								
Total Revenue	\$ 52,782,723	\$ 48,512,366	\$ 1,788,709	\$ 7,626,985	\$ 163,156	\$ 111,336	\$ 194,887	\$ 341,362
Total Expenditures	52,716,462	49,681,264	5,807,878	6,230,646	640,000	-	13,023,157	10,686,118
Other Financing Sources								
Bond Proceeds	-	-	-	-	-	-	-	-
Bond Issuance Cost	-	-	-	-	-	-	-	-
Bond Ref. Escrow Agent	-	-	-	-	-	-	-	-
Sale of Property	764,000	61,702	-	-	-	-	-	-
Hospital Lease Proceeds	-	-	-	-	-	-	-	-
Transfers In	12,117,343	9,753,561	12,000	-	-	-	1,947,800	3,481,142
Transfers Out	(16,306,229)	(15,402,728)	(4,700,000)	(4,080,412)	-	-	-	-
Other (Uses)	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(3,424,886)	(5,587,465)	(4,688,000)	(4,080,412)	-	-	1,947,800	3,481,142
Net Changes In Fund Balance	(3,358,625)	(6,756,363)	1,292,831	(2,684,073)	(476,844)	111,336	(10,880,470)	(6,863,614)
Fund Balance – July 1 (Beginning)	50,066,959	56,823,322	4,461,484	7,882,231	115,471	4,135	11,448,816	18,312,430
Prior Period Adjustments	(3,619,959)	-	(4,057,476)	(736,674)	-	-	-	-
Fund Balance – July 1 as restated	46,447,000	56,823,322	404,008	7,145,557	115,471	4,135	11,448,816	18,312,430
Fund Balance – June 30 (Ending)	\$ 43,088,375	\$ 50,066,959	\$ 1,696,839	\$ 4,461,484	\$ (361,373)	\$ 115,471	\$ 568,346	\$ 11,448,816
	2006	2005	2006	2005				
	Non-major Governmental Fund	Non-major Governmental Fund	Total Governmental Funds	Total Governmental Funds				
Fund Balance								
Total Revenue	\$ 24,512,868	\$ 30,771,332	\$ 89,442,343	\$ 87,363,381				
Total Expenditures	29,172,391	34,630,047	101,359,888	101,228,075				
Other Financing Sources								
Bond Proceeds	1,341,330	851,499	1,341,330	851,499				
Bond Issuance Cost	-	-	-	-				
Bond Ref. Escrow Agent	-	-	-	-				
Sale of Property	-	3,200	764,000	64,902				
Hospital Lease Proceeds	-	-	-	-				
Transfers In	10,246,759	9,031,449	24,323,902	22,266,152				
Transfers Out	(2,441,407)	(1,985,749)	(23,447,636)	(21,468,889)				
Other (Uses)	-	-	-	-				
Total Other Financing Sources (Uses)	9,146,682	7,900,399	2,981,596	1,713,664				
Net Changes In Fund Balance	4,487,159	4,041,684	(8,935,949)	(12,151,030)				
Fund Balance – July 1 (Beginning)	27,107,068	23,349,028	93,199,798	106,371,146				
Prior Period Adjustments	(2,013,592)	(283,644)	(9,691,027)	(1,020,318)				
Fund Balance – July 1 as restated	25,093,476	23,065,384	83,508,771	105,350,828				
Fund Balance – June 30 (Ending)	\$ 29,580,635	\$ 27,107,068	\$ 74,572,822	\$ 93,199,798				

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds are business-type funds which include Water and Wastewater Systems, and HUD's Low Rent Housing Villa Sereno.

Total net assets of proprietary funds at the end of the year amounted to \$56,500,238.

Other factors concerning the finances of these funds have been addressed in the discussion of the County's business-type activities and capital assets.

Doña Ana County
Management Discussion & Analysis
Condensed Schedule of All Proprietary Funds
As of June 30, 2006 and 2005

	2006		2005		2006		2005		2006		2005	
	Border Water	Border Water	Border Wastewater	Border Wastewater	Border Wastewater	Border Wastewater	South Central Wastewater	South Central Wastewater	South Central Wastewater	South Central Wastewater		
Total Operating Revenues	\$ 128,530	\$ 87,251	\$ 55,213	\$ 43,402	\$ 55,213	\$ 43,402	\$ 623,560	\$ 489,902	\$ 623,560	\$ 489,902		
Total Operating Expenditures	222,194	169,743	183,780	178,270	183,780	178,270	846,209	549,782	846,209	549,782		
Net Income From Operations	(93,664)	(82,492)	(128,567)	(134,868)	(128,567)	(134,868)	(222,649)	(59,880)	(222,649)	(59,880)		
Non-Operating Revenue (Expenses)	4,164	977	21,826	(18,935)	21,826	(18,935)	3,770	(12,400)	3,770	(12,400)		
Net Income	(89,500)	(81,515)	(106,741)	(153,803)	(106,741)	(153,803)	(218,879)	(72,280)	(218,879)	(72,280)		
Capital Contributions	-	-	-	-	-	-	-	-	-	-		
Net Transfers In (Out)	-	-	-	-	-	-	(159,900)	-	(159,900)	-		
Change in Net Assets	(89,500)	(81,515)	(106,741)	(153,803)	(106,741)	(153,803)	(378,779)	(72,280)	(378,779)	(72,280)		
Total Net Assets – July 1 (Beginning)	7,676,279	1,784,825	7,998,696	4,094,639	7,998,696	4,094,639	22,700,202	15,767,231	22,700,202	15,767,231		
Prior Period Adjustments	2,525,439	5,972,969	(1,753,229)	4,057,860	(1,753,229)	4,057,860	3,681,439	7,005,251	3,681,439	7,005,251		
Total Net Assets – June 30 (Ending)	\$ 10,112,218	\$ 7,676,279	\$ 6,138,726	\$ 7,998,696	\$ 6,138,726	\$ 7,998,696	\$ 26,002,862	\$ 22,700,202	\$ 26,002,862	\$ 22,700,202		

	2006		2005		2006		2005	
	Non-Major Proprietary Funds	Non-Major Proprietary Funds	Total Proprietary Funds	Total Proprietary Funds	Total Proprietary Funds	Total Proprietary Funds	Total Proprietary Funds	
Total Operating Revenues	290,682	342,872	1,097,985	963,427	1,097,985	963,427		
Total Operating Expenditures	650,883	501,164	1,903,069	1,398,959	1,903,069	1,398,959		
Net Income From Operations	(360,201)	(158,292)	(805,084)	(435,532)	(805,084)	(435,532)		
Non-Operating Revenue (Expenses)	192,541	(7,796)	222,301	(38,154)	222,301	(38,154)		
Net Income	(167,660)	(166,088)	(582,780)	(473,686)	(582,780)	(473,686)		
Capital Contributions	586,588	-	586,588	-	586,588	-		
Net Transfers In (Out)	(366,433)	200,255	(526,333)	200,255	(526,333)	200,255		
Change in Net Assets	52,495	34,167	(522,528)	(273,431)	(522,528)	(273,431)		
Total Net Assets – July 1 (Beginning)	13,660,637	9,439,074	52,035,814	31,085,769	52,035,814	31,085,769		
Prior Period Adjustments	533,300	4,187,394	4,986,949	21,223,474	4,986,949	21,223,474		
Total Net Assets – June 30 (Ending)	\$ 14,246,432	\$ 13,660,635	\$ 56,500,235	\$ 52,035,812	\$ 56,500,235	\$ 52,035,812		

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Construction was approximately 98.2% completed on the Doña Ana County Government Business Center and the cost will be transferred from the Construction In Progress account in the Governmental-type activities capital assets to the Infrastructure account in fiscal year 2007.

Construction began on the collection systems for La Mesa, San Miguel, and La Union wastewater utilities. The cost for La Mesa and San Miguel were transferred from the Construction-In-Progress account to the Infrastructure account. Construction continues for La Union.

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2006 was \$243,330,953 (net of accumulated depreciation) which is 5.6% over the prior year restated figure; this is due to the County complying with GASB 34, which requires that financial statements be more comprehensible. The County has spent the prior three fiscal years, to include the current fiscal year, making the counties governmental accounting seem more business like. This investment in capital assets includes land, buildings, building improvements, equipment, infrastructure, and work in progress.

Major capital asset events during the current fiscal year included:

- Re-classification of the Santa Teresa Airport taxi-ways from Construction-In-Process to Infrastructure
- Continued construction on several of the County's utility projects such as utility infrastructure systems
- Work in process such as administration building.

More detailed information about the County's capital assets is presented in Note 6 to the financial statements.

Long-Term Debt

The County's outstanding notes and bonded debt decreased by \$1,549,435 or 2.5% during the fiscal year 2006. Notes payable increased by \$1,075,565 or 28.3%; this increase is due to the County drawing down an additional \$1,341,330 of the \$5.4 million of the Clean Water State Revolving Loan. Bonded debt decreased by \$2,625,000 or 4.5% during the fiscal year.

At the end of fiscal year 2006, the County had total long-term debt outstanding to various agencies of \$63,498,846 or a 1.7% (\$1,126,032) decrease from the prior fiscal year.

Doña Ana County
Management Discussion & Analysis
Condensed Schedule of Outstanding Debt
As of June 30, 2006 and 2005

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Activity</u>	
	2006	2005	2006	2005	2006	2005
Revenue Bonds	\$ 43,950,000	\$ 45,885,000	-	-	\$ 43,950,000	\$ 45,885,000
Special Assessment Bonds	7,325,000	7,575,000	-	-	7,325,000	7,575,000
General Obligation Bonds	3,960,000	4,400,000	-	-	3,960,000	4,400,000
Notes Payable	1,680,203	1,945,968	2,067,017	1,848,372	3,747,220	3,794,340
Capital Leases (re-stated)	2,326,845	2,056,366	-	-	2,326,845	2,056,366
Verde Group Liability	-	-	1,067,097	914,173	1,067,097	914,173
Total Outstanding Debt	<u>\$ 59,242,048</u>	<u>\$ 61,862,334</u>	<u>\$ 3,134,114</u>	<u>\$ 2,762,545</u>	<u>\$ 63,498,846</u>	<u>\$ 64,624,879</u>

Note: The table above has been modified to reflect the restated beginning balance for the capital leases payable, which is due to the erroneous balance reported for fiscal year 2005.

Additional information on the County's debt can be found in Note 7 beginning on page 60 of this report

DONA ANA COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

REQUEST FOR INFORMATION

The financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional information, contact the County's Financial Services Director, 845 N Motel Blvd, Las Cruces, New Mexico 88007.

BASIC FINANCIAL STATEMENTS

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DONA ANA COUNTY
STATEMENT OF NET ASSETS
JUNE 30, 2006

EXHIBIT A-1

	Primary Government		Total
	Governmental Activities	Business Type Activities	
ASSETS			
Cash and Cash Equivalents	\$ 80,512,661	\$ 731,383	\$ 81,244,044
Investments - Current	195,216	-	195,216
Receivables (net of allowance for uncollectibles)	10,376,623	189,941	10,566,564
Internal Balances	(918,133)	1,067,097	148,964
Inventories	170,612	-	170,612
Prepaid Items	750,403	-	750,403
Capital Assets:			
Land	7,344,243	7,345,758	14,690,001
Infrastructure	232,794,974	48,240,379	281,035,353
Buildings	51,132,282	765,775	51,898,057
Improvements other than Buildings	5,279,996	-	5,279,996
Machinery and Equipment	22,142,473	206,298	22,348,771
Accumulated Depreciation	(163,033,019)	(3,822,131)	(166,855,150)
Construction in Progress	29,720,630	5,213,295	34,933,925
Total Assets	<u>276,468,961</u>	<u>59,937,795</u>	<u>336,406,756</u>
LIABILITIES			
Accounts Payable and other current liabilities	3,254,846	95,154	3,350,000
Intergovernmental Payable	153,371	-	153,371
Accrued Interest Payable	553,983	109,335	663,318
	-	84,807	84,807
Deferred Revenues	10,137,842	-	10,137,842
	-	2,832	2,832
Noncurrent Liabilities			
Due Within One Year	3,359,989	-	3,359,988
Due in More Than One Year	58,102,659	3,145,432	61,248,091
Total Liabilities	<u>75,562,690</u>	<u>3,437,560</u>	<u>79,000,249</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	126,679,217	-	126,679,217
Restricted for:			
Restricted for Debt Service	18,084,060	-	18,084,060
Restricted for	1,360,117	-	1,360,117
Unrestricted Net Assets	54,782,877	56,500,235	111,283,112
Total Net Assets	<u>\$ 200,906,271</u>	<u>\$ 56,500,235</u>	<u>\$ 257,406,506</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 16,709,942	\$ 4,483,880	\$ 105,162	\$ -
Public Safety	30,025,498	12,086,982	3,729,215	-
Public Works	13,874,801	1,754,562	-	1,139,822
Health and Welfare	14,754,353	691,515	3,762,430	-
Culture and Recreation	8,664,562	1,169,708	795,262	-
Bond Interest	2,760,701	-	-	-
Fiscal Agent's Fees	36,741	-	-	-
Capital Outlay	1,013,062	-	-	2,340,174
Total Governmental Activities:	87,839,660	20,186,647	8,392,069	3,479,996
BUSINESS-TYPE ACTIVITIES:				
Border Wastewater	166,749	55,213	-	-
Border Water System	186,063	164,661	-	-
Vado & Del Cerro Wastewater	815,869	623,560	-	-
Dona Ana Wastewater System	179,952	80,832	-	-
Las Palmera/Montana Vista WW Serv.	13,332	-	-	-
Rincon Wastewater	53,206	32,112	-	-
Villa Serreno	96,261	-	-	-
Home Choice - Villa Serreno	79,368	-	-	-
Salem/Orgas -Wastewater	119,232	69,798	-	-
La Union Wastewater	114,847	61,932	-	-
Talavera Water System	-	4,504	-	-
Total Business-Type Activities:	1,824,879	1,092,612	-	-
TOTAL PRIMARY GOVERNMENT:	\$ 89,664,539	\$ 21,279,259	\$ 8,392,069	\$ 3,479,996

General Revenues:

Taxes:

Property Taxes:

Property Taxes, Levied for General Purposes

Property Taxes, Levied for Debt Service

Property Taxes, Levied for Flood Control

Sales Taxes

Penalty and Interest

Grants and Contributions Not Restricted

Miscellaneous Revenue

Investment Earnings

Special Item - resource

Transfers In (Out)

Total General Revenues, Special Items, and Transfers

Change in Net Assets

Net Assets--Beginning

Prior Period Adjustment

Net Assets--Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (12,120,900)	\$ -	\$ (12,120,900)
(14,209,301)	-	(14,209,301)
(10,980,417)	-	(10,980,417)
(10,300,408)	-	(10,300,408)
(6,699,592)	-	(6,699,592)
(2,760,701)	-	(2,760,701)
(36,741)	-	(36,741)
1,327,112	-	1,327,112
<u>(55,780,948)</u>	<u>-</u>	<u>(55,780,948)</u>
-	(111,536)	(111,536)
-	(21,402)	(21,402)
-	(192,309)	(192,309)
-	(99,120)	(99,120)
-	(13,332)	(13,332)
-	(21,094)	(21,094)
-	(96,261)	(96,261)
-	(79,368)	(79,368)
-	(49,434)	(49,434)
-	(52,915)	(52,915)
-	4,504	4,504
-	<u>(732,267)</u>	<u>(732,267)</u>
<u>(55,780,948)</u>	<u>(732,267)</u>	<u>(56,513,215)</u>
23,266,224	-	23,266,224
570,381	-	570,381
1,142,389	-	1,142,389
18,334,230	-	18,334,230
883,183	-	883,183
1,721,367	-	1,721,367
508,052	112,795	620,847
3,439,120	36,689	3,475,809
7,598,030	-	7,598,030
829,608	60,255	889,863
<u>58,292,584</u>	<u>209,739</u>	<u>58,502,323</u>
2,511,636	(522,528)	1,989,108
109,028,064	52,035,814	161,063,878
89,366,571	4,986,949	94,353,520
<u>\$ 200,906,271</u>	<u>\$ 56,500,235</u>	<u>\$ 257,406,506</u>

DONA ANA COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2006

	General Fund	Health Services (SLIAG)	Province Health Care Grant
ASSETS			
Cash and Cash Equivalents	\$ 44,845,944	\$ 1,244,395	\$ 4,634,492
Investments - Current	197,698	-	-
Interest Receivable - investments	3,926	-	4,135
Taxes Receivable	3,162,137	-	-
Allowance for Uncollectible Taxes (credit)	(520,508)	-	-
Receivables (net of allowance for uncollectibles)	2,281,839	479,741	-
Intergovernmental Receivables	-	-	-
Due from Other Funds	1,049,823	-	-
Inventories	170,615	-	-
Total Assets	\$ 51,191,474	\$ 1,724,136	\$ 4,638,627
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 1,570,655	\$ 14,398	\$ -
Wages and Salaries Payable	641,500	12,899	-
Intergovernmental Payable	-	-	-
Due to Other Funds	(300)	-	-
Accrued Interest Payable	-	-	-
Deferred Revenues	5,891,245	-	5,000,000
Total Liabilities	8,103,100	27,297	5,000,000
Fund Balances:			
Reserved For:			
Debt Service	12,490,997	-	-
Capital Acquisition	-	-	-
Inventories	170,615	-	-
Unreserved Designated For:			
Healthcare	17,974,863	-	-
Unreserved and Undesignated:			
Reported in the General Fund	12,451,899	-	-
Reported in the Special Revenue Fund	-	1,696,839	(361,373)
Total Fund Balances	43,088,374	1,696,839	(361,373)
Total Liabilities and Fund Balances	\$ 51,191,474	\$ 1,724,136	\$ 4,638,627

The accompanying notes are an integral part of this statement.

County Admin. Bldg. Project	Other Funds	Total Governmental Funds
\$ 691,032	\$ 29,096,798	\$ 80,512,661
-	(2,482)	195,216
1,647	33,883	43,591
-	155,809	3,317,946
-	(26,604)	(547,112)
-	4,788,134	7,549,714
-	12,484	12,484
-	343	1,050,166
-	(3)	170,612
<u>\$ 692,679</u>	<u>\$ 34,058,362</u>	<u>\$ 92,305,278</u>
\$ 124,333	\$ 862,967	\$ 2,572,353
-	28,094	682,493
-	153,371	153,371
-	1,968,599	1,968,299
-	46,723	46,723
-	1,417,973	12,309,218
<u>124,333</u>	<u>4,477,727</u>	<u>17,732,457</u>
-	6,100,323	18,591,320
568,346	791,771	1,360,117
-	-	170,615
-	-	17,974,863
-	-	12,451,899
-	22,688,541	24,024,007
<u>568,346</u>	<u>29,580,635</u>	<u>74,572,821</u>
<u>\$ 692,679</u>	<u>\$ 34,058,362</u>	<u>\$ 92,305,278</u>

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DONA ANA COUNTY
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
 STATEMENT OF NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2006

Total Fund Balances - Governmental Funds	\$	74,572,822
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		185,381,580
Long-term liabilities, including bonds payable, notes payable, capital leases payable and compensated absences, are not due and payable in the current period and therefore are not reported in the funds.		(61,462,650)
In order to convert to the full accrual basis of accounting, it is necessary to recognize deferred revenue as revenue.		2,171,376
Other adjustments include recording prepaid items which are not included in the governmental funds and should be included in the governmental activities under full accrual basis of accounting.		750,403
Interest on long-term debt is not recognized in the governmental funds and therefore an adjustment is needed to convert to the full accrual basis of accounting.		(507,260)
Net Assets of Governmental Activities	<u>\$</u>	<u>200,906,271</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	General Fund	Health Services (SLIAG)	Province Health Care Grant
REVENUES:			
Taxes:			
Property Taxes	\$ 22,992,037	\$ -	\$ -
General Sales and Use Taxes	6,892,708	3,847,712	-
Penalty and Interest on Taxes	883,183	-	-
Licenses and Permits	633,554	-	-
Intergovernmental Revenue and Grants	3,084,718	149,407	-
Charges for Services	16,057,634	156,059	-
Investment Earnings	1,915,393	143,001	163,156
Rents and Royalties	132,717	-	-
Contributions & Donations from Private Sources	105,500	7,492,530	-
Other Revenue	85,279	-	-
Total Revenues	<u>52,782,723</u>	<u>11,788,709</u>	<u>163,156</u>
EXPENDITURES:			
Current:			
General Government	13,734,891	-	-
Public Safety	23,149,834	-	-
Public Works	7,887,220	-	-
Health and Welfare	4,460,476	-	640,000
Culture and Recreation	3,157,778	5,807,878	-
Debt Service:			
Bond Principal	220,763	-	-
Bond Interest	-	-	-
Fiscal Agent's Fees	-	-	-
Capital Outlay:			
Capital Outlay	105,500	-	-
Total Expenditures	<u>52,716,462</u>	<u>5,807,878</u>	<u>640,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>66,261</u>	<u>5,980,831</u>	<u>(476,844)</u>
OTHER FINANCING SOURCES (USES):			
Capital-related Debt Issued (Regular Bonds)	-	-	-
Sale of Real and Personal Property	764,000	-	-
Transfers In	12,117,343	12,000	-
Transfers Out (Use)	(16,306,229)	(4,700,000)	-
Total Other Financing Sources (Uses)	<u>(3,424,886)</u>	<u>(4,688,000)</u>	<u>-</u>
Net Change in Fund Balances	(3,358,625)	1,292,831	(476,844)
Fund Balance - July 1 (Beginning)	50,066,959	4,461,484	115,471
Prior Period Adjustment	(3,619,959)	(4,057,476)	-
Fund Balance - June 30 (Ending)	<u>\$ 43,088,375</u>	<u>\$ 1,696,839</u>	<u>\$ (361,373)</u>

The accompanying notes are an integral part of this statement.

County Admin. Bldg. Project	Other Funds	Total Governmental Funds
\$ -	\$ 1,781,180	\$ 24,773,217
-	7,720,243	18,460,663
-	-	883,183
-	57,961	691,515
-	10,359,306	13,593,431
-	3,281,439	19,495,132
194,887	1,022,683	3,439,120
-	-	132,717
-	-	7,598,030
-	290,056	375,335
<u>194,887</u>	<u>24,512,868</u>	<u>89,442,343</u>
-	629,826	14,364,717
-	7,928,660	31,078,494
-	-	7,887,220
-	9,706,853	14,807,329
-	136,417	9,102,073
-	2,625,000	2,845,763
-	2,773,658	2,773,658
-	36,741	36,741
<u>13,023,157</u>	<u>5,335,236</u>	<u>18,463,893</u>
<u>13,023,157</u>	<u>29,172,391</u>	<u>101,359,888</u>
<u>(12,828,270)</u>	<u>(4,659,523)</u>	<u>(11,917,545)</u>
-	1,341,330	1,341,330
-	-	764,000
1,947,800	10,246,759	24,323,902
-	(2,441,407)	(23,447,636)
<u>1,947,800</u>	<u>9,146,682</u>	<u>2,981,596</u>
<u>(10,880,470)</u>	<u>4,487,159</u>	<u>(8,935,949)</u>
11,448,816	27,107,068	93,199,798
-	(2,013,592)	(9,691,027)
<u>\$ 568,346</u>	<u>\$ 29,580,635</u>	<u>\$ 74,572,822</u>

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DONA ANA COUNTY
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2006

Total Net Change in Fund Balances - Governmental Funds	\$	(8,935,949)
<p>Current year capital outlays, net of deletions were \$19,308,926 and long-term debt principal payments totaled \$3,680,991. In addition, the change in interest accrual from the prior year caused an increase of \$37,539. Furthermore, capital related debt issued totaled \$1,341,330. These amounts are expenditures or other resources in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt and revenues in the government-wide financial statements. The net effect of removing the 2006 capital outlays, debt principal payments and other resources is to increase net assets.</p>		
		24,368,786
<p>Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net assets.</p>		
		(12,909,286)
<p>Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include adjusting current year revenue to show the revenue earned from the current year's tax levy, which totaled \$79,344 and recognizing the change in compensated absences, which provided a total adjustment of \$(111,320). In addition, the change in prepaid assets from the prior year caused a decrease of \$20,061. The net effect of these reclassifications and recognition is to decrease net assets.</p>		
		(11,915)
Change in Net Assets of Governmental Activities	\$	<u>2,511,636</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
RECEIPTS:				
Taxes:				
Property Taxes	\$ 20,650,000	\$ 20,650,000	\$ 22,788,957	\$ 2,138,957
General Sales and Use Taxes	6,046,295	6,046,295	6,739,575	693,280
Penalty and Interest on Taxes	760,000	760,000	919,227	159,227
Licenses and Permits	491,120	641,120	633,554	(7,566)
Intergovernmental Revenue and Grants	3,627,497	7,450,028	2,942,818	(4,507,210)
Charges for Services	15,970,956	15,970,956	16,007,742	36,786
Investment Earnings	781,450	781,450	1,832,226	1,050,776
Rents and Royalties	105,000	105,000	132,717	27,717
Contributions & Donations from Private Sources	-	-	105,500	105,500
Other Revenue	39,391	39,391	85,279	45,888
Total Receipts	48,471,709	52,444,240	52,187,595	(256,645)
DISBURSEMENTS:				
Current:				
General Government	14,474,505	14,483,685	13,398,535	1,085,150
Public Safety	23,198,700	25,509,977	22,935,665	2,574,312
Public Works	8,547,090	10,830,090	7,800,646	3,029,444
Health and Welfare	5,104,581	5,254,581	4,363,795	890,786
Culture and Recreation	2,642,769	3,277,268	3,157,031	120,237
Total Disbursements	53,967,645	59,355,601	51,655,672	7,699,929
Excess (Deficiency) of Receipts Over (Under) Disbursements	(5,495,936)	(6,911,361)	531,923	7,443,284
OTHER FINANCING SOURCES (USES):				
Sale of Real and Personal Property	1,020,000	1,020,000	764,000	(256,000)
Transfers In	11,006,261	12,117,343	12,117,343	-
Transfers Out (Use)	(15,187,963)	(16,306,229)	(16,306,229)	-
Total Other Financing Sources (Uses)	(3,161,702)	(3,168,886)	(3,424,886)	(256,000)
Net Change in Cash Balance	(8,657,638)	(10,080,247)	(2,892,963)	7,187,284
Cash Basis Fund Balance - July 1	50,599,871	50,599,871	50,599,871	-
Cash Basis Fund Balance - June 30 (Ending)	\$ 41,942,233	\$ 40,519,624	\$ 47,706,908	\$ 7,187,284

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - PROVINCE HEALTH CARE GRANT
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Investment Earnings	\$ 85,000	\$ 85,000	\$ 163,156	\$ 78,156
Total Receipts	<u>85,000</u>	<u>85,000</u>	<u>163,156</u>	<u>78,156</u>
DISBURSEMENTS:				
Current:				
Health and Welfare	700,000	700,000	640,000	60,000
Total Disbursements	<u>700,000</u>	<u>700,000</u>	<u>640,000</u>	<u>60,000</u>
Change in Fund Balance	(615,000)	(615,000)	(476,844)	138,156
Fund Balance - July 1 (Beginning)	<u>104,937</u>	<u>104,937</u>	<u>104,937</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ (510,063)</u>	<u>\$ (510,063)</u>	<u>\$ (371,907)</u>	<u>\$ 138,156</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - HEALTH SERVICES (SLIAG)
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT C-7

	Budgeted Amounts		Actual	Variance With Final Budget Positive or (Negative)
	Original	Final	BUDGET BASIS (See Note)	
REVENUES:				
Taxes:				
General Sales and Use Taxes	\$ 3,434,048	\$ 3,434,048	\$ 2,000,000	\$ (1,434,048)
Intergovernmental Revenue and Grants	169,663	169,663	98,582	(71,081)
Charges for Services	78,800	78,800	156,059	77,259
Investment Earnings	-	-	143,001	143,001
Contributions & Donations from Private Sources	5,500,000	5,500,000	7,492,530	1,992,530
Total Revenues	9,182,511	9,182,511	9,890,172	707,661
EXPENDITURES:				
Current:				
Culture and Recreation	5,768,757	5,768,757	3,950,243	1,818,514
Total Expenditures	5,768,757	5,768,757	3,950,243	1,818,514
Excess of Revenues Over Expenditures	3,413,754	3,413,754	5,939,929	2,526,175
OTHER FINANCING SOURCES (USES):				
Transfers In	12,000	(12,000)	12,000	24,000
Transfers Out (Use)	(4,700,000)	(4,700,000)	(4,700,000)	-
Total Other Financing Sources (Uses)	(4,688,000)	(4,712,000)	(4,688,000)	24,000
Change in Fund Balance	(1,274,246)	(1,298,246)	1,251,929	2,550,175
Fund Balance - July 1 (Beginning)	5,483,968	5,483,968	5,483,968	-
Fund Balance - June 30 (Ending)	\$ 4,209,722	\$ 4,185,722	\$ 6,735,897	\$ 2,550,175

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND FINANCIAL STATEMENTS

DONA ANA COUNTY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2006

	Business-Type Activities -	
	Border Wastewater	Border Water System
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ (882,785)	\$ 134,479
Accounts Receivable-Net of Uncollectible Allowance	5,073	29,178
Due from Other Funds	1,067,097	-
Total Current Assets	189,385	163,657
Noncurrent Assets:		
Capital Assets:		
Land Purchase and Improvements	2,757,810	4,115,449
Infrastructure	5,124,702	6,539,424
Buildings	-	-
Accumulated Depreciation - Buildings	-	(644,850)
Machinery and Equipment	20,894	-
Accumulated Depreciation - Machinery & Equipment	(796,218)	-
Construction in Progress	17,483	8,766
Total Noncurrent Assets	7,124,671	10,018,789
Total Assets	7,314,056	10,182,446
LIABILITIES		
Current Liabilities:		
Accounts Payable	6,654	20,550
Wages and Salaries Payable	711	662
Accrued Interest Payable	61,255	-
Deferred Revenue	37,315	47,492
Other Current Liabilities	-	-
Total Current Liabilities	105,935	68,704
NonCurrent Liabilities:		
Notes Payable - Noncurrent	1,067,097	-
Other Noncurrent Liabilities	2,299	1,526
Total Noncurrent Liabilities	1,069,396	1,526
Total Liabilities	1,175,331	70,230
NET ASSETS		
Unrestricted Net Assets	6,138,725	10,112,216
Total Net Assets	\$ 6,138,725	\$ 10,112,216

The accompanying notes are an integral part of this statement.

	Vado & Del Cerro Wastewater	Nonmajor Enterprise Funds	Total Enterprise Funds
\$	319,628	\$ 1,160,061	\$ 731,383
	112,817	42,873	189,941
	-	-	1,067,097
	432,445	1,202,934	1,988,421
	172,137	270,863	7,316,259
	22,995,893	13,609,860	48,269,879
	-	765,775	765,775
	-	(374,775)	(1,019,625)
	124,615	60,787	206,296
	(986,447)	(1,019,840)	(2,802,505)
	4,423,443	763,603	5,213,295
	26,729,641	14,076,273	57,949,374
	27,162,086	15,279,207	59,937,795
	29,780	33,613	90,597
	2,611	573	4,557
	23,066	25,014	109,335
	-	-	84,807
	-	2,832	2,832
	55,457	62,032	292,128
	1,098,058	968,959	3,134,114
	5,711	1,782	11,318
	1,103,769	970,741	3,145,432
	1,159,226	1,032,773	3,437,560
	26,002,860	14,246,434	56,500,235
\$	\$ 26,002,860	\$ 14,246,434	\$ 56,500,235

DONA ANA COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	Business-Type Activities -	
	Border Wastewater	Border Water System
OPERATING REVENUES:		
Charges for Services	\$ -	\$ -
Charges for Water Services	15	109,790
Charges for Gas Services	-	-
Charges for Sewerage Service	55,198	18,740
Investment Earnings	-	-
Rents and Royalties	-	-
Other Revenue	-	-
Total Operating Revenues	55,213	128,530
OPERATING EXPENSES:		
Personal Services - Salaries and Wages	30,033	25,865
Personal Services - Employee Benefits	10,730	6,688
Purchased Professional & Technical Services	3,887	2,349
Purchased Property Services	2,127	11,052
Other Operating Expenses	962	1,076
Supplies	36,540	47,257
Depreciation	99,502	127,909
Total Operating Expenses	183,781	222,196
Operating Income (Loss)	(128,568)	(93,666)
NON-OPERATING REVENUES (EXPENSES):		
Gain in Sale of Property	-	-
Grants (Not Capital grants)	-	-
Investment Earnings	4,795	4,164
Interest Expense - Non-Operating	17,031	-
Total Non-operating Revenue (Expenses)	21,826	4,164
Income (Loss) Before Transfers	(106,742)	(89,502)
Non-Operating Transfer In	-	-
Transfers Out	-	-
Change in Net Assets	(106,742)	(89,502)
Total Net Assets - July 1 (Beginning)	7,998,696	7,676,279
Prior Period Adjustment	(1,753,229)	2,525,439
Total Net Assets - June 30 (Ending)	\$ 6,138,725	\$ 10,112,216

The accompanying notes are an integral part of this statement.

Vado & Del Cerro Wastewater	Nonmajor Enterprise Funds	Total Enterprise Funds
\$ -	\$ 4,504	\$ 4,504
67	50	109,922
730	-	730
622,763	244,624	941,325
-	82	82
-	28,696	28,696
-	12,726	12,726
<u>623,560</u>	<u>290,682</u>	<u>1,097,985</u>
109,378	78,995	244,271
43,027	6,793	67,238
55,492	213,845	275,573
2,013	12,337	27,529
33,772	3,840	39,650
119,454	37,548	240,799
483,075	297,523	1,008,009
<u>846,211</u>	<u>650,881</u>	<u>1,903,069</u>
<u>(222,651)</u>	<u>(360,199)</u>	<u>(805,084)</u>
-	136,123	136,123
-	43,564	43,564
9,561	18,169	36,689
(5,791)	(5,315)	5,925
<u>3,770</u>	<u>192,541</u>	<u>222,301</u>
(218,881)	(167,658)	(582,783)
-	586,588	586,588
(159,900)	(366,433)	(526,333)
(378,781)	52,497	(522,528)
22,700,202	13,660,637	52,035,814
3,681,439	533,300	4,986,949
<u>\$ 26,002,860</u>	<u>\$ 14,246,434</u>	<u>\$ 56,500,235</u>

DONA ANA COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	Business-Type Activities	
	Border Wastewater	Border Water System
<u>Cash Flows from Operating Activities:</u>		
Cash Received from User Charges	\$ 50,195	\$ 127,734
Cash Payments to Employees for Services	(40,426)	(32,353)
Cash Payments for Suppliers	(41,018)	(49,988)
Net Cash Provided by (Used for) Operating Activities	<u>(31,249)</u>	<u>45,393</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>		
Operating Transfer Out	-	-
<u>Cash Flows from Capital & Related Financing Activities:</u>		
Acquisition of Capital Assets	10,338	(8,766)
Capital Contributed by (to) Other Funds	(914,173)	-
Proceeds from debt	1,726	951
Interest paid on debt	(22,686)	-
Grant Revenue	-	-
Net Cash Provided by (Used for) Capital & Related Financing Activities	<u>(924,795)</u>	<u>(7,815)</u>
<u>Cash Flows from Investing Activities:</u>		
Interest and Dividends on Investments	4,795	4,164
Net Increase(Decrease) in Cash and Cash Equivalents	(951,249)	41,742
Cash and Cash Equivalents at Beginning of the Year:	68,464	92,737
Cash and Cash Equivalents at the End of the Year:	<u>\$ (882,785)</u>	<u>\$ 134,479</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:</u>		
Operating Income (Loss):	\$ (128,567)	\$ (93,664)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used For) Operating Activities:		
Depreciation	99,502	127,909
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Receivables	(5,018)	(796)
Increase (decrease) in Accounts Payable	2,834	11,944
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in other	-	-
Net Cash Provided by (Used for) Operating Activities	<u>\$ (31,249)</u>	<u>\$ 45,393</u>
<u>Reconciliation of Total Cash and Cash Equivalents:</u>		
Cash and Cash Equivalents on Balance Sheet	<u>\$ (882,785)</u>	<u>\$ 134,479</u>
	<u>\$</u>	<u>\$</u>

The accompanying notes are an integral part of this statement.

Vado & Del Cerro Wastewater	Nonmajor Enterprise Funds	Total Enterprise Funds
\$ 569,870	\$ 271,962	\$ 1,019,761
(150,920)	(85,698)	(309,397)
(201,046)	(256,691)	(548,743)
<u>217,904</u>	<u>(70,427)</u>	<u>161,621</u>
<u>(159,900)</u>	<u>(42,943)</u>	<u>(202,843)</u>
(46,637)	154,425	109,360
-	586,588	(327,585)
4,933	332	7,942
-	-	(22,686)
-	43,564	43,564
<u>(41,704)</u>	<u>784,909</u>	<u>(189,405)</u>
<u>9,561</u>	<u>18,169</u>	<u>36,689</u>
25,861	689,708	(193,938)
293,767	470,353	925,321
<u>\$ 319,628</u>	<u>\$ 1,160,061</u>	<u>\$ 731,383</u>
\$ (222,649)	\$ (360,201)	\$ (805,081)
483,075	297,523	1,008,009
(53,690)	(18,164)	(77,668)
11,168	11,951	37,897
-	(556)	(556)
-	(980)	(980)
<u>\$ 217,904</u>	<u>\$ (70,427)</u>	<u>\$ 161,621</u>
<u>\$ 319,628</u>	<u>\$ 1,160,061</u>	<u>\$ 731,383</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>

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FIDUCIARY FUND FINANCIAL STATEMENTS

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DONA ANA COUNTY
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2006

	Agency Funds
ASSETS	
Cash and Cash Equivalents	\$ 1,193,242
Taxes Receivable	4,338,441
Allowance for Uncollectible Taxes (credit)	(708,406)
Accounts Receivable-Net of Uncollectible Allowance	134,401
Total Assets	<u>\$ 4,957,678</u>
LIABILITIES	
Accounts Payable	\$ 663,277
Wages and Salaries Payable	9,886
Overpayments	(175,312)
Taxes Paid in Advance	440,917
Intergovernmental Payable	2,192
Due to Other Funds	(3,717)
Due to Others	524,395
Deferred Revenue	3,496,040
Total Liabilities	<u>\$ 4,957,678</u>

The accompanying notes are an integral part of this statement.

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DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Description and Reporting Entity

The function of Doña Ana County is briefly addressed in the grant of powers provided to all New Mexico counties pursuant to state statute 4-37-1 NMSA 1978. The function is "...to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort, and convenience of the county or its inhabitants..." The County operates under a Commission form of government rule which oversees:

- the assessment, collection, and distribution of ad valorem taxes by an elected assessor and treasurer;
- law enforcement by an elected sheriff;
- recording and filing by an elected county clerk and elected probate judge;
- fire protection by volunteer fire departments;
- road maintenance by an appointed road superintendent;
- purchasing by an appointed purchasing agent;
- indigent hospital care by an appointed indigent coordinator;
- administrative services by an appointed county manager; and,
- planning, health, welfare, recreation, and cultural affairs by appointed citizen advisory boards.

The financial statements of Doña Ana County (County), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County's most significant accounting policies are described below.

Reporting Entity

The financial statements of Doña Ana County encompass the activities of the County Commission, County Clerk, Tax Assessor, County Treasurer, Sheriff, and Probate Judge. The commission activity includes the function of the County Manager's office, the County Road Superintendent, the County Purchasing Agent, The Indigent Claims Coordinator, and the volunteer fire districts throughout the county.

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. 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. The other 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 County is able to exercise oversight responsibilities. Based upon the application of these criteria, the Housing Authority of Doña Ana County is determined to be a component unit whose governing body is substantively the same as the Board of County Commissioners. Accordingly, the Housing Authority is reported as part of the primary government.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

1. **SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)**

Basis of Presentation

Government-Wide Statements- The Statement of Net Assets and the Statement of Activities display information about the government (the County). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements -The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category (governmental, proprietary, and fiduciary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the general fund as a major governmental fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

In addition, the County reports the following major funds:

- **Special Revenue Fund:** The Health Services Fund accounts for the activities of the County's indigent health care, which provides services to the residents of the County for local hospital care and ambulance services.
- **Special Revenue Fund:** The Province Health Care Grant fund provides funding to improve the integration of services by the clinics in the County operated by the federally qualified health center organization, the hospital and the existing family residency and to expand the service hours of the same clinics.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

1. **SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)**

- **Capital Projects Fund:** The County Administration Building fund is used to account for the costs of constructing the County's Administration Building. The Utility Projects fund accounts for the costs of constructing water and wastewater utilities.
- **Enterprise Fund:** The Border Wastewater fund is used to account for the service activities of the wastewater system.
- **Enterprise Fund:** The Border Water System fund accounts for the service activities of the water system.
- **Enterprise Fund:** The South Central Wastewater fund accounts for the activities of the wastewater utility, which provides service to the residents in Vado/Del Cerro, Chamberino, Berino and south central areas of the County.

The County also reports the following fund types:

- *Debt Service Funds* are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- *Agency Funds* are used to account for monies held by the County in a custodial capacity. They do not report operations or have a measurement focus.

Measurement Focus, Basis of Accounting

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements- The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements- Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The County has also elected to apply FASB Statements and Interpretations issued after November 30, 1989, unless those pronouncements conflict with GASB pronouncements.

Assets Liabilities and Equity

Cash Equivalents

The County pools idle cash from all funds for the purpose of increasing income through investment activities. A "Pooled Cash" concept is used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All amounts included in pooled cash and investments are considered to be cash equivalents for the purposes of the statement of cash flows.

Restricted Cash and Investments

The amount of cash held representing utility deposits and rental are deposits classified as restricted on the Statement of Net Assets - Proprietary Funds.

Receivables and Payables

All trade and property tax receivables are shown net of an allowance for uncollectibles. Notes receivable in governmental funds consist of loans are generally not expected or scheduled to be collected in the subsequent year.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. The County defines capital assets as assets with lives of greater than one year and a cost or donated value of \$1,000 or greater. However, the County will implement the new \$5,000 capitalization threshold as required by state law.

Donated capital assets are recorded at their estimated fair value at the date of donation. Major general infrastructure assets acquired prior to July 1, 2002 have not been recorded in the financial statements. Infrastructure assets put in service during the fiscal year ended June 30, 2003 have been recorded (predominantly roads and utilities). In addition, software purchased from vendors is capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Land improvements	10
Infrastructure	5 - 50
Buildings and improvements	10 - 40
Vehicles	4 - 12
Equipment and furniture	3 - 15

Budgets and Budgetary Accounting

The County adopts budgets for each individual fund (governmental and proprietary).

In late winter or early spring, the County prepares a budget calendar, thus starting the budgetary process for the upcoming July 1 fiscal year. Budget request forms are distributed to County departments and local service agencies with a specified completion date. Legally mandated advance notices are formally published for grant availability and other purposes once budget hearings have been scheduled. The budget hearings are then held with all County department heads and local service agency representatives. Generally, in late May or early June, a budget meeting is held for tentative approval of the completed budget. After tentative approval at the County level, the budget is submitted to the New Mexico Department of Finance and Administration (DFA) for approval of a temporary operational budget beginning July 1.

Immediately after July 1, when ending cash balances for the preceding fiscal year have been accurately ascertained, a final hearing is convened for finalization of the budget, and it is resubmitted to DFA for formal approval. None of the above budgetary processes are legally required to occur at any specified time; however DFA requires that the time frame be such that they (DFA) render their final budget approval no later than September 1 of the budget year in question.

During the course of the fiscal year, the County prepares monthly budget reports. Under New Mexico State law, each year's budget appropriation legally lapses at year end.

Budgetary Compliance- Budgetary control is required to be maintained at the individual fund level (with the exception of the Housing Authority).

Actual fund revenues may be either over or under the budgeted amounts; however, the variance is required to be reasonable, particularly in the case of over-budgeted revenues. Major over-budgeted revenues require a budget amendment as soon as the extent of the shortage is reasonably ascertainable.

Budget Amendments -Budget increases and decreases can only be accomplished by Commission resolution, followed by DFA approval. Similarly, budget transfers must follow the same procedure.

Budgetary Basis- State law prescribes that the County's budget be prepared on the basis of cash receipts and cash expenditures. Therefore, budgetary comparisons shown in exhibits are prepared on a cash basis to compare actual revenues and expenditures with a cash basis budget as amended.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

Budget - Housing Authority- The housing program budgets are established annually and approved by HUD (Housing and Urban Development). These housing budgets are used only as a guide. Should the housing programs incur expenditures over and above the original budgeted amount (predominantly housing assistance payments - section 8 program) additional funding will be requested and received from HUD. Therefore, the housing program budgets are a guide only and the grantor analyzes Housing Assistance payments in relation to administrative costs to determine if additional funding is warranted.

Investments

The County's investments are regulated by state law, as well as by guidelines and rules promulgated by the State Investment Council and the State Treasurer. All investments are generally highly liquid in nature and are integrated with cash on the financial statements with appropriate disclosure. Investments are stated at fair value which is determined using selected bases. Certificates of deposit are reported at carrying amount which reasonably estimates fair value. Investments in a U.S. Treasury Fund and repurchase agreements are valued at the last reported sales price at current exchange rates. Additional cash, investment information, and fair values are presented in Note 2.

The County also participates in the State Treasurer Local Government Investment Pool. This pool is regulated by state law and regulations. Investment in the pool is reported at carrying amount which reasonably estimates fair value.

Deferred Revenue

The taxes receivable are an aggregate of uncollected amounts assessed for the current fiscal year, as well as delinquent balances carried forward from the nine preceding fiscal years. Except for taxes received in advance or under protest, tax revenue received is distributed within thirty days to other local governmental units and county funds. While some of the delinquent outstanding balances will eventually be eliminated through corrections, litigation, and other property tax administrative procedures, the majority of the balances will ultimately be realized through delinquent payment or tax sales. The aggregate amount of this ultimate realization is generally difficult to ascertain at any point in time. Thus, taxes not collected within sixty days of fiscal year end are carried in the liability section of the balance sheet as deferred revenue on the fund basis financial statements

Income Taxes

As a local government entity, the County is not subject to federal or state income taxes.

Compensated Absences

Accrued annual leave, sick leave, and compensatory time are the components of accrued compensated absences. An employee may not carry over more than 288 hours of vacation leave into a new calendar year, nor receive payment for more than 288 hours upon separation. Under a new human resources policy adopted November 27, 1999, only employees retiring through PERA, with a minimum of 15 years of County service, shall be paid for accrued sick leave hours, limited to a maximum of 600 hours, subject to a maximum cash payment of \$15,000. In addition, such employees shall be compensated for any unused sick leave hours accrued as of November 27, 1999, at the employee's pay rate in effect on that date. Compensatory time is accrued in full non-exempt employees under the Fair Labor Standards Act.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

Capitalized Interest

The County capitalizes net interest costs as part of the cost of constructing various projects when material. Of the total interest costs incurred of \$2,773,658 during fiscal year 2006, none was capitalized into fixed assets.

Interfund Transactions

Interfund Transfers In (Out)

There are transactions that constitute reimbursements to a fund for expenditures initially expended from one fund that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Interfund transactions at June 30, 2006 consisted of the following individual transfers:

General Fund	\$	(4,188,886)
Special Revenue		(1,910,343)
Capital Projects		1,877,300
Debt Service		5,098,194
Enterprise		60,255
All Agency Funds		<u>(936,520)</u>
	<u>\$</u>	<u>-</u>

Interfund Receivables and Payables:

There are other transactions that arise as a result of normal operations and are cleared out periodically. Interfund balances at June 30, 2006 consisted of the following individual fund balances:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund:		
General Fund	\$ 300	\$ -
Special Revenue Funds	900,559	-
Debt Service Funds	-	-
Capital Project Funds	-	-
Agency and Trust Funds	<u>148,964</u>	<u>-</u>
	<u>1,049,823</u>	<u>-</u>
Special Revenue Funds:		
General Fund	<u>-</u>	<u>907,239</u>
Debt Service Funds:		
Capital Projects	<u>-</u>	<u>343</u>

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

	Due from Other Funds	Due to Other Funds
Capital Project Fund:		
Proprietary Funds	-	1,060,717
Debt Service	343	-
	343	1,060,717
Agency and Trust Funds:		
General Fund	-	148,964
Proprietary Funds		
Capital Projects Fund	1,067,097	-
Total	\$ 2,117,263	\$ 2,117,263

2. CASH AND CASH EQUIVALENTS

The County's cash balances are reserved from subsequent years and consist of demand deposits, interest bearing savings accounts, certificates of deposit and repurchase agreements. The certificates of deposit and repurchase agreements have varying interest rates and maturity dates. The majority of County cash and investments are co-mingled. All interest income is accounted for in the related funds.

The County's investments are governed by state law. State regulations require that uninsured demand deposits and deposit-type investments such as certificates of deposit be collateralized by the depository thrift or banking institution. At present, state statutes require that a minimum of fifty percent of uninsured balances on deposit with any one institution must be collateralized, with higher requirements up to 100% for financially troubled institutions. Investments in repurchase agreements must be collateralized at 102% of the contract.

The County has investments in the State Treasurer external investment pool. As such investments are valued at fair value based on quoted market price as of the valuation date. In addition, 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 short-term investment fund in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

2. CASH AND CASH EQUIVALENTS (Continued)

The pool does not have unit shares. Per Section 6-10-10 IF, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. The participation in the local government investment pool is voluntary.

Cash and certificates of deposit at June 30, 2006 consisted of the following:

	CASH		Account Type
	Reconciled Balance	On Deposit June 30, 2006	
Petty Cash - Airport	\$ 100	\$ 100	
Petty Cash - Utilities	100	100	
Petty Cash - Finance	100	100	
Petty Cash - Road	500	500	
Petty Cash - Sheriff	300	300	
Petty Cash - Detention	200	200	
Petty Cash - Flood	100	100	
Petty Cash - DWI	100	100	
Cash - Informant	4,862	4,862	
Cash DAC Treasurer's - cash drawers	1,000	1,000	
Cash DAC Clerk's office	100	100	
Bank of Albuquerque - 2004A - Debt Service	531	529	checking
Bank of Albuquerque 2004A - Debt Service Reserve	994,656	990,819	checking
BA DACDC Inmate Welfare Fund Account	102,510	105,912	checking
Citizen's Bank DCA-LCHA	1,418,031	1,458,749	checking
Citizens - Community Development	200	200	checking
Community First NB - Sheriff Account	571,511	574,566	checking
US Bank - Reserve 2001A & B	227,757	221,500	checking
US Bank - Reserve 2001B SAD	571,707	556,000	checking
US Bank - Capitalized Interest Fund	227	226	checking
US Bank - Debt Service Reserve Fund	2,412,775	2,412,775	checking
US Bank - Construction Funds	142,897	142,385	checking
US Bank - 2001 A & B - Administrative Expense Account	40,127	39,983	checking
US Bank - (DATF) Debt Service Reserve Fund	461,008	461,008	checking
US Bank (DATF) Cap Int 2001A-SAD	102,007	101,902	checking
US Bank (DATF) - Cap Int 2001B-SAD	268,817	268,550	checking
US Bank - Bank Revenue Fund - Detention	224,459	224,112	checking
Wells Fargo Depository Account	11,952,017	17,280,110	checking
Wells Fargo DACDC Juvenile Account	925	4,105	checking
Wells Fargo DACDC Main Inmate Trust Account	38,871	119,905	checking
Bank of Albuquerque NMFA Reserve Account	170,504	170,484	checking
Wells Fargo Healthcare Custody MMC	2,331,539	2,331,539	checking
	<u>22,040,538</u>	<u>27,472,821</u>	

(Continued)

DOÑA ANA COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2006

2. CASH, CERTIFICATES OF DEPOSIT, AND INVESTMENTS (Continued)

	<u>Investments</u>
Wells Fargo:	
Certificate of Deposit	\$ 7,961,701
Bank of the West:	
Certificate of Deposit	4,500,000
First Community:	
Certificate of Deposit	5,000,000
Bank of America:	
Certificate of Deposit	5,000,000
Bank Rio Grande:	
Certificate of Deposit	2,000,000
First New Mexico	
Certificate of Deposit	100,000
First Light	
Certificate of Deposit	1,000,000
White Sands	
Certificate of Deposit	100,000
LPL Financial Services	
Money Market Fund	35,246
*Various Investments	28,400,261
Subtotal	54,097,208
State Treasurer:	
Pool	10,331,751
Total Cash, Certificates of Deposits and Investments	\$ 64,428,959

* See Note below for details of investments.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

2. CASH, CERTIFICATES OF DEPOSIT, AND INVESTMENTS (Continued)

Investment Type	Cost Basis	Market Value	Credit Risk-Rating	Rated By	Weighted Average Maturity (Months)
Federal Home Loan Bank Federal Home Loan Mortgage Corp.	\$ 2,264,511	\$ 2,300,841	AAA	Moody's	0.20
Federal National Mortgage Association	13,498,707	13,605,781	AAA	S&P	8.77
Money Market Funds	14,756,354	14,859,361	AAA	Moody's	15.51
State Investment Pool **	235,506	235,506	Not provided	N/A	0.00
CD's	10,331,751	10,331,751	Not provided	N/A	0.00
	<u>25,661,701</u>	<u>25,661,701</u>	Not provided	N/A	<u>22.32</u>
	<u>\$ 66,748,530</u>	<u>\$ 66,994,941</u>			<u>11.70</u>

** The County's investment in the State Investment Pool was not rated, although the securities within the pool are rated.

Custodial Credit Risk Deposits - Custodial credit risk is the risk that in the event of a bank failure, the County funds may not be returned. The County is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to 102% of the public money in each account. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the County complies with this law, it has no custodial credit risk for deposits.

The carrying amount of the deposits and investments were categorized to give an indication of the level of risk assumed by the County. As of June 30, 2006, of the \$91,901,780 bank balance none was exposed to custodial credit risk. The categories and amounts are shown below.

Insured, registered, or collateralized with securities held by the County or by its agent in the County's name	\$ 91,901,780
Uninsured, collateralized with securities held by the pledging financial institution's trust department or agent in the County's name	-
Uninsured and uncollateralized	<u>-</u>
Total cash, certificates of deposits and investments (on deposit)	<u>\$ 91,901,780</u>

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

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The County's investments are diversified to avoid incurring concentration of credit risk. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the total investment portfolio is in one single security type or financial institution.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

2. CASH, CERTIFICATES OF DEPOSIT, AND INVESTMENTS (Continued)

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

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the County investments. The County's investment policy follows New Mexico State Statute Section 6-10-36E (NMSA, 1978 Comp) requiring the interest rate on time deposits shall not be less than the rated fixed 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.

Foreign Currency Risk Deposits and Investments - The County is not exposed to the risk that changes in exchange rates will adversely affect the fair value of an investment as none of the investments pools nor certificates of deposit are dominated in a foreign currency.

3. PLEDGED COLLATERAL UNDER STATE REQUIREMENTS

	Bank of Albuquerque	Bank of America	Bank of the West	Bank of the Rio Grande	Citizen's Bank
Cash in bank, per June 30, 2006 bank statements	\$ 1,161,832	\$ 5,105,912	\$ 5,074,567	\$ 2,000,000	\$ 1,458,949
Less: FDIC coverage	-	200,000	100,000	100,000	-
Uninsured public funds	1,161,832	4,905,912	4,974,567	1,900,000	1,458,949
50% collateral requirements	580,916	2,452,956	2,487,284	950,000	729,475
Pledged securities	1,167,138	5,955,608	5,456,439	2,420,108	1,452,815
Over (under)	\$ 586,222	\$ 3,502,652	\$ 2,969,155	\$ 1,470,108	\$ 723,340

	First Light Federal Credit Union	First Community Bank	US Bank	First New Mexico Bank	Wells Fargo
Cash in bank, per June 30, 2006 bank statements	\$ 1,000,000	\$ 5,000,000	\$ 3,967,434	\$ 100,000	\$ 25,365,821
Less: FDIC coverage	100,000	100,000	-	100,000	200,000
Uninsured public funds	900,000	4,900,000	3,967,434	-	25,165,821

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

3. PLEDGED COLLATERAL UNDER STATE REQUIREMENTS (Continued)

	First Light Federal Credit Union	First Community Bank	US Bank	First New Mexico Bank	Wells Fargo
50% collateral requirements	450,000	2,450,000	1,983,717	-	12,582,911
Pledged securities	1,972,900	5,042,385	4,299,622	-	54,265,508
Over (under)	<u>\$ 1,522,900</u>	<u>\$ 2,592,385</u>	<u>\$ 2,315,905</u>	<u>\$ -</u>	<u>\$ 41,682,597</u>

	Wachovia	White Sands
Cash in bank, per June 30, 2006 bank statements	\$ 461,008	\$ 100,000
Less: FDIC coverage	-	100,000
Uninsured public funds	461,008	-
50% collateral requirements	230,504	-
Pledged securities	627,571	-
Over (under)	<u>\$ 397,067</u>	<u>\$ -</u>

	PAR/Market Value	Maturity Date
<u>SECURITIES PLEDGED</u>		
BANK OF ALBUQUERQUE		
U.S. Treasury Note	\$ 170,680	11/15/05
U.S. Treasury Note IN 11120	5,110	
U.S. Treasury	991,348	
Federal Home Loan Bank - Dallas, TX	<u>\$ 1,167,138</u>	
CITIZEN'S BANK		
FHLB - Noncancellable - Housing	973,750	03/11/2011
FHLB - Noncancellable - Housing	479,065	11/14/2008
Independent Bankers - Dallas, TX	<u>\$ 1,452,815</u>	
FIRST LIGHT FEDERAL CREDIT UNION		
FHLMC	<u>\$ 1,972,900</u>	
First Light Federal Credit Union, Las Cruces, NM	<u>\$ 1,972,900</u>	

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

3. PLEDGED COLLATERAL UNDER STATE REQUIREMENTS (Continued)

	PAR/Market Value	Maturity Date
Bank of the Rio Grande		
FHLB	\$ 489,265	
FARM Credit	486,751	
FHLB	486,108	
FHLB	483,113	
FHLB	474,871	
	<u>\$ 2,420,108</u>	
US BANK		
FGIC CAP MKT SERV INVT AGMT - 2	\$ 556,087	01/01/21
FGIC CAP MKT SERV INVT AGMT - 4	221,535	01/01/21
FIRST UNION COMBINED FDS - PNC	3,522,000	06/01/16
	<u>\$ 4,299,622</u>	
US Bank Minnesota		
	<u>\$ 4,299,622</u>	
WACHOVIA SECURITIES		
Treas Strips	\$ 477,088	11/15/27
FNMA	150,483	03/10/06
	<u>\$ 627,571</u>	
US Bank - Minnesota		
	<u>\$ 627,571</u>	
WELLS FARGO		
FNCL #323702	\$ 120,389	10/01/28
FNCL 190615	76,277	01/01/09
FNCL 190638	224,831	02/01/09
FNMA #447636	283,347	03/01/33
GNMA #781246	371,936	02/15/31
FNCL 254549	4,819,050	10/01/23
FNCL 735590	1,424,606	05/01/35
FNCL 831286	33,269,572	02/01/36
FNCL 851555	515,081	03/01/36
GNSF 780941	221,284	12/15/31
G2SF 781301	353,006	06/20/31
GNSF 781210	12,586,129	08/20/32
	<u>\$ 54,265,508</u>	
Wells Fargo Bank - Minneapolis, MN		
	<u>\$ 54,265,508</u>	

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

3. PLEDGED COLLATERAL UNDER STATE REQUIREMENTS (Continued)

	PAR/Market Value	Maturity Date
BANK OF AMERICA		
FNMA Pool 555424	\$ 800,542	
Federal National Meeting	1,954,852	02/01/33
Federal National Meeting	581	07/01/33
Federal National Meeting	45,917	06/01/33
Federal National Meeting	9,772	02/01/33
Federal National Meeting	18,952	12/01/34
Federal National Meeting	2,266,691	04/01/35
Federal National Meeting	20,322	08/01/35
Federal National Meeting	837,979	07/01/35
	<u>\$ 5,955,608</u>	
BANK OF AMERICA - NC		
	<u>\$ 5,955,608</u>	
FIRST COMMUNITY BANK		
Federal Home Loan Bank	\$ 289,875	08/15/08
Federal Home Loan Bank	1,024,948	02/13/09
Los Lunas, NM School District #1	543,352	07/15/18
Ruidoso, NM GRT	1,101,010	06/01/20
Federal Home Loan Bank	43,200	07/21/08
Federal Home Loan Bank	2,040,000	07/21/08
	<u>\$ 5,042,385</u>	
First Community Bank, Las Cruces, NM		
	<u>\$ 5,042,385</u>	
BANK OF THE WEST		
FH #M80833	\$ 1,034,372	
FHLMC #1133965	945,328	
FNMA #731477	3,476,739	
	<u>\$ 5,456,439</u>	
Bank of the West - New Mexico		
	<u>\$ 5,456,439</u>	

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

4. DISAGGREGATED RECEIVABLES AND PAYABLES

Receivables at June 30, 2006, were as follows:

	Property Taxes	State Taxes	Detention Center fees	Interest	Inter- governmental	Other	Total Receivables
Governmental Activities:							
General Fund	\$ 3,162,137	\$ 1,449,219	\$ 750,036	\$ 3,926	\$ -	\$ 539,067	\$ 5,904,385
Health Services (SLIAG)	-	-	-	-	-	479,741	479,741
Province Health Care Grant	-	-	-	4,135	-	-	4,135
County Admin Bldg Project	-	-	-	1,647	-	-	1,647
Nonmajor special revenue	102,948	295,888	-	-	-	2,657,268	3,056,104
Debt Service	52,861	-	-	33,883	-	-	86,744
Nonmajor capital projects	-	-	-	-	-	1,847,462	1,847,462
Total Governmental Activities	\$ 3,317,946	\$ 1,745,107	\$ 750,036	\$ 43,591	\$ -	\$ 5,523,538	\$ 11,380,218
Amounts not scheduled for collection during the subsequent year	-	-	-	-	-	-	-
Business-type Activities:							
Border Wastewater	-	-	-	-	-	5,073	5,073
Border Water System	-	-	-	-	-	29,178	29,178
South Central WWTP	-	-	-	-	-	112,817	112,817
Nonmajor enterprise funds	-	-	-	-	-	42,873	42,873
Total Business-Type Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189,941	\$ 189,941

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

4. DISAGGREGATED RECEIVABLES AND PAYABLES (continued)

Doña Ana County management has established the following allowance for uncollectible accounts.

General Fund

Allowance for landfill fees	\$	360,044
Allowance for Road Department Receivables		10,000
Allowance for Airport receivables		13,000
Allowance for Detention Center Receivables		73,440

Taxes receivable consists of the following:

General Fund (Net of allowance of \$520,508)	\$	2,527,397
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Special Revenue Funds

County Flood Commission (Net of allowance of \$17,577)	\$	85,371
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Debt Service Funds

G.O. Bond - Judicial (Net of allowance of \$9,027)	\$	43,834
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Agency Funds

Property tax fund (Net of allowance of \$708,406)	\$	3,441,188
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Payables at June 30, 2006 were as follows:

	Accounts	Accrued Expense	Inter- governmental	Accrued Interest	Total Payables
Governmental Activities:					
General Fund	\$ 1,570,655	\$ 641,500	\$ -	\$ -	\$ 2,212,155
Health Services (SUAG)	14,398	12,899	-	-	\$ 27,297
County Admin Bldg Project	124,333	-	-	-	124,333
Nonmajor special revenue	495,237	28,094	-	-	523,331
Debt Service	5,110	-	-	46,723	51,833
Nonmajor capital projects	362,620	-	-	-	362,620
	<u>\$ 2,572,353</u>	<u>\$ 682,493</u>	<u>\$ -</u>	<u>\$ 46,723</u>	<u>\$ 3,301,569</u>
Total Governmental Activities					
Amounts not scheduled for collection during the subsequent year	-	-	-	-	-
Business-type Activities:					
Border Wastewater	\$ 6,653	\$ 711	\$ -	\$ 61,255	\$ 68,619
Border Water	20,550	662	-	-	21,212
South Central WWTP	29,780	2,611	-	23,066	55,457
Nonmajor enterprise funds	33,612	572	-	25,013	59,197
	<u>\$ 90,595</u>	<u>\$ 4,556</u>	<u>\$ -</u>	<u>\$ 109,334</u>	<u>\$ 204,485</u>
Total Business-Type Activities					

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

5. PROPERTY TAXES

Property taxes attach as an unsubordinated enforceable lien on property as of January 1 of the assessment year. Current year taxes are levied within five days of the rate setting order received from New Mexico Department of Finance and Administration (7-38-32 thru 7-38-36). Tax bills are mailed by November 1, unless the Doña Ana County Assessor obtains a formal extension of time from the New Mexico Property Tax Division. Taxpayers have the option to pay in two equal installments due by the close of business November 10 and April 10. Penalty and interest will be accrued after the delinquency due dates of December 10 and May 10. In the event of a formal extension, the respective dates are correspondingly extended.

The County bills and collects its own taxes, as well as the taxes for three school districts, four municipalities, the Community College, the New Mexico Livestock Board, and the State of New Mexico. In tax year 2005, the County billed 8.120 per \$1,000 of net assessed valuation of residential property and 12.079 per \$1,000 of net assessed valuation of nonresidential property. The maximum rate for both types of property is 11.850. The statutory maximum rate for servicing long-term debt is unlimited, although the total amount of outstanding debt at any one time is restricted by other factors. The County's share of the property taxes equal approximately 33.4% of the total and is used for general governmental services and retirement of long-term debt.

The County is required to report all real property delinquencies in excess of three years to the New Mexico Property Tax Division. The State, in turn, administers all subsequent collection actions and proceedings.

6. CAPITAL ASSETS

Capital asset activity for the County's primary government for the year ended June 30, 2006 was as follows:

	Balance 06/30/05 (Restated)	Additions	Deletions	Balance 06/30/06
Governmental Activities:				
Land	\$ 7,166,981	\$ 177,262	\$ -	\$ 7,344,243
Land improvements	5,104,716	175,279	-	5,279,995
Building and improvements	51,608,618	73,664	(550,000)	51,132,282
Furniture, fixtures, and equipment	10,059,461	3,037,437	(262,405)	12,834,493
Vehicles	8,166,001	1,161,992	(20,013)	9,307,980
Infrastructure	230,344,249	2,450,725	-	232,794,974
Construction-in-progress	13,452,398	18,581,169	(2,312,937)	29,720,630
Total	325,902,424	25,657,528	(3,145,355)	348,414,597
Less:				
Accumulated depreciation	150,145,492	12,909,286	(21,759)	163,033,019
Net capital assets	\$ 175,756,932	\$ 12,748,242	\$ (3,123,596)	\$ 185,381,578

Depreciation expense for governmental activities is \$12,909,286 for the year.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

6. CAPITAL ASSETS (Continued)

	Balance 06/30/05 (Restated)	Additions	Deletions	Reclassification	Balance 06/30/06
Business-Type Activities:					
Capital Assets					
Land	\$ 7,341,689	\$ -	\$ (25,431)	\$ 29,500	\$ 7,345,758
Building and improvements	1,159,467	3,250	(396,942)	-	765,775
Vehicles	158,578	33,077	(20,754)	-	170,901
Furniture and equipment	35,397	-	-	-	35,397
Infrastructure	47,922,431	347,448	-	(29,500)	48,240,379
Work-in-process	876,724	4,683,120	(346,549)	-	5,213,295
Total	57,494,286	5,066,895	(789,676)	-	61,771,505
Less: Accumulated depreciation	(2,829,889)	(1,008,008)	15,766	-	(3,822,131)
Net capital assets	\$54,664,397	\$ 4,058,887	\$ (773,910)	\$ -	\$57,949,374

Depreciation expense for business-type activities is \$1,008,008 for the year.

Depreciation was charged to governmental funds as follows:

General government	\$ 2,854,511
Public safety	2,428,083
Public works	7,563,774
Health and welfare	49,604
Culture and recreation	13,314
	<u>\$ 12,909,286</u>

Beginning balances of capital assets related to governmental and business-type activities reflect adjustments to amounts reported in prior-year financial statements after the County reviewed and its capital asset inventory and determined that certain changes were required. The adjustments increased (decreased) beginning balances as follows:

	Governmental	Business-type
Land and land improvements	\$ -	\$ (36,728)
Building and improvements	(118,783,292)	-
Improvements other than buildings	248,877	-
Equipment, furniture and fixtures	-	-
Vehicles	-	-
Infrastructure	219,013,072	2,006,410
Construction in process	(727,339)	(173,028)
	<u>\$ 99,751,318</u>	<u>\$ 1,796,654</u>

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

7. LONG-TERM DEBT

Changes in Long-Term Debt

Governmental Activities

	Balance 06/30/05	Additions	Decreases	Balance 06/30/06	Amount Due Within One Year	Amount Due in More Than One Year
Accrued compensated absences	\$ 2,131,242	\$ 126,178	\$ (36,820)	\$ 2,220,600	\$ 233,474	\$ 1,987,126
Notes payable	1,945,968	-	(265,765)	1,680,203	148,266	1,531,937
Capital lease payable (restated)	2,056,366	1,061,424	(790,945)	2,326,845	248,249	2,078,596
General Obligation Bonds	4,400,000	-	(440,000)	3,960,000	450,000	3,510,000
Special assessment district bonds	7,575,000	-	(250,000)	7,325,000	255,000	7,070,000
Revenue bonds	45,885,000	-	(1,935,000)	43,950,000	2,025,000	41,925,000
Total	\$ 63,993,576	\$ 1,187,602	\$ (3,718,530)	\$ 61,462,648	\$ 3,359,989	\$ 58,102,659

Business-type Activities

	Balance 06/30/05	Additions	Decreases	Balance 06/30/06	Amount Due Within One Year	Amount Due in More Than One Year
Accrued compensated absences	\$ 3,374	\$ 11,318	\$ (3,374)	\$ 11,318	\$ -	\$ 11,318
Notes payable	1,848,372	218,645	-	2,067,017	-	2,067,017
Verde Group Liability	914,173	1,067,097	(914,173)	1,067,097	-	1,067,097
Total	\$ 2,765,919	\$ 1,297,060	\$ (917,547)	\$ 3,145,432	\$ -	\$ 3,145,432

Bonds are liquidated from the debt service fund and other long-term liabilities are liquidated from the general fund and special revenue funds. Moreover, no short-term debt was incurred during fiscal year 2006.

Verde Group Liability

In 1999, the County entered into an agreement with the Santa Teresa Limited Partnership and Paseo Del Norte Limited Partnership. (The Verde Group has since bought out the Santa Teresa and Paseo Del Norte Partnerships and assumed their role). The agreement was executed to ensure payment for the water bond that was used to construct utility infrastructure in the area of Santa Teresa. Payment of the bonds per this agreement was to be made from the Utility system gross revenues, the Land Owner's guarantee and the proceeds of the county's equalization tax. Per the agreement, the Land Owner's will provide the shortfall between net revenues from the utilities and debt service of the water bonds. This agreement (guarantee) is secured by land documented in the Security Agreement and Mortgage executed between the parties above.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

7. LONG-TERM DEBT (continued)

A contingency comes about regarding the repayment to the Land Owners for the shortfall monies that are advanced to the County. The agreement also stipulates that upon expiration of the guarantee, the County shall reimburse from the net revenues of the utility system the funds advanced to the County for shortfall the bond payments along with 3% interest. Repayment will begin when Utility System Net Revenues equals or exceeds 1.25% of the debt service

As of June 30, 2006, the County has not met the requirements to begin repayment. However, it has an accrued liability of \$1,067,097.

General Obligation Bonds

The County has refunded two series of general obligation bonds through the issuance of the series 2003 Refunding Bond in the amount of \$4,805,000 These bonds were issued to fund acquisition and improvements to judicial and administrative facilities.

On June 20, 2003, the County issued \$4,805,000 in General Obligation Bonds with an average interest rate of 2% to advance refund \$4,560,000 of outstanding 1993 and 1994 series bonds with an average interest rate of 5.3%. The net proceeds of \$4,682,569 after payment of bond issuance costs plus an additional \$339,487 of 1993 and 1994 sinking fund monies were used to fund an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1993 and 1994 series bonds. As a result the 1993 and 1994 series bonds are considered to be defeased and the liability for these bonds have been removed from the debts of the County.

Although the advance refunding resulted in the recognition of an accounting loss of \$122,569 for the year ended June 30, 2003, the County in effect reduced its aggregate debt service payments by \$609,294 over the next 10 years and obtained an economic gain (difference in the present values of the old and new debt service payments of \$544,061).

Future Requirements: Series 2003 General Obligation Refunding Bonds

	Principal	Interest	Total
2007	\$ 450,000	\$ 93,203	\$ 543,203
2008	465,000	84,053	549,053
2009	470,000	74,703	544,703
2010	490,000	64,368	554,368
2011	500,000	52,233	552,233
2012-2014	1,585,000	70,636	1,655,636
Total	<u>\$ 3,960,000</u>	<u>\$ 439,196</u>	<u>\$ 4,399,196</u>

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

7. **LONG-TERM DEBT (continued)**

Revenue Bonds

The County has four series of revenue bonds to service.

Gross Receipts Tax Refunding and Improvement Revenue Bonds, Subordinate Series 1998 were issued by the County to provide funds for an advance refunding of outstanding debt, as described elsewhere in this note, and for making improvements to the existing County Jail and juvenile detention facility. Principal and interest are serviced from a non-exclusive first lien on Correctional System Revenues and a subordinate lien on the County's Gross Receipts Tax Revenues. In 1999, the County issued \$6,000,000 of Water System/Gross Receipts Tax Revenue bonds to provide funds for purchasing, constructing, or otherwise acquiring, water and wastewater systems in the County for the Santa Teresa - Border Regional Water System.

Revenues received by the County from the New Mexico Department of Taxation and Revenue, and from the net revenues of the County owned public utility; The bonds are secured by a non-exclusive first lien on both the Equalization Revenues and the Project Revenues. However, these bonds are classified as business-type bonds.

On October 1, 2003, the County issued Gross Receipts Tax Refunding and Improvement Revenue Bonds, Series 2003 in the amount of \$7,145,000 with interest rates ranging from 2.50% to 4.625%. The bonds mature serially on May 1 in each of the years 2004 through 2028 with term bonds, subject to mandatory redemption, maturing May 1, 2025 and May 1, 2028. The gross bond proceeds of \$7,189,428 will be used for purchasing, constructing or otherwise acquiring buildings, including but not limited to, County administrative facilities and to refund a loan to the County from the New Mexico Finance Authority of \$822,552, which was deposited in an escrow account. The proceeds, after payment of issuance costs and the NMFA loan, of \$6,077,346 will be deposited in an Acquisition Fund. The Bonds are payable from revenues received by the New Mexico Department of Taxation and Revenue's Equalization Revenues.

On June 1, 2004, the County issued New Mexico Payment-in-Lieu of Taxes (PILT) Revenue Bonds, Series 2004A in the amount of \$13,800,000 with interest rates ranging from 4.500% to 5.375%. The bond proceeds of \$13,857,148 will be used for the purposes of providing funds for designing, acquiring, constructing, furnishing and equipping County buildings, including but not limited to, County administrative facilities, purchasing or improving any ground, including parking lots, or any combination thereof. Of the proceeds discussed above, \$986,874 was deposited in the Debt Service Reserve Fund to be used only to prevent deficiencies in the payment of the principal of and interest on the Bonds. The remaining proceeds, after payment of issuance costs and various deposits in other funds, of \$12,109,440 will be deposited in an Acquisition Fund. The bond principal and interest will be paid from PILT revenue received from the Bureau of Land Management on an annual basis.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

7. LONG-TERM DEBT (continued)

Description	Date	Due	Original Issue	Outstanding	Interest Rates
Gross Receipts Tax Refunding and Improvement, Series 1998	04/01/98	06/01/16	\$ 27,890,000	\$ 18,735,000	5% to 5.5%
Water System/Gross Receipts Tax, Series 1999	11/01/99	05/01/29	6,000,000	5,550,000	5.3% to 7%
Gross Receipts Tax Refunding and Improvement, Series 2003	10/01/03	05/01/28	7,145,000	6,460,000	2.5% to 5.25%
PILT Revenue Bonds, Series 2004A	06/01/04	12/01/28	13,800,000	13,205,000	4% to 5.375%
Total			\$ 54,835,000	\$ 43,950,000	

Future requirements:

	Principal	Interest	Total
2007	\$ 2,025,000	\$ 2,247,793	\$ 4,272,793
2008	2,110,000	2,155,833	4,265,833
2009	2,210,000	2,059,845	4,269,845
2010	2,315,000	1,952,689	4,267,689
2011	2,425,000	1,839,727	4,264,727
2012-2016	15,410,000	7,217,540	22,627,540
2017-2021	5,505,000	3,992,275	9,497,275
2022-2026	7,130,000	2,389,175	9,519,175
2027-2029	4,820,000	433,849	5,253,849
Total	\$ 43,950,000	\$ 24,288,726	\$ 68,238,726

Special Assessment Debt

In 2000, the County issued \$765,000 of Fillmore Assessment District bonds to pay a portion of the cost of certain road paving improvements. The bonds are payable from a special fund containing the receipts derived by the County from special assessments levied against the property specially benefitted by the improvements. The bonds are also secured by a pledge of gasoline tax revenues; the County may, without restriction, create additional liens on the pledged gasoline tax revenues. The final maturity date is June 1, 2010. The interest rate is 6.00%. However, the County's management chose to retire this debt prior to maturity and, as such, there is no liability for this debt as of June 30, 2006.

In 2001, the County issued \$7,775,000 of Santa Teresa Improvement District bonds. Proceeds of the 2001 A Bonds will be used to finance the acquisition of certain road improvements previously constructed in the Airport Road District. The 2001A Bonds are secured by the pledge of certain special assessments secured by liens on property within the Airport Road District and moneys and securities on deposit in specified funds described in the 2001A Indenture. The 2001 B Bonds are secured by certain pledged property, including special assessments secured by liens on property with the Border Industrial Park District and moneys and securities on deposit in specified funds described in the 2001B Indenture. The final maturity date is January 1, 2021. The interest rate for the 2001A Bonds is 8.375%; and 8.75% for the 2001B Bonds.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

7. LONG-TERM DEBT (continued)

Future requirements:

	Principal	Interest	Total
2007	\$ 255,000	\$ 639,694	\$ 894,694
2008	275,000	617,438	892,438
2009	305,000	593,432	898,432
2010	330,000	566,812	896,812
2011	2,115,000	2,350,364	4,465,364
2012 - 2016	3,220,000	1,250,431	4,470,431
2017 - 2021	825,000	72,069	897,069
Total	<u>\$ 7,325,000</u>	<u>\$ 6,090,240</u>	<u>\$ 13,415,240</u>

Industrial Revenue Bonds

The County has issued industrial revenue bonds to finance the expansion of certain companies in Doña Ana County. The bond interest and principal are payable by the companies and do not represent a liability of the County. Therefore, these bonds are not reflected in these financial statements. As of June 30, 2006, all outstanding industrial revenue bonds were paid in full.

Notes Payable

Prior to fiscal year 2000, the County had drawn \$676,528 against proceeds available from a \$750,000 loan granted by the State of New Mexico Environment Department for the purpose of developing a consolidated liquid waste treatment and disposal system. On September 10, 1999, the loan agreement was amended. Accrued construction interest of \$147,663 was rolled into the total disbursements to become part of the principal. The terms of the loan were amended March 12, 2001 providing for annual payments of \$51,091 including interest calculated at a rate of 2% per annum, with the final payment due June 17, 2019. As of June 30, 2006 the balance is \$579,799, with repayments to be provided from general fund sources. Net revenues from the operation of the septic disposal facilities and environmental services gross receipts tax revenues are pledged as security.

In June 1996, the County borrowed \$1,100,000 from the NM Interstate Stream Commission for the purpose of providing flood protection. The terms of the loan call for annual payments of \$125,685, including interest calculated at a rate of 2.50% per annum, with the final payment due July 1, 2006. As of June 30, 2006 the balance is \$0.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

7. LONG-TERM DEBT (continued)

During fiscal year 1999, the County drew \$1,579,030 against proceeds available from a \$2,215,217 loan from the New Mexico Finance Authority for the purpose of providing flood protection. Of the net loan proceeds, \$165,374 was deposited into a reserve account. Upon completion of the project, \$485,000 that had not been drawn, including construction period interest earned, was applied as prepayment on the last four years' maturities. The terms of the loan, as revised, call for annual payments ranging from \$152,363 to \$135,006, including interest ranging from 4.05% to 5.05% per annum and an administrative fee of 0.25%, with the final payment due May 1, 2015. As of June 30, 2006, the balance is \$106,246 with repayments to be provided from the Flood Commission Special Revenue Fund. Revenues generated by the County Flood Fund ad valorem tax are pledged as security. This loan is on a parity with the loan from the New Mexico Interstate Stream Commission described in the preceding paragraph.

In November 1999, the County borrowed \$85,640 from the New Mexico Finance Authority for the acquisition and construction of an equipment building for the Chaparral Fire District. The terms of the loan call for annual payments of \$10,322 for 10 years, including interest ranging from 3.930% to 5.200% per annum and an administrative fee of 0.25%, with the final payment due May 1, 2010. As of June 30, 2006, the balance is \$38,159 is accounted for in the General Fund, with repayments to be provided solely from the pledged revenues. The distribution to Chaparral Fire District made annually by the State Treasurer is pledged as security.

On June 30, 2003 the County entered into a loan agreement in the amount of \$5,400,000 with the New Mexico Environment Department. The loan proceeds are to be used to improve or construct a Sanitary Sewer System by constructing, extending, enlarging, repairing, and otherwise improving the County's wastewater collection system, conveyance and treatment facilities. During fiscal year 2006, the County draw downs totaled \$1,341,330. The loan calls for 20 annual payments of \$330,246 and interest is calculated at a rate of 2.0% . Accrued interest can either be paid at closing or rolled into total disbursements as principal. The first payment is due either on the first anniversary of the project's completion or after the final draw down is made, which ever is earlier. The project is anticipated to be completed during fiscal year 2007. As of June 30, 2006, the balance is \$3,189,701. Payment will begin within one year after completion of the project.

The future payments required for notes payable accounted for in the Governmental Activities funds are as follows:

	Principal		Interest		Total
2007	\$ 148,266	\$	64,424	\$	212,690
2008	153,631		58,837		212,468
2009	159,255		52,978		212,233
2010	165,232		46,759		211,991
2011	161,235		40,179		201,414
2012-2016	746,719		94,605		841,324
2017-2019	145,865		5,933		151,798
Total	<u>\$ 1,680,203</u>	\$	<u>363,715</u>	\$	<u>2,043,918</u>

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

7. LONG-TERM DEBT (continued)

As of June 30, 2002, the County had drawn \$300,000 against proceeds available from a \$300,000 loan granted by the New Mexico Department of Finance and Administration for a loan to 21st Century Grain Processing Cooperative. The funds were provided through the Community Development Block Grant program to install a railroad spur to the Rincon Mill. The terms of the loan call for semi-annual payments of \$18,347 for 10 years, including interest calculated at 4% per annum, with the final payment due June 30, 2010. The June 30, 2006 balance of \$134,401 is accounted for in the Agency Fund, with repayments to be provided from the loan payments received from 21st Century Grain Processing Cooperative. The loan by the County to 21st Century is secured by a second mortgage on real estate owned by 21st Century in Rincon.

The future payments required for notes payable accounted for in the Agency Fund are as follows:

	Principal	Interest	Total
2007	\$ 31,631	\$ 5,063	\$ 36,694
2008	32,909	3,785	36,694
2009	34,239	2,455	36,694
2010	35,622	1,072	36,694
Total	\$ 134,401	\$ 12,375	\$ 146,776

Capital Leases Payable

During fiscal year 2004, the County entered into four capital leases for the purchase of voting machines. The lessor for three of these voting machines is the State of New Mexico in the amount of \$506,535. The fourth lessor was Paccar Financial which leased equipment in the amount of \$101,533. The interest for this lease is calculated at a rate of 4.899% per annum. In addition, the County also entered into other capital leases for various office equipment. The interest rate for these leases varies between 3.184% and 5.9%. As of June 30, 2006, the County's outstanding capital leases payable is \$2,326,846. The future payments required for the capital leases are as follows:

	Principal	Interest	Total
2007	\$ 248,249	\$ 79,253	\$ 327,502
2008	234,357	76,690	311,047
2009	583,121	73,082	656,203
2010	359,772	54,853	414,625
2011	749,386	24,201	773,587
2012 - 2014	151,961	44,406	196,367
Total	\$ 2,326,846	\$ 352,485	\$ 2,679,331

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

8. RESERVED AND DESIGNATED FUND EQUITY

At June 30, 2006, the County had reserved fund balances of \$18,591,320 for debt service and \$1,360,117 for construction on capital projects. As further discussed in the significant accounting policy section, the County has reserved fund balances for material inventory in the amounts of \$170,615.

As relation to the hospital lease described in Note 14, the County has designated \$17,974,863 for health care in the General Fund.

9. COMMITMENTS, CONTINGENCIES, AND SUBSEQUENT EVENTS

The County receives significant financial assistance from federal and state grants and entitlements. 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 County believes that any liabilities resulting from disallowed amounts will not have a material effect on the County's financial statements.

The County is party to various legal proceedings which are the unavoidable results of governmental operations. Specifically, the County is involved in three environmental issues that may result in clean up/remediation costs. One legal issue involves a broken pipeline that was damaged by a County motor grader. The New Mexico Environmental Department estimates the clean up/remediation costs to be in excess of \$200,000.

The County continues to cooperate fully with the Environmental Protection Agency (EPA) during their investigation related to a Superfund Site. The EPA began its Remedial Investigation and Feasibility Study, which was not completed as of June 30, 2006. The County and the City of Las Cruces have accepted shared responsibility for the remediation effort. The County budgeted \$273,000 for fiscal year 2007; however, required payments are expected to exceed that by 10 to 15%. It is estimated that removing the contamination from the ground water will require approximately 15-20 years. The City and County have initiated a loan application with the New Mexico Finance Authority for \$7 million to pay for costs of infrastructure. Revenues from the sale of treated water will partly offset operation costs during the remediation phase. The EPA may also seek to recover costs incurred during the Remedial Investigation and prior to naming the County and City as responsible parties. That cost is estimated to be \$3.8 million.

Two suits filed in United States District Court have named Doña County as a defendant, alleging violation of civil rights and seeking certification of class action status. The suits challenge the constitutionality of the visual search policy and procedure at the Doña Ana County Detention Center. These cases have not been certified as class action lawsuits at this time. The County's insurer has undertaken the defense. The litigation is still in the early stages. The County expects to have some potential liability but cannot quantify the liability or damages with any certainty at this time, but could have a material adverse effect on the financial position of the County.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

10. DEFINED BENEFIT PENSION PLAN

Plan Description

With the exception of elected officials who have previously never been participants, substantially all of the full-time employees of Doña Ana County, New Mexico participate in a defined benefit contributory retirement plan through the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978) of the State of New Mexico, a cost-sharing multiple employer public employee retirement system. The Public Employees Retirement Association (PERA) is the administrator of the plan. The plan provides for retirement, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123.

Retirement Eligibility

Benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Law enforcement and fire members may retire at any age with 20 or more years of service. Generally, the amount of normal retirement pension is based on final average salary, which is defined as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the applicable coverage plan. Monthly benefits equal 3% of general members' final average salary per year of service, and 3.5% for law enforcement members and fire members. The maximum benefit that can be paid to a retiree may not exceed 80% of the final average salary.

Disability Benefits

Members or vested former members with five or more years of credited service will receive their normal retirement pension based on credited service and final average salary at time of disability retirement. The five-year service requirement is waived if the disability is incurred in the line of duty.

Disability retirements are subject to reevaluation until the retired member reaches normal retirement. Payment of the disability pension is suspended for the balance of any year in which a disability-retired member does not submit an annual statement of earnings from gainful employment by June 30 of each year or if the amount of earnings in the previous year is more than the amount which causes the suspension of or a decrease in the social security old age benefit for a 65 year old.

For covered employees other than law enforcement personnel and firefighters, participants were required to contribute 13.15 percent of their gross salary to the plan. The County contributes 75 percent of the 13.15 percent of employee required contribution as well as a required matching contribution of 9.15 percent of general participants' gross salary. The contribution rate is 16.3 percent of gross salaries for law enforcement participants (excluding detention employees). The County's portion of law enforcement participants is 18.50 percent of gross salaries. Detention employees are considered general participants. The contribution rate for firefighter members is 16.20%, and the County is required to contribute 21.25% of their gross salaries.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

10. DEFINED BENEFIT PENSION PLAN (Continued)

Contribution requirements for the year ended:

	County	Employee	Total
June 30, 2006	\$ 2,336,828	\$ 2,843,323	\$ 5,180,151
June 30, 2005	\$ 2,258,596	\$ 2,766,353	\$ 5,024,949
June 30, 2004	\$ 2,140,912	\$ 2,617,071	\$ 4,757,983

11. DEFERRED COMPENSATION PLAN

Doña Ana County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the National Association of Counties (without being restricted to the provisions of benefits under the plan), subject only to the claims of the National Association of Counties general creditors.

Participant's rights under the plan are equal to those of general creditors of the National Association of Counties in an amount equal to the fair market value of the deferred account for each participant. All amounts of deferred compensation have been remitted to the National Association of Counties, which administers the plan.

12. OPERATING LEASES

The County is currently obligated under operating leases for various buildings and equipment. The following is a summary of future minimum lease payments:

<u>Year Ended June, 30</u>	<u>Amount</u>
2007	\$ 231,664
2008	111,638
2009	111,043
2010	30,404
2011	31,680
2012-2016	153,160
	\$ 669,589

Rental payments charged to current operations for the year ended June 30, 2006 totaled \$357,789.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

13. BUDGETARY - GAAP REPORTING RECONCILIATION

The accompanying combined statement of Revenues and Expenditures, Budget (Non-GAAP) and Actual (Cash Basis), all Governmental Fund Types, presents comparisons of the adopted Budget (more fully disclosed in Note 1) with actual data on a budgetary basis. Since accounting principles applied for *purposes* of developing data on a *budgetary* basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America, a reconciliation of resultant basis, timing, perspective, and entity differences in excess (deficiency) of revenues over expenditures for the year ended June 30, 2006, is presented below:

	Special Revenue			Capital Projects		Debt Service
	General	Non-Major Funds	Major Fund	Non-Major Funds	Major Funds	
Excess (deficiency) of revenues and other financial sources over expenditures and other financial uses (budgetary basis)	\$(2,892,963)	\$ 3,853,030	\$ 775,085	\$ (431,033)	\$(12,258,169)	\$ 688,826
Adjustments for revenue accruals, transfers, earnings on investments	595,128	3,255,352	1,898,537	(1,192,658)	-	(346,699)
Adjustments for expenditures for payables, inventory, accruals, transfers, and uses	(1,060,790)	(2,795,224)	(1,857,635)	1,455,565	1,377,699	-
Excess (deficiency) of revenues and other financial sources over expenditures and other financial uses (GAAP basis)	<u>\$(3,358,625)</u>	<u>\$ 4,313,158</u>	<u>\$ 815,987</u>	<u>\$ (168,126)</u>	<u>\$(10,880,470)</u>	<u>\$ 342,127</u>

14. HOSPITAL LEASE

Memorial Medical Center / Providence Hospital (Telshor Facility)

In 1966 the County and the City adopted a joint resolution to create a joint county-municipal hospital to provide medical services to all of the citizens of Doña Ana County. The hospital was constructed and operated by the City and County through a Board of Trustees until 1998, when it was leased to Memorial Medical Center, Inc. (MMCI), a New Mexico not-for-profit corporation.

On June 1, 2004, the City, the County and MMCI, jointly terminated the lease. On that date, the City and County executed a 40-year lease agreement for the hospital facilities and equipment with PHC-Las Cruces, Inc. (PHC), a New Mexico corporation and a wholly-owned subsidiary of Province Healthcare Corporation, a Delaware corporation. In accordance with the lease agreement, PHC has deposited certain amounts into escrow accounts to cover certain contingencies of the hospital and paid certain hospital liabilities, including outstanding bonds. The lease transaction was recorded during fiscal year 2004.

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

14. HOSPITAL LEASE (Continued)

The proceeds of the PHC lease were reported in a subfund of the General Fund and the resulting equity has been reserved for health related programs and health related capital projects as disclosed in Note 8 Reserved and Designated Fund Equity. This transaction also included proceeds of approximately \$12,100,000 for contingent liabilities related to expanded health care services and hospital property taxes which are presented in the General Fund as fund balance reserved for debt service.

Pursuant to the Termination Agreement, MMCI began distributing its cash and investments equally between the County and the City in July 2004. MMCI retained cash to pay certain liabilities; any cash remaining at the end of the liquidation process will be distributed equally between the County and the City. As of June 30, 2006, the County received all of \$5,102,762 accounts receivable, which represented the County's half of the amounts distributed to the City and County in July 2004.

In addition, PHC made a one-time grant of \$5 million to Doña Ana County to be distributed in the sole discretion of the County and City to improve the integration of services provided by the clinics in the County operated by the federally qualified health center organizations, the hospital, and the existing family residency program and to expand the service hours of the same clinics. The grant is accounted for as deferred revenue in the Province Health Care Grant Fund.

15. PRIOR PERIOD ADJUSTMENTS

Reconciliation of Fund Balance to GASB 34 basis Net Assets as of July 1, 2005:

Governmental Activities Net Assets at July 1, 2005	\$ 109,028,064
-to record capital assets at July 1, 2005	99,751,318
-to correct capital leases at July 1, 2005	(1,516,670)
-adjustments made to fund balance in governmental activities	<u>(8,868,077)</u>
Restated Governmental Activities Net Assets at July 1, 2005	<u><u>\$ 198,394,635</u></u>

Prior Period adjustments made to fund financial statements :

General Fund:	
Fund balance at July 1, 2005	\$ 50,066,959
-to correct prior year's deferred revenue	540,273
-to correct prior year accounts receivable	<u>(4,160,232)</u>
Total General Fund Prior Period Adjustment	<u>(3,619,959)</u>
Restated General Fund Balance	<u><u>\$ 46,447,000</u></u>

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

15. PRIOR PERIOD ADJUSTMENTS (Continued)

Special Revenue Funds:

Fund balance at July 1, 2005	\$ 23,256,455
Health Services (SLIAG) - to correct prior year's accounts receivable	(4,057,474)
Border Health (SCNMPC) - to correct prior year's deferred revenue	(4,072)
COPS in School 2 - to correct prior year's deferred revenue	(17,539)
COPS More 2 - to correct prior year's accounts receivable	(143,885)
COPS - to correct prior year's accounts receivable	6,111
Flood Control - to correct prior year's deferred revenue	(36,886)
Detention - to correct prior year's accounts receivable	(113,060)
Fire Districts - to correct prior year's deferred revenue	562
Section 8 vouchers - to correct prior year's Due to HUD	3,383
Rural Domestic Violence Grant - to correct prior year's accounts receivable	(2,476)
HIDTA Grant - to correct prior year's accounts receivable	(13,551)
LEBG Grants - to correct prior year's deferred revenue	14,618
Victims of Crime - to correct prior year's accounts receivable	6,180
CYFD Grants - to correct prior year's accounts receivable	(4,126)
Sheriffs Grants - to correct prior year's deferred revenue	624
	<u>624</u>
Total Special Revenue funds prior period adjustments	<u>(4,361,591)</u>

Restated Special Revenue Fund Balance \$ 18,894,864

Capital Projects Funds:

Fund Balance at July 1, 2005:	\$ 14,119,484
CDBG - Doña Ana Water System Improvement - to correct prior year's deferred revenue	1,270
Utility Projects - to correct prior year's accounts receivable	(1,659,481)
CDBG - La Union Water Systems -	(7,346)
NMED County Wide Utilities - to correct prior year's accounts receivable	(71,602)
Airport FAA Projects - to correct prior year's accounts receivable	26,388
	<u>26,388</u>
Total Capital Projects prior period adjustments	<u>(1,710,771)</u>

Restated Business-type net assets at July 1, 2005 \$ 12,408,713

(Continued)

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

15. PRIOR PERIOD ADJUSTMENTS (Continued)

Business-type activities

Enterprise Funds

Net assets at July 1, 2005	\$ 52,035,813
Border Wasterwater -to correct prior year's interest payable	16,478
-to correct prior year's loans payable	(972,344)
-to correct prior year's capital assets	(797,364)
Border Water System - to correct prior year's capital assets	2,525,439
Las Palmeras/Montana Vista Wastewater Service - to correct prior year's capital assets	181,462
Vado/Del Cerro Wastewater - to correct prior year's capital assets	3,681,439
Salem- Ogas Wastewater - to correct prior year's capital assets	(8,783)
La Union Wastewater - to correct prior year's capital assets	477,418
Doña Ana Wastewater System - to correct prior year's capital assets	(84,633)
Rincon Wastewater - to correct prior year's capital assets	<u>(32,164)</u>
 Total Enterprise Fund prior period adjustments	 <u>4,986,948</u>
 Restated Business-type net assets at July 1, 2005	 <u><u>\$ 57,022,761</u></u>

16. DEFICIT FUND BALANCE

The Province Health Care Fund, Casas Del Quinto, Law Enforcement Protection, HIDTA Grant and Sheriff's State Grants experienced deficit fund balances in the amount of \$361,373, \$41,266, \$1,214, \$68 and \$92,914, respectively. Management intends to transfer sufficient funds from the General Fund to cover any deficits.

17. RISK MANAGEMENT

Multi-line Risk Pool

The County participates in a statewide risk pool. The County's premium is redetermined every year, and is based on the County's loss experience over the previous three years. The deductibles at the County level are as follows:

- \$500 per incident for accident/loss to County property.
- \$6,000 per incident for Civil Rights related claims.
- \$10,000 per incident for Law Enforcement related claims.

Limits of coverage through the risk pool are as follows:

- \$2,000,000 Worker's Compensation per accident or occupational disease
- \$2,000,000 Crime coverage
- \$1,050,000 Tort and Law Enforcement related claims

DOÑA ANA COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2006

17. RISK MANAGEMENT (Continued)

- \$150,000,000 per occurrence for property losses.
- \$4,000,000 additional coverage for Excess Foreign Jurisdiction claims
- \$3,000,000 Environmental Liability Insurance
- \$250,000 Volunteer Firefighters Accident
- \$20,000 Land Use Coverage per occurrence and \$60,000 aggregate

Commercial Insurance

Commercial liability insurance covers the County's airport operations up to \$10,000,000 per occurrence. There is no deductible.

SUPPLEMENTARY INFORMATION

DONA ANA COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2006

	Border Health	Community Development	Community Services	Confiscated Assets
ASSETS				
Cash and Cash Equivalents	\$ 209	\$ -	\$ 125,428	\$ 605,787
Investments - Current	-	-	-	-
Interest Receivable - investments	-	-	-	-
Taxes Receivable	-	-	-	-
Allowance for Uncollectible Taxes (credit)	-	-	-	-
Receivables (net of allowance for uncollectibles)	-	1,164,784	23,455	-
Intergovernmental Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Inventories	-	-	(3)	-
Total Assets	<u>\$ 209</u>	<u>\$ 1,164,784</u>	<u>\$ 148,880</u>	<u>\$ 605,787</u>
LIABILITIES AND FUND BALANCES				
Accounts Payable	\$ -	\$ 56,591	\$ 501	\$ 3,576
Wages and Salaries Payable	-	-	497	-
Intergovernmental Payable	-	-	-	153,371
Due to Other Funds	-	665,338	-	-
Liabilities:				
Accrued Interest Payable	-	-	-	-
Deferred Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>721,929</u>	<u>998</u>	<u>156,947</u>
Fund Balances:				
Reserved For:				
Debt Service	-	-	-	-
Capital Acquisition	-	-	-	-
Unreserved and Undesignated:				
Reported in the Special Revenue Fund	209	442,855	147,882	448,840
Total Fund Balances	<u>209</u>	<u>442,855</u>	<u>147,882</u>	<u>448,840</u>
Total Liabilities and Fund Balances	<u>\$ 209</u>	<u>\$ 1,164,784</u>	<u>\$ 148,880</u>	<u>\$ 605,787</u>

The accompanying notes are an integral part of this statement.

COPS Grants	Corrections Fees	Flood Control	NM-DOH Incentive Grant	DWI Grants	Emergency Medical Services	Casas Del Quinto	Farm and Range
\$ 116,185	\$ 763,941	\$ 4,313,946	\$ 53,179	\$ 309,828	\$ 196,503	\$ (41,266)	\$ 26,910
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	102,948	-	-	-	-	-
-	-	(17,577)	-	-	-	-	-
25,303	-	-	8,783	6,712	-	41,266	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 141,488</u>	<u>\$ 763,941</u>	<u>\$ 4,399,317</u>	<u>\$ 61,962</u>	<u>\$ 316,540</u>	<u>\$ 196,503</u>	<u>\$ -</u>	<u>\$ 26,910</u>
\$ -	\$ 57,825	\$ 67,980	\$ 63	\$ 1,238	\$ 5,087	\$ 41,266	\$ -
-	-	6,836	1,278	8,591	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	173,164	1,485	237,985	-	-	-
-	57,825	247,980	2,826	247,814	5,087	41,266	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
141,488	706,116	4,151,337	59,136	68,726	191,416	(41,266)	26,910
141,488	706,116	4,151,337	59,136	68,726	191,416	(41,266)	26,910
<u>\$ 141,488</u>	<u>\$ 763,941</u>	<u>\$ 4,399,317</u>	<u>\$ 61,962</u>	<u>\$ 316,540</u>	<u>\$ 196,503</u>	<u>\$ -</u>	<u>\$ 26,910</u>

DONA ANA COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2006

	Federal Reimb. Grant Detention	Fire Districts	Hospital Revenue	Housing Assistance Section 8
ASSETS				
Cash and Cash Equivalents	\$ 62,589	\$ 6,467,095	\$ 3,447,116	\$ 754,569
Investments - Current	-	-	(2,482)	-
Interest Receivable - investments	-	-	-	-
Taxes Receivable	-	-	-	-
Allowance for Uncollectible Taxes (credit)	-	-	-	-
Receivables (net of allowance for uncollectibles)	-	345,888	-	-
Intergovernmental Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Inventories	-	-	-	-
Total Assets	<u>\$ 62,589</u>	<u>\$ 6,812,983</u>	<u>\$ 3,444,634</u>	<u>\$ 754,569</u>
LIABILITIES AND FUND BALANCES				
Accounts Payable	\$ -	\$ 135,021	\$ -	\$ 22,164
Wages and Salaries Payable	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Liabilities:				
Accrued Interest Payable	-	-	-	-
Deferred Revenues	-	360	-	-
Total Liabilities	<u>-</u>	<u>135,381</u>	<u>-</u>	<u>22,164</u>
Fund Balances:				
Reserved For:				
Debt Service	-	-	-	-
Capital Acquisition	-	-	-	-
Unreserved and Undesignated:				
Reported in the Special Revenue Fund	62,589	6,677,602	3,444,634	732,405
Total Fund Balances	<u>62,589</u>	<u>6,677,602</u>	<u>3,444,634</u>	<u>732,405</u>
Total Liabilities and Fund Balances	<u>\$ 62,589</u>	<u>\$ 6,812,983</u>	<u>\$ 3,444,634</u>	<u>\$ 754,569</u>

The accompanying notes are an integral part of this statement.

CFP Housing	Indegent Hospital Care	Law Enforcement Protection	Paso Del Norte Grant	Reappraisal Admin. Fees	Domestic Violence Grant	GREAT Grant	HIDTA Grant
\$ -	\$ 2,728,447	\$ 11,305	\$ 778	\$ 1,075,411	\$ -	\$ -	\$ (68)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,056,246	-	-	-	979	-	-
12,484	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 12,484</u>	<u>\$ 3,784,693</u>	<u>\$ 11,305</u>	<u>\$ 778</u>	<u>\$ 1,075,411</u>	<u>\$ 979</u>	<u>\$ -</u>	<u>\$ (68)</u>
\$ 7,724	\$ -	\$ -	\$ -	\$ 5,857	\$ -	\$ -	\$ -
-	-	-	-	2,160	-	-	-
-	-	-	-	-	-	-	-
4,760	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	12,519	467	-	-	-	-
<u>12,484</u>	<u>-</u>	<u>12,519</u>	<u>467</u>	<u>8,017</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	3,784,693	(1,214)	311	1,067,394	979	-	(68)
-	3,784,693	(1,214)	311	1,067,394	979	-	(68)
<u>\$ 12,484</u>	<u>\$ 3,784,693</u>	<u>\$ 11,305</u>	<u>\$ 778</u>	<u>\$ 1,075,411</u>	<u>\$ 979</u>	<u>\$ -</u>	<u>\$ (68)</u>

DONA ANA COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2006

	LEBG Grants	Law Enforcement Grants	Substance Abuse Grants	
ASSETS				
Cash and Cash Equivalents	\$ 138,652	\$ 26,523	\$ 98,751	\$ -
Investments - Current	-	-	-	-
Interest Receivable - investments	-	-	-	-
Taxes Receivable	-	-	-	-
Allowance for Uncollectible Taxes (credit)	-	-	-	-
Receivables (net of allowance for uncollectibles)	-	500	-	-
Intergovernmental Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Inventories	-	-	-	-
Total Assets	<u>\$ 138,652</u>	<u>\$ 27,023</u>	<u>\$ 98,751</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Accounts Payable	\$ 1	\$ 500	\$ -	\$ -
Wages and Salaries Payable	-	-	245	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Liabilities:				
Accrued Interest Payable	-	-	-	-
Deferred Revenues	41,950	-	-	-
Total Liabilities	<u>41,951</u>	<u>500</u>	<u>245</u>	<u>-</u>
Fund Balances:				
Reserved For:				
Debt Service	-	-	-	-
Capital Acquisition	-	-	-	-
Unreserved and Undesignated:				
Reported in the Special Revenue Fund	96,701	26,523	98,506	-
Total Fund Balances	<u>96,701</u>	<u>26,523</u>	<u>98,506</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 138,652</u>	<u>\$ 27,023</u>	<u>\$ 98,751</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

Victim of Crime	CYFD Grants	Sheriff's State Grants	Emergency Fund	Total Nonmajor Special Revenue Funds	Debt Service Fund	Border Park Project	CDBG - Dona Ana Water Sys Improvement
\$ (4,411)	\$ 16,000	\$ (3,372)	\$ 414,012	\$ 21,704,047	\$ 6,144,505	\$ -	\$ 28,983
-	-	-	-	(2,482)	-	-	-
-	-	-	-	-	33,883	-	-
-	-	-	-	102,948	52,861	-	-
-	-	-	-	(17,577)	(9,027)	-	-
18,031	-	248,725	-	2,940,672	-	-	-
-	-	-	-	12,484	-	-	-
-	-	-	-	-	-	343	-
-	-	-	-	(3)	-	-	-
<u>\$ 13,620</u>	<u>\$ 16,000</u>	<u>\$ 245,353</u>	<u>\$ 414,012</u>	<u>\$ 24,740,089</u>	<u>\$ 6,222,222</u>	<u>\$ 343</u>	<u>\$ 28,983</u>
\$ 1,278	\$ -	\$ 93,577	\$ (5,012)	\$ 495,237	\$ 5,110	\$ -	\$ -
614	-	7,873	-	28,094	-	-	-
-	-	-	-	153,371	-	-	-
-	-	237,441	-	907,539	343	-	-
-	-	-	-	-	46,723	-	-
-	-	(623)	-	467,307	69,723	-	-
<u>1,892</u>	<u>-</u>	<u>338,268</u>	<u>(5,012)</u>	<u>2,051,548</u>	<u>121,899</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	6,100,323	-	-
-	-	-	-	-	-	343	28,983
<u>11,728</u>	<u>16,000</u>	<u>(92,915)</u>	<u>419,024</u>	<u>22,688,541</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>11,728</u>	<u>16,000</u>	<u>(92,915)</u>	<u>419,024</u>	<u>22,688,541</u>	<u>6,100,323</u>	<u>343</u>	<u>28,983</u>
<u>\$ 13,620</u>	<u>\$ 16,000</u>	<u>\$ 245,353</u>	<u>\$ 414,012</u>	<u>\$ 24,740,089</u>	<u>\$ 6,222,222</u>	<u>\$ 343</u>	<u>\$ 28,983</u>

DONA ANA COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2006

	Utility Projects	Wastewater Projects/ Grants	CDBG La Union Water Systems	NMED County Wide Utilities
ASSETS				
Cash and Cash Equivalents	\$ 1,216,407	\$ -	\$ -	\$ -
Investments - Current	-	-	-	-
Interest Receivable - investments	-	-	-	-
Taxes Receivable	-	-	-	-
Allowance for Uncollectible Taxes (credit)	-	-	-	-
Receivables (net of allowance for uncollectibles)	-	72,250	58,179	1,318,978
Intergovernmental Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Inventories	-	-	-	-
Total Assets	<u>\$ 1,216,407</u>	<u>\$ 72,250</u>	<u>\$ 58,179</u>	<u>\$ 1,318,978</u>
LIABILITIES AND FUND BALANCES				
Accounts Payable	\$ 287,502	\$ 2,250	\$ 4,768	\$ 6,787
Wages and Salaries Payable	-	-	-	-
Intergovernmental Payable	-	-	-	-
Due to Other Funds	-	70,000	10,477	980,240
Liabilities:				
Accrued Interest Payable	-	-	-	-
Deferred Revenues	675,351	-	-	-
Total Liabilities	<u>962,853</u>	<u>72,250</u>	<u>15,245</u>	<u>987,027</u>
Fund Balances:				
Reserved For:				
Debt Service	-	-	-	-
Capital Acquisition	253,554	-	42,934	331,951
Unreserved and Undesignated:				
Reported in the Special Revenue Fund	-	-	-	-
Total Fund Balances	<u>253,554</u>	<u>-</u>	<u>42,934</u>	<u>331,951</u>
Total Liabilities and Fund Balances	<u>\$ 1,216,407</u>	<u>\$ 72,250</u>	<u>\$ 58,179</u>	<u>\$ 1,318,978</u>

The accompanying notes are an integral part of this statement.

Airport FAA Projects	Judicial Bldg Remodeling Project	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 2,856	\$ -	\$ 1,248,246	\$ 29,096,798
-	-	-	(2,482)
-	-	-	33,883
-	-	-	155,809
-	-	-	(26,604)
398,055	-	1,847,462	4,788,134
-	-	-	12,484
-	-	343	343
-	-	-	(3)
<u>\$ 400,911</u>	<u>\$ -</u>	<u>\$ 3,096,051</u>	<u>\$ 34,058,362</u>
\$ 61,313	\$ -	\$ 362,620	\$ 862,967
-	-	-	28,094
-	-	-	153,371
-	-	1,060,717	1,968,599
-	-	-	46,723
205,592	-	880,943	1,417,973
<u>266,905</u>	<u>-</u>	<u>2,304,280</u>	<u>4,477,727</u>
-	-	-	6,100,323
134,006	-	791,771	791,771
-	-	-	22,688,541
<u>134,006</u>	<u>-</u>	<u>791,771</u>	<u>29,580,635</u>
<u>\$ 400,911</u>	<u>\$ -</u>	<u>\$ 3,096,051</u>	<u>\$ 34,058,362</u>

DONA ANA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	Border Health	Community Development	Community Services	Confiscated Assets
REVENUES:				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
General Sales and Use Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental Revenue and Grants	5,396	2,037,629	3,724	-
Charges for Services	-	-	-	293,084
Investment Earnings	-	6,586	-	15,722
Other Revenue	-	-	-	-
Total Revenues	<u>5,396</u>	<u>2,044,215</u>	<u>3,724</u>	<u>308,806</u>
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Safety	-	2,019,430	-	362,904
Health and Welfare	-	-	3,849	-
Culture and Recreation	5,396	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Fiscal Agent's Fees	-	-	-	-
Capital Outlay:				
Capital Outlay	-	-	500	-
Total Expenditures	<u>5,396</u>	<u>2,019,430</u>	<u>4,349</u>	<u>362,904</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>24,785</u>	<u>(625)</u>	<u>(54,098)</u>
OTHER FINANCING SOURCES (USES):				
Capital-related Debt Issued (Regular Bonds)	-	-	-	-
Transfers In	-	-	-	-
Transfers Out (Use)	-	(175,000)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(175,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(150,215)	(625)	(54,098)
Fund Balance - July 1 (Beginning)	4,281	593,070	148,507	502,938
Prior Period Adjustment	(4,072)	-	-	-
Fund Balance - June 30 (Ending)	<u>\$ 209</u>	<u>\$ 442,855</u>	<u>\$ 147,882</u>	<u>\$ 448,840</u>

The accompanying notes are an integral part of this statement.

COPS Grants	Corrections Fees	Flood Control	NM-DOH Incentive Grant	DWI Grants	Emergency Medical Services	Casas Del Quinto	Farm and Range
\$ -	\$ -	\$ 1,200,741	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
18,119	-	-	104,942	431,855	16,150	-	-
610	502,024	57,962	75	95,872	161,626	-	11,784
-	35,155	140,139	-	-	9,021	-	1,089
-	-	-	-	-	-	-	-
<u>18,729</u>	<u>537,179</u>	<u>1,398,842</u>	<u>105,017</u>	<u>527,727</u>	<u>186,797</u>	-	<u>12,873</u>
-	-	-	-	-	-	-	-
16,234	1,095,055	920,266	-	679,077	152,743	-	15,000
-	-	-	-	-	-	41,266	-
-	-	-	105,473	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>16,234</u>	<u>1,095,055</u>	<u>920,266</u>	<u>105,473</u>	<u>679,077</u>	<u>152,743</u>	<u>41,266</u>	<u>15,000</u>
<u>2,495</u>	<u>(557,876)</u>	<u>478,576</u>	<u>(456)</u>	<u>(151,350)</u>	<u>34,054</u>	<u>(41,266)</u>	<u>(2,127)</u>
-	-	-	-	-	-	-	-
36,667	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>36,667</u>	-	-	-	-	-	-	-
39,162	(557,876)	478,576	(456)	(151,350)	34,054	(41,266)	(2,127)
257,639	1,263,992	3,709,647	59,592	220,076	157,362	-	29,037
(155,313)	-	(36,886)	-	-	-	-	-
<u>\$ 141,488</u>	<u>\$ 706,116</u>	<u>\$ 4,151,337</u>	<u>\$ 59,136</u>	<u>\$ 68,726</u>	<u>\$ 191,416</u>	<u>\$ (41,266)</u>	<u>\$ 26,910</u>

DONA ANA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	Federal Reimb. Grant Detention	Fire Districts	Hospital Revenue	Housing Assistance Section 8
REVENUES:				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
General Sales and Use Taxes	-	1,524,062	-	-
Licenses and Permits	-	57,961	-	-
Intergovernmental Revenue and Grants	-	-	-	2,577,114
Charges for Services	-	2,264,329	-	8,974
Investment Earnings	-	174,806	123,441	25,885
Other Revenue	-	-	-	290,056
Total Revenues	-	4,021,158	123,441	2,902,029
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Safety	-	1,342,778	-	-
Health and Welfare	-	-	-	2,499,881
Culture and Recreation	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Fiscal Agent's Fees	-	-	6,160	-
Capital Outlay:				
Capital Outlay	-	-	-	-
Total Expenditures	-	1,342,778	6,160	2,499,881
Excess (Deficiency) of Revenues Over Expenditures	-	2,678,380	117,281	402,148
OTHER FINANCING SOURCES (USES):				
Capital-related Debt Issued (Regular Bonds)	-	-	-	-
Transfers In	-	1,628,428	-	-
Transfers Out (Use)	-	(1,643,674)	-	-
Total Other Financing Sources (Uses)	-	(15,246)	-	-
Net Change in Fund Balance	-	2,663,134	117,281	402,148
Fund Balance - July 1 (Beginning)	175,649	4,013,906	3,327,353	326,875
Prior Period Adjustment	(113,060)	562	-	3,382
Fund Balance - June 30 (Ending)	\$ 62,589	\$ 6,677,602	\$ 3,444,634	\$ 732,405

The accompanying notes are an integral part of this statement.

CFP Housing	Indegent Hospital Care	Law Enforcement Protection	Paso Del Norte Grant	Reappraisal Admin. Fees	Domestic Violence Grant	GREAT Grant	HIDTA Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	5,558,301	-	-	637,880	-	-	-
67,747	-	-	-	-	-	-	-
-	-	101,633	-	4,342	979	-	-
-	100,897	2,262	-	37,035	-	-	-
-	-	-	-	-	-	-	-
<u>67,747</u>	<u>5,659,198</u>	<u>103,895</u>	-	<u>679,257</u>	<u>979</u>	-	-
-	-	-	-	629,826	-	-	-
-	-	101,660	-	-	-	-	-
11,492	7,082,699	-	-	-	-	-	-
-	-	-	(127)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>11,492</u>	<u>7,082,699</u>	<u>101,660</u>	<u>(127)</u>	<u>629,826</u>	-	-	-
<u>56,255</u>	<u>(1,423,501)</u>	<u>2,235</u>	<u>127</u>	<u>49,431</u>	<u>979</u>	-	-
-	-	-	-	-	-	-	-
-	3,100,000	-	-	-	-	-	-
(56,255)	-	-	-	-	(4,761)	(46,849)	(37,898)
<u>(56,255)</u>	<u>3,100,000</u>	-	-	-	<u>(4,761)</u>	<u>(46,849)</u>	<u>(37,898)</u>
-	1,676,499	2,235	127	49,431	(3,782)	(46,849)	(37,898)
-	2,108,194	(3,449)	184	1,017,963	7,237	46,849	51,381
-	-	-	-	-	(2,476)	-	(13,551)
<u>\$ -</u>	<u>\$ 3,784,693</u>	<u>\$ (1,214)</u>	<u>\$ 311</u>	<u>\$ 1,067,394</u>	<u>\$ 979</u>	<u>\$ -</u>	<u>\$ (68)</u>

DONA ANA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	LEBG Grants	Law Enforcement Grants	Substance Abuse Grants	
REVENUES:				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
General Sales and Use Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental Revenue and Grants	7,735	500	16,436	-
Charges for Services	-	-	98	-
Investment Earnings	-	931	-	-
Other Revenue	-	-	-	-
Total Revenues	<u>7,735</u>	<u>1,431</u>	<u>16,534</u>	<u>-</u>
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Safety	8,596	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	25,675	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Fiscal Agent's Fees	-	-	-	-
Capital Outlay:				
Capital Outlay	-	-	-	-
Total Expenditures	<u>8,596</u>	<u>-</u>	<u>25,675</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(861)</u>	<u>1,431</u>	<u>(9,141)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Capital-related Debt Issued (Regular Bonds)	-	-	-	-
Transfers In	-	-	-	-
Transfers Out (Use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(861)	1,431	(9,141)	-
Fund Balance - July 1 (Beginning)	82,943	25,092	107,646	-
Prior Period Adjustment	14,619	-	-	-
Fund Balance - June 30 (Ending)	<u>\$ 96,701</u>	<u>\$ 26,523</u>	<u>\$ 98,505</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

Victim of Crime	CYFD Grants	Sheriff's State Grants	Emergency Fund	Total Nonmajor Special Revenue Funds	Debt Service Fund	Border Park Project	CDBG - Dona Ana Water Sys Improvement
\$ -	\$ -	\$ -	\$ -	\$ 1,200,741	\$ 580,439	\$ -	\$ -
-	-	-	-	7,720,243	-	-	-
-	-	-	-	57,961	-	-	-
44,605	-	1,098,936	-	6,431,867	-	-	-
-	-	-	-	3,502,413	(220,974)	-	-
-	-	-	-	672,969	313,707	(64)	-
-	-	-	-	290,056	-	-	-
<u>44,605</u>	<u>-</u>	<u>1,098,936</u>	<u>-</u>	<u>19,876,250</u>	<u>673,172</u>	<u>(64)</u>	<u>-</u>
-	-	-	-	629,826	-	-	-
44,605	-	1,170,312	-	7,928,660	-	-	-
-	-	-	-	9,639,187	-	-	-
-	-	-	-	136,417	-	-	-
-	-	-	-	-	2,625,000	-	-
-	-	-	-	-	2,773,658	-	-
-	-	-	-	6,160	30,581	-	-
-	-	-	-	500	-	-	-
<u>44,605</u>	<u>-</u>	<u>1,170,312</u>	<u>-</u>	<u>18,340,750</u>	<u>5,429,239</u>	<u>-</u>	<u>-</u>
-	-	(71,376)	-	1,535,500	(4,756,067)	(64)	-
-	-	-	-	-	-	-	-
-	-	-	-	4,765,095	5,181,664	-	-
-	(12,000)	(11,000)	-	(1,987,437)	(83,470)	-	-
-	(12,000)	(11,000)	-	2,777,658	5,098,194	-	-
-	(12,000)	(82,376)	-	4,313,158	342,127	(64)	-
5,548	32,126	(11,162)	419,024	18,679,500	5,756,900	407	27,713
6,180	(4,126)	624	-	(304,117)	1,296	-	1,270
<u>\$ 11,728</u>	<u>\$ 16,000</u>	<u>\$ (92,914)</u>	<u>\$ 419,024</u>	<u>\$ 22,688,541</u>	<u>\$ 6,100,323</u>	<u>\$ 343</u>	<u>\$ 28,983</u>

DONA ANA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	Utility Projects	Wastewater Projects/ Grants	CDBG La Union Water Systems	NMED County Wide Utilities
REVENUES:				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
General Sales and Use Taxes	-	-	-	-
Licenses and Permits	-	-	-	-
Intergovernmental Revenue and Grants	3,075,139	72,250	20,955	283,874
Charges for Services	-	-	-	-
Investment Earnings	10,108	-	-	5,226
Other Revenue	-	-	-	-
Total Revenues	<u>3,085,247</u>	<u>72,250</u>	<u>20,955</u>	<u>289,100</u>
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Health and Welfare	-	67,666	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Fiscal Agent's Fees	-	-	-	-
Capital Outlay:				
Capital Outlay	3,075,139	-	23,284	1,563,570
Total Expenditures	<u>3,075,139</u>	<u>67,666</u>	<u>23,284</u>	<u>1,563,570</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,108</u>	<u>4,584</u>	<u>(2,329)</u>	<u>(1,274,470)</u>
OTHER FINANCING SOURCES (USES):				
Capital-related Debt Issued (Regular Bonds)	-	-	-	1,341,330
Transfers In	-	-	-	-
Transfers Out (Use)	-	-	(5,500)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(5,500)</u>	<u>1,341,330</u>
Net Change in Fund Balance	10,108	4,584	(7,829)	66,860
Fund Balance - July 1 (Beginning)	1,902,927	(4,584)	58,109	336,693
Prior Period Adjustment	(1,659,481)	-	(7,346)	(71,602)
Fund Balance - June 30 (Ending)	<u>\$ 253,554</u>	<u>\$ -</u>	<u>\$ 42,934</u>	<u>\$ 331,951</u>

The accompanying notes are an integral part of this statement.

Airport FAA Projects	Judicial Bldg Remodeling Project	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 1,781,180
-	-	-	7,720,243
-	-	-	57,961
475,221	-	3,927,439	10,359,306
-	-	-	3,281,439
8,353	12,384	36,007	1,022,683
-	-	-	290,056
<u>483,574</u>	<u>12,384</u>	<u>3,963,446</u>	<u>24,512,868</u>
-	-	-	629,826
-	-	-	7,928,660
-	-	67,666	9,706,853
-	-	-	136,417
-	-	-	2,625,000
-	-	-	2,773,658
-	-	-	36,741
<u>500,651</u>	<u>172,092</u>	<u>5,334,736</u>	<u>5,335,236</u>
<u>500,651</u>	<u>172,092</u>	<u>5,402,402</u>	<u>29,172,391</u>
<u>(17,077)</u>	<u>(159,708)</u>	<u>(1,438,956)</u>	<u>(4,659,523)</u>
-	-	1,341,330	1,341,330
50,000	250,000	300,000	10,246,759
-	(365,000)	(370,500)	(2,441,407)
<u>50,000</u>	<u>(115,000)</u>	<u>1,270,830</u>	<u>9,146,682</u>
32,923	(274,708)	(168,126)	4,487,159
74,695	274,708	2,670,668	27,107,068
26,388	-	(1,710,771)	(2,013,592)
<u>\$ 134,006</u>	<u>\$ -</u>	<u>\$ 791,771</u>	<u>\$ 29,580,635</u>

DONA ANA COUNTY
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 JUNE 30, 2006

	Dona Ana Wastewater System	Las Palmeras Montana Vista WW System	Rincon Wastewater	Villa Serreno
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 21,279	\$ 48,569	\$ 32,805	\$ 224,217
Accounts Receivable-Net of Uncollectible Allowance	-	-	9,090	3,966
Total Current Assets	21,279	48,569	41,895	228,183
Noncurrent Assets:				
Capital Assets:				
Land Purchase and Improvements	-	-	32,683	47,683
Infrastructure	3,631,976	705,560	1,631,851	49,275
Buildings	-	-	-	765,775
Accumulated Depreciation - Buildings	-	(135,696)	(156,931)	-
Machinery and Equipment	49,402	-	5,602	-
Accumulated Depreciation - Machinery & Equipment	(531,458)	-	-	(300,770)
Construction in Progress	-	226,004	1,200	-
Total Noncurrent Assets	3,149,920	795,868	1,514,405	561,963
Total Assets	3,171,199	844,437	1,556,300	790,146
LIABILITIES				
Current Liabilities:				
Accounts Payable	10,150	1,601	4,415	4,294
Wages and Salaries Payable	-	-	194	-
Accrued Interest Payable	-	-	-	-
Other Current Liabilities	-	-	-	2,832
Total Current Liabilities	10,150	1,601	4,609	7,126
NonCurrent Liabilities:				
Notes Payable - Noncurrent	-	-	-	-
Other Noncurrent Liabilities	-	-	725	-
Total Noncurrent Liabilities	-	-	725	-
Total Liabilities	10,150	1,601	5,334	7,126
NET ASSETS				
Unrestricted Net Assets	3,161,049	842,836	1,550,966	783,020
Total Net Assets	\$ 3,161,049	\$ 842,836	\$ 1,550,966	\$ 783,020

The accompanying notes are an integral part of this statement.

Home Choice Villa Serreno	Salem/Ogas Wastewater System	Reserve Utilities	La Union Wastewater	Talavera Water System	Total Nonmajor Enterprise Funds
\$ 481,011	\$ 60,041	\$ 209,951	\$ 78,412	\$ 3,776	1,160,061
82	16,010	-	12,915	810	42,873
481,093	76,051	209,951	91,327	4,586	1,202,934
150,736	-	-	39,761	-	270,863
-	3,483,784	-	4,107,414	-	13,609,860
-	-	-	-	-	765,775
-	-	-	(82,148)	-	(374,775)
-	5,783	-	-	-	60,787
-	(187,612)	-	-	-	(1,019,840)
-	-	-	536,399	-	763,603
150,736	3,301,955	-	4,601,426	-	14,076,273
631,829	3,378,006	209,951	4,692,753	4,586	15,279,207
3,314	8,233	-	1,606	-	33,613
-	379	-	-	-	573
-	15,482	-	9,532	-	25,014
-	-	-	-	-	2,832
3,314	24,094	-	11,138	-	62,032
-	441,956	-	527,003	-	968,959
-	1,057	-	-	-	1,782
-	443,013	-	527,003	-	970,741
3,314	467,107	-	538,141	-	1,032,773
628,515	2,910,899	209,951	4,154,612	4,586	14,246,434
\$ 628,515	\$ 2,910,899	\$ 209,951	\$ 4,154,612	\$ 4,586	\$ 14,246,434

DONA ANA COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	Dona Ana Wastewater System	Las Palmeras Montana Vista WW System
OPERATING REVENUES:		
Charges for Services	\$ -	\$ -
Charges for Water Services	-	-
Charges for Sewerage Service	80,832	-
Investment Earnings	-	-
Rents and Royalties	-	-
Other Revenue	-	-
Total Operating Revenues	80,832	-
OPERATING EXPENSES:		
Personal Services - Salaries and Wages	-	-
Personal Services - Employee Benefits	-	-
Purchased Professional & Technical Services	96,347	-
Purchased Property Services	1,929	-
Other Operating Expenses	-	-
Supplies	-	-
Depreciation	81,676	13,332
Total Operating Expenses	179,952	13,332
Operating Income (Loss)	(99,120)	(13,332)
NON-OPERATING REVENUES (EXPENSES):		
Gain in Sale of Property	-	-
Grants (Not Capital grants)	-	-
Investment Earnings	542	1,715
Interest Expense - Non-Operating	-	-
Total Non-operating Revenue (Expenses)	542	1,715
Income (Loss) Before Transfers	(98,578)	(11,617)
Non-Operating Transfer In	19,000	-
Transfers Out	(15,000)	-
Change in Net Assets	(94,578)	(11,617)
Total Net Assets - July 1 (Beginning)	3,340,258	672,991
Prior Period Adjustment	(84,633)	181,462
Total Net Assets - June 30 (Ending)	\$ 3,161,047	\$ 842,836

The accompanying notes are an integral part of this statement.

Rincon Wastewater	Villa Serreno	Home Choice Villa Serreno	Salem/Ogas Wastewater System	Reserve Utilities	La Union Wastewater	Talavera Water System	Total Nonmajor Enterprise Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,504	\$ 4,504
25	-	-	25	-	-	-	50
32,087	-	-	69,773	-	61,932	-	244,624
-	-	-	-	-	-	82	82
-	28,696	-	-	-	-	-	28,696
-	4,960	5,874	1,892	-	-	-	12,726
32,112	33,656	5,874	71,690	-	61,932	4,586	290,682
8,562	43,128	11,071	16,234	-	-	-	78,995
726	-	-	6,067	-	-	-	6,793
930	23,871	68,297	1,459	-	22,941	-	213,845
-	2,403	-	7,777	-	228	-	12,337
1,675	1,403	-	325	-	437	-	3,840
8,137	2,164	-	23,459	-	3,788	-	37,548
33,176	23,292	-	63,899	-	82,148	-	297,523
53,206	96,261	79,368	119,220	-	109,542	-	650,881
(21,094)	(62,605)	(73,494)	(47,530)	-	(47,610)	4,586	(360,199)
-	-	136,123	-	-	-	-	136,123
-	43,564	-	-	-	-	-	43,564
975	5,196	-	1,757	5,672	2,312	-	18,169
-	-	-	(10)	-	(5,305)	-	(5,315)
975	48,760	136,123	1,747	5,672	(2,993)	-	192,541
(20,119)	(13,845)	62,629	(45,783)	5,672	(50,603)	4,586	(167,658)
-	56,255	328,133	-	183,200	-	-	586,588
(3,000)	(328,133)	-	(11,300)	-	(9,000)	-	(366,433)
(23,119)	(285,723)	390,762	(57,083)	188,872	(59,603)	4,586	52,497
1,606,249	1,068,743	237,753	2,976,767	21,079	3,736,797	-	13,660,637
(32,164)	-	-	(8,783)	-	477,418	-	533,300
\$ 1,550,966	\$ 783,020	\$ 628,515	\$ 2,910,901	\$ 209,951	\$ 4,154,612	\$ 4,586	\$ 14,246,434

DONA ANA COUNTY
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	Dona Ana Wastewater System	Las Palmeras Montana Vista WW System
<u>Cash Flows from Operating Activities:</u>		
Cash Received from User Charges	\$ 80,832	\$ -
Cash Payments to Employees for Services	-	-
Cash Payments for Suppliers	(94,980)	-
Net Cash Provided by (Used for) Operating Activities	<u>(14,148)</u>	<u>-</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>		
Operating Transfer Out	(15,000)	-
<u>Cash Flows from Capital & Related Financing Activities:</u>		
Acquisition of Capital Assets	-	-
Capital Contributed by (to) Other Funds	19,000	-
Proceeds from debt	-	-
Grant Revenue	-	-
Net Cash Provided by (Used for) Capital & Related Financing Activities	<u>19,000</u>	<u>-</u>
<u>Cash Flows from Investing Activities:</u>		
Interest and Dividends on Investments	542	1,715
Net Increase(Decrease) in Cash and Cash Equivalents	(9,606)	1,715
Cash and Cash Equivalents at Beginning of the Year:	<u>30,885</u>	<u>46,854</u>
Cash and Cash Equivalents at the End of the Year:	<u>\$ 21,279</u>	<u>\$ 48,569</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:</u>		
Operating Income (Loss):	\$ (99,120)	\$ (13,332)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used For) Operating Activities:		
Depreciation	81,676	13,332
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Receivables	-	-
Increase (decrease) in Accounts Payable	3,296	-
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in other	-	-
Net Cash Provided by (Used for) Operating Activities	<u>\$ (14,148)</u>	<u>\$ -</u>
<u>Reconciliation of Total Cash and Cash Equivalents:</u>		
Cash and Cash Equivalents on Balance Sheet	<u>\$ 21,279</u>	<u>\$ 48,569</u>
	<u>\$</u>	<u>\$</u>

The accompanying notes are an integral part of this statement.

Rincon Wastewater	Villa Serreno	Home Choice Villa Serreno	Salem/Ogas Wastewater System	Reserve Utilities	La Union Wastewater	Talavera Water System	Total Nonmajor Enterprise Funds
\$ 28,779	\$ 31,298	\$ 5,792	\$ 69,186	\$ -	\$ 52,299	\$ 3,776	\$ 271,962
(9,259)	(43,128)	(11,071)	(22,240)	-	-	-	(85,698)
(10,137)	(30,491)	(65,895)	(29,370)	-	(25,818)	-	(256,691)
9,383	(42,321)	(71,174)	17,576	-	26,481	3,776	(70,427)
(3,000)	(4,643)	-	(11,300)	-	(9,000)	-	(42,943)
-	-	136,123	(899)	-	19,201	-	154,425
-	56,255	328,133	-	183,200	-	-	586,588
-	-	-	332	-	-	-	332
-	43,564	-	-	-	-	-	43,564
-	99,819	464,256	(567)	183,200	19,201	-	784,909
975	5,196	-	1,757	5,672	2,312	-	18,169
7,358	58,051	393,082	7,466	188,872	38,994	3,776	689,708
25,447	166,166	87,929	52,575	21,079	39,418	-	470,353
<u>\$ 32,805</u>	<u>\$ 224,217</u>	<u>\$ 481,011</u>	<u>\$ 60,041</u>	<u>\$ 209,951</u>	<u>\$ 78,412</u>	<u>\$ 3,776</u>	<u>\$ 1,160,061</u>
\$ (21,094)	\$ (62,605)	\$ (73,494)	\$ (47,532)	\$ -	\$ (47,610)	\$ 4,586	\$ (360,201)
33,176	23,292	-	63,899	-	82,148	-	297,523
(3,333)	(1,802)	(82)	(2,504)	-	(9,633)	(810)	(18,164)
634	330	2,402	3,713	-	1,576	-	11,951
-	(556)	-	-	-	-	-	(556)
-	(980)	-	-	-	-	-	(980)
<u>\$ 9,383</u>	<u>\$ (42,321)</u>	<u>\$ (71,174)</u>	<u>\$ 17,576</u>	<u>\$ -</u>	<u>\$ 26,481</u>	<u>\$ 3,776</u>	<u>\$ (70,427)</u>
32,805	224,217	481,011	60,041	209,951	78,412	3,776	1,160,061
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

DONA ANA COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JULY 1 2005	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30 2006
COST TO STATE/ TREASURER				
Assets:				
Cash and Cash Equivalents	\$ 25	\$ 4,252	\$ 4,252	\$ 25
Liabilities:				
Accounts Payable	\$ 25	\$ 4,252	\$ 4,252	\$ 25
FAMILY SELF-SUFFICIENCY FUND				
Assets:				
Cash and Cash Equivalents	\$ 6,169	\$ -	\$ -	\$ 6,169
Liabilities:				
Accounts Payable	\$ 6,169	\$ -	\$ -	\$ 6,169
INMATE TRUST FUND				
Assets:				
Cash and Cash Equivalents	\$ 63,728	\$ 2,526,829	\$ 2,551,223	\$ 39,334
Liabilities:				
Accounts Payable	\$ 63,728	\$ 2,526,829	\$ 2,551,223	\$ 39,334
INMATE WELFARE FUND				
Assets:				
Cash and Cash Equivalents	\$ 115,315	\$ 139,144	\$ 151,949	\$ 102,510
Liabilities:				
Accounts Payable	\$ 115,315	\$ 139,144	\$ 151,949	\$ 102,510
CHILDREN'S TRUST FUND				
Assets:				
Cash and Cash Equivalents	\$ 1,935	\$ 21,390	\$ 21,210	\$ 2,115
Liabilities:				
Accounts Payable	\$ 1,935	\$ 42,781	\$ 42,601	\$ 2,115
CDBG LOAN FUND				
Assets:				
Cash and Cash Equivalents	\$ -	\$ 110,082	\$ 110,082	\$ -
Other Receivables	-	73,388	73,388	-
	194,026	-	59,625	134,401
Total Assets	\$ 194,026	\$ 183,470	\$ 243,095	\$ 134,401

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JULY 1 2005	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30 2006
Liabilities:				
Accounts Payable	\$ 194,026	\$ -	\$ 59,625	\$ 134,401
 FILLMORE SPECIAL ASSESSMENT				
Assets:				
Cash and Cash Equivalents	\$ 5,786	\$ 97,692	\$ 95,500	\$ 7,978
Liabilities:				
Due to Others	\$ 5,786	\$ 97,692	\$ 95,500	\$ 7,978
 PROPERTY TAX FUND				
Assets:				
Cash and Cash Equivalents	\$ 944,346	\$ 88,792,227	\$ 88,704,394	\$ 1,032,179
Taxes Receivable	3,630,035	-	-	3,630,035
Total Assets	\$ 4,574,381	\$ 88,792,227	\$ 88,704,394	\$ 4,662,214
Liabilities:				
Accounts Payable	\$ 294,913	\$ 15,806,547	\$ 15,725,286	\$ 376,174
Overpayments	2,026	72,968,529	73,145,867	(175,312)
Taxes Paid in Advance	291,767	639,240	490,090	440,917
Due to Others	489,635	58,785,553	58,750,793	524,395
Deferred Revenue	3,496,040	-	-	3,496,040
Total Liabilities	\$ 4,574,381	\$ 148,199,869	\$ 148,112,036	\$ 4,662,214
 AIRPORT RD. - SPECIAL ASSESSMENT - 2001A				
Assets:				
Cash and Cash Equivalents	\$ -	\$ 1,098,144	\$ 1,095,212	\$ 2,932
Liabilities:				
Accounts Payable	\$ -	\$ 780,249	\$ 777,317	\$ 2,932
 BORDER PARK - SPECIAL ASSESSMENT 2001B				
Assets:				
Cash and Cash Equivalents	\$ -	\$ 645,138	\$ 645,138	\$ -
 TOTAL AGENCY FUNDS				
Assets:				
Cash and Cash Equivalents	\$ 1,137,304	\$ 93,434,898	\$ 93,378,960	\$ 1,193,242
Other Receivables	3,630,035	-	-	3,630,035
Other Receivables	-	73,388	73,388	-

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JULY 1			ADDITIONS	DEDUCTIONS	BALANCE JUNE 30
	2005					2006
	194,026		-		59,625	134,401
Total Assets	\$ 4,961,365	\$ 93,508,286		\$ 93,511,973		\$ 4,957,678
Liabilities:						
Accounts Payable	\$ 676,111	\$ 19,299,802		\$ 19,312,253		\$ 663,660
	2,026	72,968,529		73,145,867		(175,312)
	291,767	639,240		490,090		440,917
Due to Others	495,421	58,883,245		58,846,293		532,373
Deferred Revenue	3,496,040		-		-	3,496,040
Total Liabilities	\$ 4,961,365	\$ 151,790,816		\$ 151,794,503		\$ 4,957,678

The accompanying notes are an integral part of this statement.

BUDGET COMPARISONS

DONA ANA COUNTY
GENERAL FUND
STATEMENT OF EXPENDITURES
BUDGET (Non-GAAP) AND ACTUAL (Cash Basis)
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-0

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
GENERAL GOVERNMENT				
County Commission				
Personnel Services	\$ 185,698	\$ 185,698	\$ 182,480	\$ 3,218
Operating	1,320,802	1,320,802	1,309,323	11,479
	<u>1,506,500</u>	<u>1,506,500</u>	<u>1,491,803</u>	<u>14,697</u>
County Assessor				
Personnel Services	1,541,458	1,541,458	1,484,967	56,491
	<u>1,541,458</u>	<u>1,541,458</u>	<u>1,484,967</u>	<u>56,491</u>
County Clerk - Recording and Filing				
Personnel Services	484,963	484,963	461,292	23,671
Operating	82,000	82,000	38,069	43,931
Capital Outlay	50,000	50,000	16,476	33,524
	<u>616,963</u>	<u>616,963</u>	<u>515,837</u>	<u>101,126</u>
County Clerk - Bureau of Elections				
Personnel Services	546,783	546,783	466,302	80,481
Operating	463,436	463,436	304,033	159,403
Capital Outlay	55,000	55,000	-	55,000
Debt Service	50,654	50,654	50,654	1
	<u>1,115,873</u>	<u>1,115,873</u>	<u>820,989</u>	<u>294,884</u>
County Treasurer				
Personnel Services	559,409	559,409	539,552	19,857
Operating	90,341	90,341	104,411	(14,070)
Capital Outlay	4,350	4,350	2,970	1,380
Debt Service	9,659	9,659	9,063	596
	<u>663,759</u>	<u>663,759</u>	<u>655,996</u>	<u>7,763</u>
County Probate Judge				
Personnel Services	31,870	31,870	27,501	4,369
Operating	1,800	1,800	1,455	345
	<u>33,670</u>	<u>33,670</u>	<u>28,956</u>	<u>4,714</u>
County Manager				
Personnel Services	581,479	602,008	522,655	79,353
Operating	63,600	63,600	110,034	(46,434)
Capital Outlay	-	-	16,791	(16,791)
	<u>645,079</u>	<u>665,608</u>	<u>649,480</u>	<u>16,128</u>
DAC/Santa Teresa Airport				
Personnel Services	91,442	97,102	94,990	2,112
Operating	29,123	32,643	34,552	(1,909)
Capital Outlay	10,000	10,000	2,469	7,531
	<u>130,565</u>	<u>139,745</u>	<u>132,011</u>	<u>7,734</u>
Finance Department				

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
GENERAL FUND
STATEMENT OF EXPENDITURES
BUDGET (Non-GAAP) AND ACTUAL (Cash Basis)
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-0

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
Personnel Services	821,999	821,999	673,601	148,398
Operating	176,001	176,001	124,467	51,534
Capital Outlay	2,500	2,500	-	2,500
	<u>1,000,500</u>	<u>1,000,500</u>	<u>798,068</u>	<u>202,432</u>
Information Services Department				
Personnel Services	990,453	990,453	793,644	196,809
Operating	277,500	277,500	306,871	(29,371)
Capital Outlay	209,241	209,241	219,193	(9,952)
	<u>1,477,194</u>	<u>1,477,194</u>	<u>1,319,708</u>	<u>157,486</u>
Legal Services Department				
Personnel Services	476,013	476,013	369,157	106,856
Operating	138,000	138,000	54,575	83,425
	<u>614,013</u>	<u>614,013</u>	<u>423,732</u>	<u>190,281</u>
Personnel Department				
Personnel Services	435,925	415,396	403,351	12,045
Operating	52,000	52,000	54,049	(2,049)
	<u>487,925</u>	<u>467,396</u>	<u>457,401</u>	<u>9,995</u>
Planning Department				
Personnel Services	811,827	811,827	695,378	116,449
Operating	71,342	71,342	45,216	26,126
	<u>883,169</u>	<u>883,169</u>	<u>740,595</u>	<u>142,574</u>
Purchasing Department				
Personnel Services	234,763	234,763	231,087	3,676
Operating	19,000	19,000	28,548	(9,548)
	<u>253,763</u>	<u>253,763</u>	<u>259,635</u>	<u>(5,872)</u>
Risk Management Department				
Personnel Services	71,554	71,554	74,011	(2,457)
Operating	2,812,520	2,812,520	2,925,345	(112,825)
	<u>2,884,074</u>	<u>2,884,074</u>	<u>2,999,356</u>	<u>(115,282)</u>
PILT General Government				
Operating	620,000	620,000	620,000	-
	<u>620,000</u>	<u>620,000</u>	<u>620,000</u>	<u>-</u>
Total General Government	<u>\$ 14,474,505</u>	<u>\$ 14,483,685</u>	<u>\$ 13,398,535</u>	<u>\$ 1,085,150</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
GENERAL FUND
STATEMENT OF EXPENDITURES
BUDGET (Non-GAAP) AND ACTUAL (Cash Basis)
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-0

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
PUBLIC SAFETY				
Law Enforcement Support				
Personnel Services	\$ 8,403,192	\$ 8,402,902	\$ 8,391,469	\$ 11,433
Operating	634,000	634,000	748,465	(114,465)
Capital Outlay	200,000	350,000	533,050	(183,050)
	<u>9,237,192</u>	<u>9,386,902</u>	<u>9,672,984</u>	<u>(286,082)</u>
Sheriff's Special Grants				
Personnel Services	250,224	276,114	177,386	98,728
Operating	4,676	4,676	5,889	(1,213)
Capital Outlay	-	-	2,300	(2,300)
	<u>254,900</u>	<u>280,790</u>	<u>185,575</u>	<u>95,215</u>
Fire Protection				
Personnel Services	1,159,815	1,159,815	1,100,237	59,578
Operating	147,260	198,080	151,352	46,728
Capital Outlay	61,000	61,000	85,934	(24,934)
	<u>1,368,075</u>	<u>1,418,895</u>	<u>1,337,523</u>	<u>81,372</u>
Detention Center				
Personnel Services	8,461,607	8,461,607	8,249,288	212,319
Operating	2,688,000	2,688,000	2,448,590	239,410
Capital Outlay	251,000	251,000	152,651	98,349
	<u>11,400,607</u>	<u>11,400,607</u>	<u>10,850,528</u>	<u>550,079</u>
Animal Control				
Personnel Services	320,173	320,173	294,721	25,452
Operating	337,967	337,967	343,592	(5,625)
	<u>658,140</u>	<u>658,140</u>	<u>638,313</u>	<u>19,827</u>
Vector Control				
Personnel Services	170,511	170,511	175,987	(5,476)
Operating	28,775	28,775	23,479	5,296
	<u>199,286</u>	<u>199,286</u>	<u>199,466</u>	<u>(180)</u>
MMRS-Regional Inter.Metr.Med				
Operating	80,500	80,500	-	80,500
Capital Outlay	-	390,160	-	390,160
	<u>80,500</u>	<u>470,660</u>	<u>-</u>	<u>470,660</u>
Project Impact Grant				
Operating	-	45,000	44,995	5
	<u>-</u>	<u>45,000</u>	<u>44,995</u>	<u>5</u>
NM/DPS OEM Grants				
Operating	-	944,549	797	943,752
Capital Outlay	-	705,148	5,483	699,666

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
GENERAL FUND
STATEMENT OF EXPENDITURES
BUDGET (Non-GAAP) AND ACTUAL (Cash Basis)
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-0

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
	-	1,649,697	6,280	1,643,417
Total Public Safety	\$ 23,198,700	\$ 25,509,977	\$ 22,935,665	\$ 2,574,312

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
GENERAL FUND
STATEMENT OF EXPENDITURES
BUDGET (Non-GAAP) AND ACTUAL (Cash Basis)
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-0

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
PUBLIC WORKS				
Highways and Streets				
Personnel Services	\$ 580,641	\$ 580,641	\$ 489,153	\$ 91,488
Operating	876,950	1,371,450	960,575	410,875
Capital Outlay	-	112,000	110,106	1,894
	<u>1,457,591</u>	<u>2,064,091</u>	<u>1,559,834</u>	<u>504,257</u>
Road Department				
Personnel Services	1,604,948	1,604,948	1,499,549	105,399
Operating	1,479,708	1,479,708	1,208,187	271,521
Capital Outlay	27,000	27,000	494,883	(467,883)
	<u>3,111,656</u>	<u>3,111,656</u>	<u>3,202,619</u>	<u>(90,963)</u>
Engineering				
Personnel Services	784,725	784,725	787,503	(2,778)
Operating	306,590	306,590	321,302	(14,712)
Capital Outlay	35,000	35,000	103,377	(68,377)
	<u>1,126,315</u>	<u>1,126,315</u>	<u>1,212,182</u>	<u>(85,867)</u>
Fleet				
Operating	205,800	205,800	200,392	5,408
	<u>205,800</u>	<u>205,800</u>	<u>200,392</u>	<u>5,408</u>
Road Projects				
Capital Outlay	2,645,728	4,322,228	1,625,619	2,696,609
	<u>2,645,728</u>	<u>4,322,228</u>	<u>1,625,619</u>	<u>2,696,609</u>
Total Public Works	<u>\$ 8,547,090</u>	<u>\$ 10,830,090</u>	<u>\$ 7,800,646</u>	<u>\$ 3,029,444</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
GENERAL FUND
STATEMENT OF EXPENDITURES
BUDGET (Non-GAAP) AND ACTUAL (Cash Basis)
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-0

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
HEALTH AND WELFARE				
Environmental Services				
Personnel Services	\$ 787,108	\$ 675,120	\$ 625,692	\$ 49,428
Operating	3,944,000	4,094,000	3,230,719	863,281
	<u>4,731,108</u>	<u>4,769,120</u>	<u>3,856,411</u>	<u>912,709</u>
Solid Waste				
Personnel Services	-	86,988	78,143	8,845
Operating	-	21,500	13,413	8,087
Capital Outlay	-	3,500	1,979	1,521
	<u>-</u>	<u>111,988</u>	<u>93,535</u>	<u>18,453</u>
Liquid Waste				
Personnel Services	55,268	55,268	46,125	9,143
Operating	33,809	33,809	69,072	(35,263)
Debt Service	51,091	51,091	51,091	-
	<u>140,168</u>	<u>140,168</u>	<u>166,288</u>	<u>(26,120)</u>
Utility Department				
Personnel Services	186,305	186,305	207,138	(20,833)
Operating	47,000	47,000	36,554	10,446
Capital Outlay	-	-	3,870	(3,870)
	<u>233,305</u>	<u>233,305</u>	<u>247,561</u>	<u>(14,256)</u>
Total Health and Welfare	<u>\$ 5,104,581</u>	<u>\$ 5,254,581</u>	<u>\$ 4,363,795</u>	<u>\$ 890,786</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
GENERAL FUND
STATEMENT OF EXPENDITURES
BUDGET (Non-GAAP) AND ACTUAL (Cash Basis)
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-0

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
CULTURE AND RECREATION				
Community Services				
Personnel Services	\$ 1,302,090	\$ 1,302,090	\$ 1,155,900	\$ 146,190
Operating	1,280,879	1,280,879	1,385,885	(105,006)
Capital Outlay	60,000	694,299	615,245	79,054
	<u>2,642,969</u>	<u>3,277,268</u>	<u>3,157,031</u>	<u>120,237</u>
Total Culture and Recreation	<u>\$ 2,642,969</u>	<u>\$ 3,277,268</u>	<u>\$ 3,157,031</u>	<u>\$ 120,237</u>

The accompanying notes are an integral part of this statement.

Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Special revenue funds consist of the following:

Health Services (SLIAG) - To account for the activities of the County's indigent health care, which provides service to the residents of the County for local hospital care and ambulance services.

Border Health - To account for a grant from the Center for Substance Abuse Prevention (CSAP), passed through the Border Health Foundation, to fund the South Central New Mexico Prevention Coalition's "Entre Familia Strengthening Families" program. This fund was established to comply with the requirements of the grant agreement.

Community Development Fund - Special revenue fund set up to comply with the requirements of 24 CFR 85.20. To account for amounts received from State and Federal grantors in order to better the rural areas in Doña Ana County.

CDBG DA - MDWCA Master Plan - To account for \$25,000 CDBG grant #OIC-NR-I-6-A-B and 6250 County match for Doña Ana Mutual Domestic Water Consumer Association, in accordance with the financial administration requirements of 24 CFR 85.20.

Colonias Initiative - To improve the quality of life for residents of the colonias of Doña Ana County. Colonias are defined as communities within 150 miles of the U.S./Mexico border that lack one or more of the following: potable water, centralized sewer system, safe, sanitary, and decent housing, and improved roads.

Community Services - To provide funding for a variety of County construction and renovation projects. Financing is provided by special appropriation from the New Mexico State Legislature. This fund has been established to comply with the accountability requirements of the grant agreements.

Community Development Fund - Special revenue fund set up to comply with the requirements of 24 CFR 85.20. To account for amounts received from State and Federal grantors in order to better the rural areas in Doña Ana County.

Confiscated Assets Fund - In accordance with NMSA Section 54-11-33 - To account for the Doña Ana County Sheriff's confiscated asset program related directly to its drug interdiction program. The program was established through a joint powers agreement between Doña Ana County Sheriff's department and the U.S. Drug Enforcement Agency. Required by Federal Equitable sharing agreement between the Sheriff's Department and U.S. Departments of Justice and Treasury.

COPS - To provide funding for the County to add full time officers to the Sheriffs Department. The funding runs for 3 years at which time the County must make a good faith effort to retain the positions at the conclusion of the grant. Financing is provided by the U.S. Department of Justice, Office of Community Oriented Policing Services. This fund has been established in accordance with 28 CFR 66.20.

Correction Fees - To account for fees collected by the magistrate court and the motor vehicle division and distributed by the state administrative office of the courts to the County, pursuant to NMSA 1978 Section 33-3-25. The fund is restricted to paying costs of the county jail or juvenile detention facility.

County Flood Commission Fund - To account for the operations of the flood projects, in accordance with NMSA Compilation Section 7 Article 38-38-1. Funding is provided by charging an administrative fee on property taxes collected and distributed.

Special Revenue Funds (Continued)

DOH - BHSD State Incentive- This program provides funding to fight substance abuse in Doña Ana County. Funding source of financing is the U.S. Department of Health and Human Services, passed through the State of New Mexico. The fund was established in accordance with 45 CFR 74.21.

DWI Grants- The DWI program partners with many entities that include law enforcement, MADD, National Guard, Safe Kids, private businesses and more, to combat the high DWI rate in Doña Ana County. Funding is provided by the U.S. Department of Justice. This fund has been established in accordance with 28 CFR 66.20.

Emergency Medical Services Fund -In accordance with NMSA Section 7-24-10A -To account for the operation and maintenance of Rural Metro Ambulance Service, Hatch Clinic, and various volunteer fire districts. Funding is from the State Emergency Medical Fund Act. State Law requires that financing be provided in this manner.

Emergency Funds - This program provides for emergency funds that may be required for any emergency within the County. The fund was established pursuant to the Board of County Commissioners by the County Budget Resolution #2006-56.

EPA Colonias Grant - Special revenue fund set up to comply with 40 CFR 30.21 and account for federal grants from EPA to assist Colonias in Doña Ana County.

FAA Grant - Santa Teresa Airport - A project for the development of the airport. Fund established in accordance with 49 CFR 18.20.

Farm and Range Fund- In accordance with NMSA Section 6-11-5/6 -To provide for the Fish and Wildlife Service in control of predator animals. Funding is from the Taylor Grazing Act.

Federal Reimbursement/Detention Center- Reimbursement from the U.S. Attorney, provided by the Southwest Border Local Assistance Initiative for the costs of handling and processing Federal drug cases. The fund was established in accordance with 28 CFR 66.20.

Fire Districts Fund -In accordance with NMSA 7-20E-1 5-To account for the operation and maintenance of the sixteen volunteer fire districts throughout the County of Doña Ana. Funding is provided from the State Fire Fund.

Health Care Services from MMC Lease -Special revenue fund set up to account for the receipt of proceeds pursuant to the terms of the lease with Memorial Medical Center, Inc., to be used for health care services for the residents of Doña Ana County.

Housing Assistance Section 8 Fund- To account for rent subsidy payments from HUD, and for HUD's new Public Housing Capital Fund Program, CFDA# 14.872, which provides funds for capital improvements for Housing Authority-owned housing. This fund was set up to comply with the requirements of 24 CFR 85.20.

Indigent Hospital Fund -In accordance with NMSA Section 7-20E-9 -To account for hospital expenditures for County indigents. Funds are provided through local gross receipts tax.

Law Enforcement Protection Fund- In accordance with NMSA Section 29-13-To account for expenditures of the sheriff's department. Financing is provided by the State.

NMSU Project Venture -This program provides funding to fight substance abuse in Doña Ana County. The source of financing is the U.S. Department of Health and Human Services, passed through New Mexico State University. The fund has been established in accordance with the grant agreement.

Special Revenue Funds (Continued)

Paso del Norte- This program provides substance abuse education and social skills to children empowering them to stay off drugs. Financing is provided from a private foundation. The fund was established pursuant to the Board of County Commissioners resolution #2002-12.

Reappraisal Fund- In accordance with NMSA 7-38-38.1 - To account for county-wide reappraisal funding and expenditures.

Rural Domestic Violence and Child Victimization Enforcement Discretionary Grants Program from the U.S. Department of Justice, Violence Against Women Office. The program strengthens the safety of victims of domestic violence, dating violence and child abuse living in rural areas. This fund was established to comply with the requirements of 28 CFR 66.20.

Sheriff's GREAT -This is a prevention program that seeks to reduce gang involvement and curb the increasing violence permeating communities. Financing is provided by the U.S. Bureau of Alcohol, Tobacco, and Firearms. The fund was created in accordance with federal regulation 28 CFR 66.20.

Sheriff's HIDTA- To provide funding to allow the County to support New Mexico Intelligence Center initiatives at the SWB New Mexico High Intensity Drug Trafficking Area. Financing is provided by the Executive Office of the President, Office of National Drug Control Policy. This fund has been established in accordance with grant agreements.

Sheriffs LEBG- This program provides the County with funds to underwrite projects designed to reduce crime and improve public safety. Funding is provided by the US Department of Justice. This fund has been established by federal regulation 28 CFR 66.20.

Law Enforcement Block Grant - This fund provides funds for purchase of equipment used in law enforcement.

Substance Abuse -In accordance with 28 CFR 66.20, to account for a Drug-Free Communities Support Program grant from the U.S. Department of Justice Office of Juvenile Justice and Delinquency Prevention, and for substance abuse programs funded by local and private sources.

Violence Against Women Act- This program funds a Domestic Abuse Response Team. Coordinator responsible for training volunteers in assisting victims of domestic violence. Financing is provided by the US Department of Justice, passed through the State of New Mexico. This fund has been established in accordance with 28 CFR 66.20.

Victims of Crime - This program, which is under the Office of Justice Programs, provides funds to raise awareness during National Crime Victim's Rights Week.

CYFD - The Children Youth and Families Department provides funds to implement an innovative model to promote healthful youth development and to prevent juvenile delinquency. In addition, it aids in implementing a community home-visiting program in the County.

Anti-Terrorism Task Force -Funded by the U.S. Department of Justice, U.S. Attorney's Office, this grant provides funding for the Sheriffs Department to purchase computers for the sharing of intelligence information with other agencies. This fund has been established in accordance with 28 CFR 66.20.

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DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - BORDER HEALTH/SCNMPC
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-1

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Total Receipts	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
DISBURSEMENTS:				
Current:				
Culture and Recreation	6,244	6,244	5,396	848
Total Disbursements	<u>6,244</u>	<u>6,244</u>	<u>5,396</u>	<u>848</u>
Change in Fund Balance	(1,244)	(1,244)	(5,396)	(4,152)
Fund Balance - July 1 (Beginning)	9,299	9,299	9,299	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 8,055</u>	<u>\$ 8,055</u>	<u>\$ 3,903</u>	<u>\$ (4,152)</u>

The accompanying notes are an integral part of this statement.

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DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - STATE APPROPRIATIONS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-2

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 5,513,842	\$ 6,671,489	\$ 1,693,402	\$ (4,978,087)
Charges for Services	-	16,644	-	(16,644)
Investment Earnings	-	-	6,586	6,586
Total Receipts	<u>5,513,842</u>	<u>6,688,133</u>	<u>1,699,988</u>	<u>(4,988,145)</u>
DISBURSEMENTS:				
Current:				
Public Safety	4,866,160	6,040,451	2,016,766	4,023,685
Total Disbursements	<u>4,866,160</u>	<u>6,040,451</u>	<u>2,016,766</u>	<u>4,023,685</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>647,682</u>	<u>647,682</u>	<u>(316,778)</u>	<u>(964,460)</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out (Use)	(175,000)	(175,000)	(175,000)	-
Total Other Financing Sources (Uses)	<u>(175,000)</u>	<u>(175,000)</u>	<u>(175,000)</u>	<u>-</u>
Change in Fund Balance	472,682	472,682	(491,778)	(964,460)
Fund Balance - July 1 (Beginning)	453,419	453,419	453,419	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 926,101</u>	<u>\$ 926,101</u>	<u>\$ (38,359)</u>	<u>\$ (964,460)</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COMMUNITY SERVICES
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-3

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 42,162	\$ 55,162	\$ 3,724	\$ (51,438)
Total Receipts	42,162	55,162	3,724	(51,438)
DISBURSEMENTS:				
Current:				
Health and Welfare	-	13,000	3,724	9,276
Total Disbursements	-	13,000	3,724	9,276
Change in Fund Balance	42,162	42,162	-	(42,162)
Fund Balance - July 1 (Beginning)	148,506	148,506	148,506	-
				-
Fund Balance - June 30 (Ending)	\$ 190,668	\$ 190,668	\$ 148,506	\$ (42,162)

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CONFISCATED ASSETS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-4

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Charges for Services	\$ 325,198	\$ 325,198	\$ 293,084	\$ (32,114)
Investment Earnings	2,200	2,200	15,722	13,522
Total Receipts	<u>327,398</u>	<u>327,398</u>	<u>308,806</u>	<u>(18,592)</u>
DISBURSEMENTS:				
Current:				
Public Safety	399,698	399,698	370,470	29,228
Total Disbursements	<u>399,698</u>	<u>399,698</u>	<u>370,470</u>	<u>29,228</u>
Change in Fund Balance	(72,300)	(72,300)	(61,664)	10,636
Fund Balance - July 1 (Beginning)	<u>664,726</u>	<u>664,726</u>	<u>664,726</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ 592,426</u>	<u>\$ 592,426</u>	<u>\$ 603,062</u>	<u>\$ 10,636</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COPS GRANT #2
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-5

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
Change in Fund Balance	-	-	-	-
Fund Balance - July 1 (Beginning)	(153,371)	(153,371)	(153,371)	-
Fund Balance - June 30 (Ending)	<u>\$ (153,371)</u>	<u>\$ (153,371)</u>	<u>\$ (153,371)</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COPS IN SCHOOL 2 #2001SHWX0482
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-6

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 155,269	\$ 155,269	\$ -	\$ (155,269)
Charges for Services	-	-	147	147
Total Receipts	<u>155,269</u>	<u>155,269</u>	<u>147</u>	<u>(155,122)</u>
DISBURSEMENTS:				
Current:				
Public Safety	154,962	154,962	19,297	135,665
Total Disbursements	<u>154,962</u>	<u>154,962</u>	<u>19,297</u>	<u>135,665</u>
Change in Fund Balance	307	307	(19,150)	(19,457)
Fund Balance - July 1 (Beginning)	<u>51,429</u>	<u>51,429</u>	<u>51,429</u>	<u>-</u>
Fund Balance - June 30 (Ending)	<u>\$ 51,736</u>	<u>\$ 51,736</u>	<u>\$ 32,279</u>	<u>\$ (19,457)</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COPS MORE2 #2002CLWX0003
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-7

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
DISBURSEMENTS:				
Current:				
Public Safety	\$ -	\$ 585	\$ 580	\$ 5
Total Disbursements	-	585	580	5
Change in Fund Balance	-	(585)	(580)	5
Fund Balance - July 1 (Beginning)	328,369	328,369	328,369	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 328,369</u>	<u>\$ 327,784</u>	<u>\$ 327,789</u>	<u>\$ 5</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - NS VTC TECH. #2002CKWX0196
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-8

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 7,866	\$ 7,866	\$ -	\$ (7,866)
Total Receipts	7,866	7,866	-	(7,866)
DISBURSEMENTS:				
Current:				
Public Safety	7,866	7,866	-	7,866
Total Disbursements	7,866	7,866	-	7,866
Change in Fund Balance	-	-	-	-
Fund Balance - July 1 (Beginning)	20,059	20,059	20,059	-
Fund Balance - June 30 (Ending)	\$ 20,059	\$ 20,059	\$ 20,059	\$ -

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COPS #2002ULWX036-OJP#856000281
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-9

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Charges for Services	\$ -	\$ -	\$ 463	\$ 463
Total Receipts	-	-	463	463
OTHER FINANCING SOURCES (USES):				
Transfers In	-	(36,667)	36,667	73,334
Total Other Financing Sources (Uses)	-	(36,667)	36,667	73,334
Change in Fund Balance	-	(36,667)	37,130	73,797
Fund Balance - July 1 (Beginning)	33,712	33,712	33,712	-
				-
Fund Balance - June 30 (Ending)	\$ 33,712	\$ (2,955)	\$ 70,842	\$ 73,797

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COPS IN SCHOOL GRANT 2000SHWX0773
 FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
Change in Fund Balance	-	-	-	-
Fund Balance - July 1 (Beginning)	83,719	83,719	83,719	-
Fund Balance - June 30 (Ending)	\$ 83,719	\$ 83,719	\$ 83,719	\$ -

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CORRECTIONS FEES
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-11

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Charges for Services	\$ 365,000	\$ 365,000	\$ 502,024	\$ 137,024
Investment Earnings	14,000	14,000	35,155	21,155
Total Receipts	<u>379,000</u>	<u>379,000</u>	<u>537,179</u>	<u>158,179</u>
DISBURSEMENTS:				
Current:				
Public Safety	1,265,000	1,265,000	1,084,501	180,499
Total Disbursements	<u>1,265,000</u>	<u>1,265,000</u>	<u>1,084,501</u>	<u>180,499</u>
Change in Fund Balance	(886,000)	(886,000)	(547,322)	338,678
Fund Balance - July 1 (Beginning)	1,312,166	1,312,166	1,312,166	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 426,166</u>	<u>\$ 426,166</u>	<u>\$ 764,844</u>	<u>\$ 338,678</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - FLOOD CONTROL
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-12

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Taxes:				
Property Taxes	\$ 1,133,809	\$ 1,133,809	\$ 1,200,741	\$ 66,932
Intergovernmental Revenue and Grants	140,000	140,000	-	(140,000)
Charges for Services	15,200	15,200	57,962	42,762
Investment Earnings	45,000	45,000	140,139	95,139
Total Receipts	1,334,009	1,334,009	1,398,842	64,833
DISBURSEMENTS:				
Current:				
Public Safety	2,099,050	2,099,050	851,901	1,247,149
Total Disbursements	2,099,050	2,099,050	851,901	1,247,149
Change in Fund Balance	(765,041)	(765,041)	546,941	1,311,982
Fund Balance - July 1 (Beginning)	3,781,093	3,781,093	3,781,093	-
				-
Fund Balance - June 30 (Ending)	\$ 3,016,052	\$ 3,016,052	\$ 4,328,034	\$ 1,311,982

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - NM-DOH-BHSD STATE INCENTIVE GRANT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-13

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 105,250	\$ 105,250	\$ 114,064	\$ 8,814
Charges for Services	-	-	75	75
Total Receipts	<u>105,250</u>	<u>105,250</u>	<u>114,139</u>	<u>8,889</u>
DISBURSEMENTS:				
Current:				
Culture and Recreation	105,250	105,250	104,878	372
Total Disbursements	<u>105,250</u>	<u>105,250</u>	<u>104,878</u>	<u>372</u>
Change in Fund Balance	-	-	9,261	9,261
Fund Balance - July 1 (Beginning)	<u>51,513</u>	<u>51,513</u>	<u>51,513</u>	<u>-</u>
Fund Balance - June 30 (Ending)	<u>\$ 51,513</u>	<u>\$ 51,513</u>	<u>\$ 60,774</u>	<u>\$ 9,261</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DWI GRANT FUND FOR FY 99-2000
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-14

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 552,431	\$ 577,431	\$ 626,163	\$ 48,732
Charges for Services	146,028	146,028	95,872	(50,156)
Total Receipts	<u>698,459</u>	<u>723,459</u>	<u>722,035</u>	<u>(1,424)</u>
DISBURSEMENTS:				
Current:				
Public Safety	742,479	767,479	688,809	78,670
Total Disbursements	<u>742,479</u>	<u>767,479</u>	<u>688,809</u>	<u>78,670</u>
Change in Fund Balance	(44,020)	(44,020)	33,226	77,246
Fund Balance - July 1 (Beginning)	330,946	330,946	330,946	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 286,926</u>	<u>\$ 286,926</u>	<u>\$ 364,172</u>	<u>\$ 77,246</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - EMERGENCY MEDICAL SERVICES
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-15

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ -	\$ 16,150	\$ 16,150	\$ -
Charges for Services	241,448	241,448	161,626	(79,822)
Investment Earnings	-	-	9,021	9,021
Total Receipts	<u>241,448</u>	<u>257,598</u>	<u>186,797</u>	<u>(70,801)</u>
DISBURSEMENTS:				
Current:				
Public Safety	408,193	424,343	154,858	269,485
Total Disbursements	<u>408,193</u>	<u>424,343</u>	<u>154,858</u>	<u>269,485</u>
Change in Fund Balance	(166,745)	(166,745)	31,939	198,684
Fund Balance - July 1 (Beginning)	<u>164,327</u>	<u>164,327</u>	<u>164,327</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ (2,418)</u>	<u>\$ (2,418)</u>	<u>\$ 196,266</u>	<u>\$ 198,684</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - FARM AND RANGE
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-16

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Charges for Services	\$ 12,500	\$ 12,500	\$ 11,784	\$ (716)
Investment Earnings	-	-	1,089	1,089
Total Receipts	<u>12,500</u>	<u>12,500</u>	<u>12,873</u>	<u>373</u>
DISBURSEMENTS:				
Current:				
Public Safety	15,000	15,000	15,000	-
Total Disbursements	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Change in Fund Balance	(2,500)	(2,500)	(2,127)	373
Fund Balance - July 1 (Beginning)	<u>29,038</u>	<u>29,038</u>	<u>29,038</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ 26,538</u>	<u>\$ 26,538</u>	<u>\$ 26,911</u>	<u>\$ 373</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - FEDERAL REIMB. GRANT/DETENTION
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-17

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
Change in Fund Balance	-	-	-	-
Fund Balance - July 1 (Beginning)	567,400	567,400	567,400	-
Fund Balance - June 30 (Ending)	<u>\$ 567,400</u>	<u>\$ 567,400</u>	<u>\$ 567,400</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - FIRE PROTECTION EXCISE TAX
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-18

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Taxes:				
General Sales and Use Taxes	\$ 1,231,174	\$ 1,231,174	\$ 1,457,269	\$ 226,095
Investment Earnings	9,500	9,500	24,686	15,186
Total Receipts	<u>1,240,674</u>	<u>1,240,674</u>	<u>1,481,955</u>	<u>241,281</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out (Use)	(1,500,000)	(1,500,000)	(1,500,000)	-
Total Other Financing Sources (Uses)	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Change in Fund Balance	(259,326)	(259,326)	(18,045)	241,281
Fund Balance - July 1 (Beginning)	1,142,744	1,142,744	1,142,744	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 883,418</u>	<u>\$ 883,418</u>	<u>\$ 1,124,699</u>	<u>\$ 241,281</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - FIRE PROTECTION EXPENSE FUND
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-19

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Investment Earnings	\$ 21,500	\$ 21,500	\$ 74,672	\$ 53,172
Total Receipts	<u>21,500</u>	<u>21,500</u>	<u>74,672</u>	<u>53,172</u>
DISBURSEMENTS:				
Current:				
Public Safety	1,618,541	1,618,541	316,254	1,302,287
Total Disbursements	<u>1,618,541</u>	<u>1,618,541</u>	<u>316,254</u>	<u>1,302,287</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>(1,597,041)</u>	<u>(1,597,041)</u>	<u>(241,582)</u>	<u>1,355,459</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	1,520,000	(1,520,000)	1,520,000	3,040,000
Transfers Out (Use)	-	(123,674)	(123,674)	-
Total Other Financing Sources (Uses)	<u>1,520,000</u>	<u>(1,643,674)</u>	<u>1,396,326</u>	<u>3,040,000</u>
Change in Fund Balance	(77,041)	(3,240,715)	1,154,744	4,395,459
Fund Balance - July 1 (Beginning)	<u>1,224,155</u>	<u>1,224,155</u>	<u>1,224,155</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ 1,147,114</u>	<u>\$ (2,016,560)</u>	<u>\$ 2,378,899</u>	<u>\$ 4,395,459</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - FIRE DISTRICTS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-20

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Licenses and Permits	\$ 70,000	\$ 190,000	\$ 57,961	\$ (132,039)
Intergovernmental Revenue and Grants	-	240,000	-	(240,000)
Charges for Services	912,714	1,311,062	2,376,647	1,065,585
Investment Earnings	28,226	28,226	75,448	47,222
Total Receipts	<u>1,010,940</u>	<u>1,769,288</u>	<u>2,510,056</u>	<u>740,768</u>
DISBURSEMENTS:				
Current:				
Public Safety	2,605,912	3,393,745	949,924	2,443,821
Total Disbursements	<u>2,605,912</u>	<u>3,393,745</u>	<u>949,924</u>	<u>2,443,821</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>(1,594,972)</u>	<u>(1,624,457)</u>	<u>1,560,132</u>	<u>3,184,589</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	(108,428)	108,428	216,856
Transfers Out (Use)	(20,000)	(20,000)	(20,000)	-
Total Other Financing Sources (Uses)	<u>(20,000)</u>	<u>(128,428)</u>	<u>88,428</u>	<u>216,856</u>
Change in Fund Balance	(1,614,972)	(1,752,885)	1,648,560	3,401,445
Fund Balance - July 1 (Beginning)	<u>1,377,769</u>	<u>1,377,769</u>	<u>1,377,769</u>	<u>-</u>
Fund Balance - June 30 (Ending)	<u>\$ (237,203)</u>	<u>\$ (375,116)</u>	<u>\$ 3,026,329</u>	<u>\$ 3,401,445</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - HOSPITAL REVENUE
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-21

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Investment Earnings	\$ -	\$ -	\$ 126,706	\$ 126,706
Total Receipts	-	-	126,706	126,706
DISBURSEMENTS:				
Current:				
Debt Service:				
Fiscal Agent's Fees	-	6,250	6,160	90
Total Disbursements	-	6,250	6,160	90
Change in Fund Balance	-	(6,250)	120,546	126,796
Fund Balance - July 1 (Beginning)	3,324,830	3,324,830	3,324,830	-
Fund Balance - June 30 (Ending)	<u>\$ 3,324,830</u>	<u>\$ 3,318,580</u>	<u>\$ 3,445,376</u>	<u>\$ 126,796</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - SECTION 8 VOUCHERS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-22

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 2,866,763	\$ 2,866,763	\$ 2,866,763	\$ -
Investment Earnings	4,683	4,683	25,885	21,202
Rents and Royalties	-	-	8,974	8,974
Other Revenue	450	450	407	(43)
Total Receipts	<u>2,871,896</u>	<u>2,871,896</u>	<u>2,902,029</u>	<u>30,133</u>
DISBURSEMENTS:				
Current:				
Health and Welfare	3,006,037	3,006,037	2,499,881	506,156
Total Disbursements	<u>3,006,037</u>	<u>3,006,037</u>	<u>2,499,881</u>	<u>506,156</u>
Change in Fund Balance	(134,141)	(134,141)	402,148	536,289
Fund Balance - July 1 (Beginning)	<u>(451,960)</u>	<u>2,745,804</u>	<u>1,610,724</u>	<u>(1,135,080)</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ (586,101)</u>	<u>\$ 2,611,663</u>	<u>\$ 2,012,872</u>	<u>\$ (598,791)</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - INDIGENT HOSPITAL CARE
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-23

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Taxes:				
General Sales and Use Taxes	\$ 3,850,000	\$ 3,850,000	\$ 5,333,525	\$ 1,483,525
Investment Earnings	5,000	5,000	100,897	95,897
Total Receipts	<u>3,855,000</u>	<u>3,855,000</u>	<u>5,434,422</u>	<u>1,579,422</u>
DISBURSEMENTS:				
Current:				
Health and Welfare	6,936,736	7,282,699	7,082,699	200,000
Total Disbursements	<u>6,936,736</u>	<u>7,282,699</u>	<u>7,082,699</u>	<u>200,000</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>(3,081,736)</u>	<u>(3,427,699)</u>	<u>(1,648,277)</u>	<u>1,779,422</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	3,100,000	(3,100,000)	3,100,000	6,200,000
Total Other Financing Sources (Uses)	<u>3,100,000</u>	<u>(3,100,000)</u>	<u>3,100,000</u>	<u>6,200,000</u>
Change in Fund Balance	18,264	(6,527,699)	1,451,723	7,979,422
Fund Balance - July 1 (Beginning)	1,610,724	1,610,724	1,610,724	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 1,628,988</u>	<u>\$ (4,916,975)</u>	<u>\$ 3,062,447</u>	<u>\$ 7,979,422</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - LAW ENFORCEMENT PROTECTION
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-24

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Charges for Services	\$ 100,200	\$ 100,200	\$ 101,633	\$ 1,433
Investment Earnings	1,000	1,000	2,262	1,262
Total Receipts	<u>101,200</u>	<u>101,200</u>	<u>103,895</u>	<u>2,695</u>
DISBURSEMENTS:				
Current:				
Public Safety	110,427	110,427	103,768	6,659
Total Disbursements	<u>110,427</u>	<u>110,427</u>	<u>103,768</u>	<u>6,659</u>
Change in Fund Balance	(9,227)	(9,227)	127	9,354
Fund Balance - July 1 (Beginning)	<u>(1,341)</u>	<u>(1,341)</u>	<u>(1,341)</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ (10,568)</u>	<u>\$ (10,568)</u>	<u>\$ (1,214)</u>	<u>\$ 9,354</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - EL PASO DEL NORTE GRANT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-25

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 14,768	\$ 14,768	\$ -	\$ (14,768)
Total Receipts	14,768	14,768	-	(14,768)
DISBURSEMENTS:				
Current:				
Culture and Recreation	15,289	15,289	(127)	15,416
Total Disbursements	15,289	15,289	(127)	15,416
Change in Fund Balance	(521)	(521)	127	648
Fund Balance - July 1 (Beginning)	315	315	315	-
				-
Fund Balance - June 30 (Ending)	\$ (206)	\$ (206)	\$ 442	\$ 648

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - REAPPRAISAL ADMINISTRATIVE FEES
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-26

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Taxes:				
General Sales and Use Taxes	\$ 600,000	\$ 600,000	\$ 637,880	\$ 37,880
Charges for Services	-	-	4,342	4,342
Investment Earnings	9,000	9,000	37,035	28,035
Total Receipts	<u>609,000</u>	<u>609,000</u>	<u>679,257</u>	<u>70,257</u>
DISBURSEMENTS:				
Current:				
General Government	940,314	940,314	626,058	314,256
Total Disbursements	<u>940,314</u>	<u>940,314</u>	<u>626,058</u>	<u>314,256</u>
Change in Fund Balance	(331,314)	(331,314)	53,199	384,513
Fund Balance - July 1 (Beginning)	<u>1,022,069</u>	<u>1,022,069</u>	<u>1,022,069</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ 690,755</u>	<u>\$ 690,755</u>	<u>\$ 1,075,268</u>	<u>\$ 384,513</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - RURAL DOMESTIC VIOLENCE GRANT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-27

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OTHER FINANCING SOURCES (USES):				
Transfers Out (Use)	\$ (4,761)	\$ (4,761)	\$ (4,761)	\$ -
Total Other Financing Sources (Uses)	(4,761)	(4,761)	(4,761)	-
Change in Fund Balance	(4,761)	(4,761)	(4,761)	-
Fund Balance - July 1 (Beginning)	(17,697)	(17,697)	(17,697)	-
				-
Fund Balance - June 30 (Ending)	<u>\$ (22,458)</u>	<u>\$ (22,458)</u>	<u>\$ (22,458)</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GREAT GRANT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-28

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OTHER FINANCING SOURCES (USES):				
Transfers Out (Use)	\$ -	\$ (46,849)	\$ (46,849)	\$ -
Total Other Financing Sources (Uses)	-	(46,849)	(46,849)	-
Change in Fund Balance	-	(46,849)	(46,849)	-
Fund Balance - July 1 (Beginning)	46,849	46,849	46,849	-
Fund Balance - June 30 (Ending)	<u>\$ 46,849</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - HIDTA GRANT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-29

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OTHER FINANCING SOURCES (USES):				
Transfers Out (Use)	\$ -	\$ (37,898)	\$ (37,898)	\$ -
Total Other Financing Sources (Uses)	-	(37,898)	(37,898)	-
Change in Fund Balance	-	(37,898)	(37,898)	-
Fund Balance - July 1 (Beginning)	50,573	50,573	50,573	-
Fund Balance - June 30 (Ending)	<u>\$ 50,573</u>	<u>\$ 12,675</u>	<u>\$ 12,675</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - LEBG GRANT #2000-LB-BX-2342
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-30

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
Change in Fund Balance	-	-	-	-
Fund Balance - July 1 (Beginning)	18,362	18,362	18,362	-
Fund Balance - June 30 (Ending)	\$ 18,362	\$ 18,362	\$ 18,362	\$ -

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - LEBG GRANTS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-31

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
DISBURSEMENTS:				
Current:				
Public Safety	\$ 8,166	\$ 30,413	\$ 9,911	\$ 20,502
Total Disbursements	8,166	30,413	9,911	20,502
Change in Fund Balance	(8,166)	(30,413)	(9,911)	20,502
Fund Balance - July 1 (Beginning)	(24,440)	(24,440)	(24,440)	-
Fund Balance - June 30 (Ending)	<u>\$ (32,606)</u>	<u>\$ (54,853)</u>	<u>\$ (34,351)</u>	<u>\$ 20,502</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - LAW ENFORCEMENT BLOCK GRANTS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-32

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Investment Earnings	\$ -	\$ -	\$ 931	\$ 931
Total Receipts	<u>-</u>	<u>-</u>	<u>931</u>	<u>931</u>
DISBURSEMENTS:				
Current:				
Public Safety	-	-	(500)	500
Total Disbursements	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>500</u>
Change in Fund Balance	-	-	1,431	1,431
Fund Balance - July 1 (Beginning)	(64,345)	(64,345)	(64,345)	-
				-
Fund Balance - June 30 (Ending)	<u>\$ (64,345)</u>	<u>\$ (64,345)</u>	<u>\$ (62,914)</u>	<u>\$ 1,431</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - SUBSTANCE ABUSE GRANTS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-33

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 142,134	\$ 142,134	\$ 26,402	\$ (115,732)
Charges for Services	-	-	98	98
Total Receipts	<u>142,134</u>	<u>142,134</u>	<u>26,500</u>	<u>(115,634)</u>
DISBURSEMENTS:				
Current:				
Culture and Recreation	115,992	125,435	26,776	98,659
Total Disbursements	<u>115,992</u>	<u>125,435</u>	<u>26,776</u>	<u>98,659</u>
Change in Fund Balance	26,142	16,699	(276)	(16,975)
Fund Balance - July 1 (Beginning)	<u>111,349</u>	<u>111,349</u>	<u>111,349</u>	<u>-</u>
Fund Balance - June 30 (Ending)	<u>\$ 137,491</u>	<u>\$ 128,048</u>	<u>\$ 111,073</u>	<u>\$ (16,975)</u>

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - 02-VF-GX-K003 VICTIMS OF CRIME_USJ
 FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 75,000	\$ 75,000	\$ 49,230	\$ (25,770)
Total Receipts	<u>75,000</u>	<u>75,000</u>	<u>49,230</u>	<u>(25,770)</u>
DISBURSEMENTS:				
Current:				
Public Safety	75,938	75,938	43,223	32,715
Total Disbursements	<u>75,938</u>	<u>75,938</u>	<u>43,223</u>	<u>32,715</u>
Change in Fund Balance	(938)	(938)	6,007	6,945
Fund Balance - July 1 (Beginning)	7,008	7,008	7,008	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 6,070</u>	<u>\$ 6,070</u>	<u>\$ 13,015</u>	<u>\$ 6,945</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CYFD GRANTS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-35

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 8,891	\$ 8,891	\$ -	\$ (8,891)
Total Receipts	<u>8,891</u>	<u>8,891</u>	<u>-</u>	<u>(8,891)</u>
DISBURSEMENTS:				
Current:				
Culture and Recreation	11,245	11,245	-	11,245
Total Disbursements	<u>11,245</u>	<u>11,245</u>	<u>-</u>	<u>11,245</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>(2,354)</u>	<u>(2,354)</u>	<u>-</u>	<u>2,354</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out (Use)	(12,000)	(12,000)	(12,000)	-
Total Other Financing Sources (Uses)	<u>(12,000)</u>	<u>(12,000)</u>	<u>(12,000)</u>	<u>-</u>
Change in Fund Balance	(14,354)	(14,354)	(12,000)	2,354
Fund Balance - July 1 (Beginning)	32,336	32,336	32,336	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 17,982</u>	<u>\$ 17,982</u>	<u>\$ 20,336</u>	<u>\$ 2,354</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - SHERIFFS GRANTS - STATE
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-36

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 127,658	\$ 463,591	\$ 245,381	\$ (218,210)
Total Receipts	<u>127,658</u>	<u>463,591</u>	<u>245,381</u>	<u>(218,210)</u>
DISBURSEMENTS:				
Current:				
Public Safety	126,365	480,248	218,579	261,669
Total Disbursements	<u>126,365</u>	<u>480,248</u>	<u>218,579</u>	<u>261,669</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>1,293</u>	<u>(16,657)</u>	<u>26,802</u>	<u>43,459</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out (Use)	(11,000)	(11,000)	(11,000)	-
Total Other Financing Sources (Uses)	<u>(11,000)</u>	<u>(11,000)</u>	<u>(11,000)</u>	<u>-</u>
Change in Fund Balance	(9,707)	(27,657)	15,802	43,459
Fund Balance - July 1 (Beginning)	<u>20,751</u>	<u>20,751</u>	<u>20,751</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ 11,044</u>	<u>\$ (6,906)</u>	<u>\$ 36,553</u>	<u>\$ 43,459</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - FEDERAL EPA GRANTS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-37

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ -	\$ 74,562	\$ -	\$ (74,562)
Total Receipts	-	74,562	-	(74,562)
DISBURSEMENTS:				
Current:				
Public Safety	-	71,627	-	71,627
Total Disbursements	-	71,627	-	71,627
Change in Fund Balance	-	2,935	-	(2,935)
Fund Balance - July 1 (Beginning)	-	-	-	-
Fund Balance - June 30 (Ending)	\$ -	\$ 2,935	\$ -	\$ (2,935)

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - SHERIFF TECH GRANT 2005CKWX0207
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-38

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ -	\$ 147,996	\$ -	\$ (147,996)
Total Receipts	-	147,996	-	(147,996)
DISBURSEMENTS:				
Current:				
Public Safety	-	147,996	-	147,996
Total Disbursements	-	147,996	-	147,996
Change in Fund Balance	-	-	-	-
Fund Balance - July 1 (Beginning)	-	-	-	-
Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COLONIAS INITIATIVE
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-39

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 3,760,000	\$ 5,000,000	\$ 846,645	\$ (4,153,355)
Total Receipts	<u>3,760,000</u>	<u>5,000,000</u>	<u>846,645</u>	<u>(4,153,355)</u>
DISBURSEMENTS:				
Current:				
Public Safety	3,760,000	5,000,000	848,645	4,151,355
Total Disbursements	<u>3,760,000</u>	<u>5,000,000</u>	<u>848,645</u>	<u>4,151,355</u>
Change in Fund Balance	-	-	(2,000)	(2,000)
Fund Balance - July 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,000)</u>	<u>\$ (2,000)</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - FAIRGROUND GRANT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-40

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)
Total Receipts	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
DISBURSEMENTS:				
Current:				
Public Safety	1,000,000	1,000,000	3,372	996,628
Total Disbursements	<u>1,000,000</u>	<u>1,000,000</u>	<u>3,372</u>	<u>996,628</u>
Change in Fund Balance	-	-	(3,372)	(3,372)
Fund Balance - July 1 (Beginning)	-	-	-	-
Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,372)</u>	<u>\$ (3,372)</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - EMERGENCY FUND
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-41

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
DISBURSEMENTS:				
Current:				
General Government	\$ 250,000	\$ 250,000	\$ -	\$ 250,000
Total Disbursements	250,000	250,000	-	250,000
Change in Fund Balance	(250,000)	(250,000)	-	250,000
Fund Balance - July 1 (Beginning)	419,023	419,023	419,023	-
Fund Balance - June 30 (Ending)	<u>\$ 169,023</u>	<u>\$ 169,023</u>	<u>\$ 419,023</u>	<u>\$ 250,000</u>

The accompanying notes are an integral part of this statement.

Debt Service Funds

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

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DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-42

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Taxes:				
Property Taxes	\$ 418,000	\$ 418,000	\$ 580,439	\$ 162,439
Charges for Services	-	-	152,924	152,924
Investment Earnings	25,250	25,250	286,508	261,258
Total Receipts	443,250	443,250	1,019,871	576,621
DISBURSEMENTS:				
Current:				
Debt Service:				
Bond Principal	2,690,000	2,690,000	2,625,000	65,000
Bond Interest	3,132,062	3,132,062	2,773,658	358,404
Fiscal Agent's Fees	36,336	42,741	30,581	12,160
Total Disbursements	5,858,398	5,864,803	5,429,239	435,564
Excess (Deficiency) of Receipts Over (Under) Disbursements	(5,415,148)	(5,421,553)	(4,409,368)	1,012,185
OTHER FINANCING SOURCES (USES):				
Transfers In	5,181,664	(5,181,664)	5,181,664	10,363,328
Transfers Out (Use)	-	(83,470)	(83,470)	-
Total Other Financing Sources (Uses)	5,181,664	(5,265,134)	5,098,194	10,363,328
Change in Fund Balance	(233,484)	(10,686,687)	688,826	11,375,513
Fund Balance - July 1 (Beginning)	6,131,113	6,131,113	6,131,113	-
Fund Balance - June 30 (Ending)	<u>\$ 5,897,629</u>	<u>\$ (4,555,574)</u>	<u>\$ 6,819,939</u>	<u>\$ 11,375,513</u>

The accompanying notes are an integral part of this statement.

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Capital Projects Funds

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital projects funds consist of the following:

911 Communication Network -To account for the cost of acquiring equipment for the County's emergency 911 communication system.

Border Industrial Park Assessment - To account for costs related to the construction and acquisition of Industrial Park improvements.

Border Water Systems - To account for the cost of constructing border water and wastewater systems, in accordance with bond requirements.

CDBG - Doña Ana Water System Improvements - To account for costs of the water system improvements.

CDBG - La Mesa Water - To account for the cost of constructing the La Mesa Water System.

Las Palmeras/Montana Vista Wastewater - To account for the costs of the wastewater project.

Sheriffs Headquarters - To account for the costs of the potential Headquarters.

Utility Projects - To account for the cost of constructing wastewater systems in several communities.

NMED CWSRLF - County Wide Utilities - To account for the costs of construction of the wastewater facility.

Judicial Building Remodeling - To account for the costs of remodeling the Judicial Building.

Airport FAA Projects - To account for the costs of the development of airports in the County.

FAA Giant - Santa Teresa Airport - A project for the development of the airport. The fund was established in accordance with 49 CFR 18.20.

County Administrative Building Project - To account for the costs of constructing the County's Administration Building.

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DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - BORDER PARK PROJECT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-43

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Investment Earnings	\$ -	\$ -	\$ (64)	\$ (64)
Total Receipts	-	-	(64)	(64)
Change in Fund Balance	-	-	(64)	(64)
Fund Balance - July 1 (Beginning)	341	341	341	-
Fund Balance - June 30 (Ending)	<u>\$ 341</u>	<u>\$ 341</u>	<u>\$ 277</u>	<u>\$ (64)</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CDBG - DONA ANA WATER SYS. IMPROVEMENT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-44

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
Change in Fund Balance	-	-	-	-
Fund Balance - July 1 (Beginning)	(57,238)	(57,238)	(57,238)	-
Fund Balance - June 30 (Ending)	\$ (57,238)	\$ (57,238)	\$ (57,238)	\$ -

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - UTILITY PROJECTS
 FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 3,700,000	\$ 6,511,908	\$ 4,256,816	\$ (2,255,092)
Investment Earnings	-	-	10,108	10,108
Total Receipts	<u>3,700,000</u>	<u>6,511,908</u>	<u>4,266,924</u>	<u>(2,244,984)</u>
DISBURSEMENTS:				
Current:				
Capital Outlay:				
Capital Outlay	3,700,000	6,511,908	4,354,938	2,156,970
Total Disbursements	<u>3,700,000</u>	<u>6,511,908</u>	<u>4,354,938</u>	<u>2,156,970</u>
Change in Fund Balance	-	-	(88,014)	(88,014)
Fund Balance - July 1 (Beginning)	<u>2,164,085</u>	<u>2,164,085</u>	<u>2,164,085</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u><u>\$ 2,164,085</u></u>	<u><u>\$ 2,164,085</u></u>	<u><u>\$ 2,076,071</u></u>	<u><u>\$ (88,014)</u></u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - WASTEWATER PROJECTS/GRANT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-46

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Licenses and Permits	\$ -	\$ 1,070,000	\$ -	\$ (1,070,000)
Intergovernmental Revenue and Grants	370,000	370,000	70,000	(300,000)
Total Receipts	370,000	1,440,000	70,000	(1,370,000)
DISBURSEMENTS:				
Current:				
Health and Welfare	370,000	1,440,000	70,000	1,370,000
Total Disbursements	370,000	1,440,000	70,000	1,370,000
Change in Fund Balance	-	-	-	-
Fund Balance - July 1 (Beginning)	-	-	-	-
Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CDBG - LA UNION WATER SYSTEMS
 FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 350,000	\$ 350,000	\$ 30,000	\$ (320,000)
Total Receipts	350,000	350,000	30,000	(320,000)
DISBURSEMENTS:				
Current:				
Capital Outlay:				
Capital Outlay	350,000	350,000	33,346	316,654
Total Disbursements	350,000	350,000	33,346	316,654
Excess (Deficiency) of Receipts Over (Under) Disbursements	-	-	(3,346)	(3,346)
OTHER FINANCING SOURCES (USES):				
Transfers Out (Use)	(5,500)	(5,500)	(5,500)	-
Total Other Financing Sources (Uses)	(5,500)	(5,500)	(5,500)	-
Change in Fund Balance	(5,500)	(5,500)	(8,846)	(3,346)
Fund Balance - July 1 (Beginning)	28,368	28,368	28,368	-
Fund Balance - June 30 (Ending)	<u>\$ 22,868</u>	<u>\$ 22,868</u>	<u>\$ 19,522</u>	<u>\$ (3,346)</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY EXHIBIT J-48
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - NMED CWSRLF -CNTY WIDE UTILITIES
 FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 5,000	\$ 5,000	\$ 6,600	\$ 1,600
Investment Earnings	-	-	5,226	5,226
Total Receipts	<u>5,000</u>	<u>5,000</u>	<u>11,826</u>	<u>6,826</u>
DISBURSEMENTS:				
Current:				
Capital Outlay:				
Capital Outlay	1,700,000	1,700,000	1,559,094	140,906
Total Disbursements	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,559,094</u>	<u>140,906</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>(1,695,000)</u>	<u>(1,695,000)</u>	<u>(1,547,268)</u>	<u>147,732</u>
OTHER FINANCING SOURCES (USES):				
Capital-related Debt Issued (Regular Bonds)	3,000,000	3,000,000	1,341,330	(1,658,670)
Total Other Financing Sources (Uses)	<u>3,000,000</u>	<u>3,000,000</u>	<u>1,341,330</u>	<u>(1,658,670)</u>
Change in Fund Balance	1,305,000	1,305,000	(205,938)	(1,510,938)
Fund Balance - July 1 (Beginning)	<u>302,020</u>	<u>302,020</u>	<u>302,020</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ 1,607,020</u>	<u>\$ 1,607,020</u>	<u>\$ 96,082</u>	<u>\$ (1,510,938)</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - AIRPORT FAA PROJECTS
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-49

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Intergovernmental Revenue and Grants	\$ 1,491,250	\$ 1,491,250	\$ 756,681	\$ (734,569)
Investment Earnings	-	-	8,353	8,353
Total Receipts	<u>1,491,250</u>	<u>1,491,250</u>	<u>765,034</u>	<u>(726,216)</u>
DISBURSEMENTS:				
Current:				
Capital Outlay:				
Capital Outlay	1,529,487	1,529,487	667,774	861,713
Total Disbursements	<u>1,529,487</u>	<u>1,529,487</u>	<u>667,774</u>	<u>861,713</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>(38,237)</u>	<u>(38,237)</u>	<u>97,260</u>	<u>135,497</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	50,000	(50,000)	50,000	100,000
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>(50,000)</u>	<u>50,000</u>	<u>100,000</u>
Change in Fund Balance	11,763	(88,237)	147,260	235,497
Fund Balance - July 1 (Beginning)	<u>37,920</u>	<u>37,920</u>	<u>37,920</u>	<u>-</u>
				-
Fund Balance - June 30 (Ending)	<u>\$ 49,683</u>	<u>\$ (50,317)</u>	<u>\$ 185,180</u>	<u>\$ 235,497</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COUNTY ADMINISTRATIVE BLDG - PROJECT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-50

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Investment Earnings	\$ 225,000	\$ 225,000	\$ 194,887	\$ (30,113)
Total Receipts	<u>225,000</u>	<u>225,000</u>	<u>194,887</u>	<u>(30,113)</u>
DISBURSEMENTS:				
Current:				
Capital Outlay:				
Capital Outlay	14,623,554	14,988,554	14,400,856	587,698
Total Disbursements	<u>14,623,554</u>	<u>14,988,554</u>	<u>14,400,856</u>	<u>587,698</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	<u>(14,398,554)</u>	<u>(14,763,554)</u>	<u>(14,205,969)</u>	<u>557,585</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	1,500,000	(1,947,800)	1,947,800	3,895,600
Total Other Financing Sources (Uses)	<u>1,500,000</u>	<u>(1,947,800)</u>	<u>1,947,800</u>	<u>3,895,600</u>
Change in Fund Balance	(12,898,554)	(16,711,354)	(12,258,169)	4,453,185
Fund Balance - July 1 (Beginning)	12,827,881	12,827,881	12,827,881	-
				-
Fund Balance - June 30 (Ending)	<u>\$ (70,673)</u>	<u>\$ (3,883,473)</u>	<u>\$ 569,712</u>	<u>\$ 4,453,185</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - JUDICIAL BLDG. REMODELING - PROJECT
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-51

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
RECEIPTS:				
Investment Earnings	\$ 4,500	\$ 4,500	\$ 12,384	\$ 7,884
Total Receipts	<u>4,500</u>	<u>4,500</u>	<u>12,384</u>	<u>7,884</u>
DISBURSEMENTS:				
Current:				
Capital Outlay:				
Capital Outlay	406,877	165,968	172,815	(6,847)
Total Disbursements	<u>406,877</u>	<u>165,968</u>	<u>172,815</u>	<u>(6,847)</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	(402,377)	(161,468)	(160,431)	1,037
OTHER FINANCING SOURCES (USES):				
Transfers In	250,000	(250,000)	250,000	500,000
Transfers Out (Use)	-	(365,000)	(365,000)	-
Total Other Financing Sources (Uses)	<u>250,000</u>	<u>(615,000)</u>	<u>(115,000)</u>	<u>500,000</u>
Change in Fund Balance	(152,377)	(776,468)	(275,431)	501,037
Fund Balance - July 1 (Beginning)	275,431	275,431	275,431	-
				-
Fund Balance - June 30 (Ending)	<u>\$ 123,054</u>	<u>\$ (501,037)</u>	<u>\$ -</u>	<u>\$ 501,037</u>

The accompanying notes are an integral part of this statement.

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Enterprise Fund

Border Wastewater- To account for the service activities of the wastewater system.

Border Water- To account for the service activities of the water system.

Doña Ana Wastewater- To account for the service activities of the wastewater system.

Las Palmeras/Montana Vista Wastewater- To account for the service activities of the wastewater system.

Rincon Wastewater - To account for the service activities of the water system.

Villa Sereno - Low Income Housing Project -To account for the rental activities of the County-owned low income housing project.

Salem/Ogas Wastewater - To account for the service activities of the wastewater system.

South Central Wastewater - To account for the activities of the wastewater utility, which provides serving to the residents in Vado/Del Cerro, Chamberino, Berino, and south central areas of the County.

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DONA ANA COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
BUDGET AND ACTUAL - BORDER WASTEWATER
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-52

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OPERATING RECEIPTS:				
Charges for Water Services	\$ -	\$ -	\$ 15	\$ 15
Charges for Sewerage Service	57,328	57,328	55,117	(2,211)
Total Operating Receipts	57,328	57,328	55,132	(2,196)
OPERATING DISBURSEMENTS:				
Proprietary Fund Function - Sewerage				
Personal Services - Salaries and Wages	25,698	25,698	28,050	(2,352)
Personal Services - Employee Benefits	10,377	10,377	10,730	(353)
Purchased Professional & Technical Services	1,000	5,300	3,887	1,413
Purchased Property Services	-	500	495	5
Other Operating Expenses	500	1,200	962	238
Supplies	20,450	32,650	36,540	(3,890)
Total Proprietary Fund Function - Sewerage	58,025	75,725	80,664	(4,939)
Total Operating Disbursements	58,025	75,725	80,664	(4,939)
Operating Income (Loss)	(697)	(18,397)	(25,532)	(7,135)
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	-	-	4,795	4,795
Total Non-operating Receipts (Disbursements)	-	-	4,795	4,795
Change in Net Assets	(697)	(18,397)	(20,737)	(2,340)
Net Assets - July 1 (Beginning)	4,077,676	4,077,676	4,077,676	-
Net Assets - June 30 (Ending)	\$ 4,076,979	\$ 4,059,279	\$ 4,056,939	\$ (2,340)

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
BUDGET AND ACTUAL - BORDER WATER SYSTEM
FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-53

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OPERATING RECEIPTS:				
Charges for Water Services	\$ 68,000	\$ 68,000	\$ 119,825	\$ 51,825
Charges for Sewerage Service	-	-	460	460
Total Operating Receipts	68,000	68,000	120,285	52,285
OPERATING DISBURSEMENTS:				
Proprietary Fund Function - Water				
Personal Services - Salaries and Wages	22,963	24,793	24,731	62
Personal Services - Employee Benefits	13,093	13,093	6,688	6,405
Purchased Professional & Technical Services	-	-	2,349	(2,349)
Other Operating Expenses	500	6,450	1,076	5,374
Supplies	31,050	35,050	47,257	(12,207)
Total Proprietary Fund Function - Water	67,606	79,386	82,101	(2,715)
Total Operating Disbursements	67,606	79,386	82,101	(2,715)
Operating Income (Loss)	394	(11,386)	38,184	49,570
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	-	-	4,164	4,164
Total Non-operating Receipts (Disbursements)	-	-	4,164	4,164
Change in Net Assets	394	(11,386)	42,348	53,734
Net Assets - July 1 (Beginning)	1,822,090	1,822,090	1,822,090	-
Net Assets - June 30 (Ending)	\$ 1,822,484	\$ 1,810,704	\$ 1,864,438	\$ 53,734

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - DONA ANA WASTEWATER SYSTEM
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-54

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OPERATING RECEIPTS:				
Charges for Sewerage Service	\$ 69,250	\$ 69,250	\$ 80,832	\$ 11,582
Total Operating Receipts	69,250	69,250	80,832	11,582
OPERATING DISBURSEMENTS:				
Proprietary Fund Function - Sewerage				
Purchased Professional & Technical Services	78,600	90,800	96,347	(5,547)
Purchased Property Services	2,000	7,000	-	7,000
Total Proprietary Fund Function - Sewerage	80,600	97,800	96,347	1,453
Total Operating Disbursements	80,600	97,800	96,347	1,453
Operating Income (Loss)	(11,350)	(28,550)	(15,515)	13,035
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	-	-	542	542
Total Non-operating Receipts (Disbursements)	-	-	542	542
Income (Loss) Before Transfers	(11,350)	(28,550)	(14,973)	13,035
Non-Operating Transfer In	2,000	(19,000)	19,000	38,000
Transfers Out	15,000	15,000	(15,000)	(30,000)
Change in Net Assets	5,650	(32,550)	(10,973)	21,577
Net Assets - July 1 (Beginning)	3,420,665	3,420,665	3,420,665	-
Net Assets - June 30 (Ending)	\$ 3,426,315	\$ 3,388,115	\$ 3,409,692	\$ 21,577

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - LAS PALMERA/MONTANA VISTA WW SERV.
 FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	\$ -	\$ -	\$ 1,715	\$ 1,715
Total Non-operating Receipts (Disbursements)	-	-	1,715	1,715
Change in Net Assets	-	-	1,715	1,715
Net Assets - July 1 (Beginning)	672,315	672,315	672,315	-
Net Assets - June 30 (Ending)	<u>\$ 672,315</u>	<u>\$ 672,315</u>	<u>\$ 674,030</u>	<u>\$ 1,715</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
BUDGET AND ACTUAL - RINCON WASTEWATER
FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OPERATING RECEIPTS:				
Charges for Water Services	\$ -	\$ -	\$ 25	\$ 25
Charges for Sewerage Service	24,900	24,900	31,822	6,922
Total Operating Receipts	24,900	24,900	31,847	6,947
OPERATING DISBURSEMENTS:				
Proprietary Fund Function - Sewerage				
Personal Services - Salaries and Wages	8,590	8,590	8,486	104
Personal Services - Employee Benefits	667	667	726	(59)
Purchased Professional & Technical Services	1,000	1,000	930	70
Purchased Property Services	1,200	1,200	-	1,200
Other Operating Expenses	400	400	1,675	(1,275)
Supplies	9,500	9,500	8,137	1,363
Total Proprietary Fund Function - Sewerage	21,357	21,357	19,954	1,403
Total Operating Disbursements	21,357	21,357	19,954	1,403
Operating Income (Loss)	3,543	3,543	11,893	8,350
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	-	-	975	975
Total Non-operating Receipts (Disbursements)	-	-	975	975
Income Before Transfers	3,543	3,543	12,868	8,350
Transfers Out	3,000	3,000	(3,000)	(6,000)
Change in Net Assets	6,543	6,543	9,868	3,325
Net Assets - July 1 (Beginning)	1,610,316	1,610,316	1,610,316	-
Net Assets - June 30 (Ending)	\$ 1,616,859	\$ 1,616,859	\$ 1,620,184	\$ 3,325

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - VILLA SERRENO
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-57

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
Operating Income (Loss)	-	-	-	-
Net Assets - July 1 (Beginning)	1,042,270	1,042,270	1,042,270	-
Net Assets - June 30 (Ending)	\$ 1,042,270	\$ 1,042,270	\$ 1,042,270	\$ -

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - HOME CHOICE - VILLA SERRENO
 FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
Operating Income (Loss)	-	-	-	-
Net Assets - July 1 (Beginning)	129,551	129,551	129,551	-
Net Assets - June 30 (Ending)	<u>\$ 129,551</u>	<u>\$ 129,551</u>	<u>\$ 129,551</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - VADO/DEL CERRO WASTEWATER
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-59

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS	Final Budget
			(See Note)	Positive or (Negative)
OPERATING RECEIPTS:				
Charges for Water Services	\$ -	\$ -	\$ 67	\$ 67
Charges for Gas Services	-	-	730	730
Charges for Sewerage Service	502,644	502,644	605,851	103,207
Total Operating Receipts	502,644	502,644	606,648	104,004
OPERATING DISBURSEMENTS:				
Proprietary Fund Function - Sewerage				
Personal Services - Salaries and Wages	116,232	116,232	103,231	13,001
Personal Services - Employee Benefits	51,636	51,636	43,025	8,611
Purchased Professional & Technical Services	39,000	57,800	55,492	2,308
Purchased Property Services	7,500	7,500	3,004	4,496
Other Operating Expenses	41,800	41,800	33,772	8,028
Supplies	95,200	109,200	119,454	(10,254)
Total Proprietary Fund Function - Sewerage	351,368	384,168	357,978	26,190
Total Operating Disbursements	351,368	384,168	357,978	26,190
Operating Income (Loss)	151,276	118,476	248,670	130,194
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	-	-	9,561	9,561
Total Non-operating Receipts (Disbursements)	-	-	9,561	9,561
Income Before Transfers	151,276	118,476	258,231	130,194
Transfers Out	159,900	159,900	(159,900)	(319,800)
Change in Net Assets	311,176	278,376	98,331	(180,045)
Net Assets - July 1 (Beginning)	16,066,950	16,066,950	16,066,950	-
Net Assets - June 30 (Ending)	\$ 16,378,126	\$ 16,345,326	\$ 16,165,281	\$ (180,045)

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - SALEM/ORGAS - WASTEWATER
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-60

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OPERATING RECEIPTS:				
Charges for Water Services	\$ -	\$ -	\$ 25	\$ 25
Charges for Sewerage Service	52,300	52,300	69,124	16,824
Other Revenue	-	-	1,892	1,892
Total Operating Receipts	52,300	52,300	71,041	18,741
OPERATING DISBURSEMENTS:				
Proprietary Fund Function - Sewerage				
Personal Services - Salaries and Wages	15,371	15,371	15,839	(468)
Personal Services - Employee Benefits	5,924	5,924	6,067	(143)
Purchased Professional & Technical Services	3,745	3,745	1,459	2,286
Purchased Property Services	-	4,690	5,486	(796)
Other Operating Expenses	-	-	325	(325)
Supplies	24,450	24,450	23,459	991
Total Proprietary Fund Function - Sewerage	49,490	54,180	52,635	1,545
Total Operating Disbursements	49,490	54,180	52,635	1,545
Operating Income (Loss)	2,810	(1,880)	18,406	20,286
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	-	-	1,757	1,757
Total Non-operating Receipts (Disbursements)	-	-	1,757	1,757
Income (Loss) Before Transfers	2,810	(1,880)	20,163	20,286
Transfers Out	11,300	11,300	(11,300)	(22,600)
Change in Net Assets	14,110	9,420	8,863	(557)
Net Assets - July 1 (Beginning)	2,628,237	2,628,237	2,628,237	-
Net Assets - June 30 (Ending)	\$ 2,642,347	\$ 2,637,657	\$ 2,637,100	\$ (557)

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - RESERVES - UTILITIES
 FOR THE YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	\$ -	\$ -	\$ 5,672	\$ 5,672
Total Non-operating Receipts (Disbursements)	-	-	5,672	5,672
Income (Loss) Before Transfers	-	-	5,672	-
Non-Operating Transfer In	183,200	(183,200)	183,200	366,400
Change in Net Assets	183,200	(183,200)	188,872	372,072
Net Assets - July 1 (Beginning)	21,079	21,079	21,079	-
Net Assets - June 30 (Ending)	\$ 204,279	\$ (162,121)	\$ 209,951	\$ 372,072

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - LA UNION WASTEWATER
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-62

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OPERATING RECEIPTS:				
Charges for Sewerage Service	\$ 68,000	\$ 68,000	\$ 58,186	\$ (9,814)
Total Operating Receipts	68,000	68,000	58,186	(9,814)
OPERATING DISBURSEMENTS:				
Proprietary Fund Function - Sewerage				
Purchased Professional & Technical Services	25,328	25,328	22,941	2,387
Purchased Property Services	1,000	1,000	-	1,000
Other Operating Expenses	-	-	437	(437)
Supplies	14,000	14,000	3,788	10,212
Total Proprietary Fund Function - Sewerage	40,328	40,328	27,166	13,162
Total Operating Disbursements	40,328	40,328	27,166	13,162
Operating Income (Loss)	27,672	27,672	31,020	3,348
NON-OPERATING RECEIPTS (DISBURSEMENTS):				
Investment Earnings	-	-	2,312	2,312
Total Non-operating Receipts (Disbursements)	-	-	2,312	2,312
Income (Loss) Before Transfers	27,672	27,672	33,332	3,348
Transfers Out	9,000	9,000	(9,000)	(18,000)
Change in Net Assets	36,672	36,672	24,332	(12,340)
Net Assets - July 1 (Beginning)	2,205	2,205	2,205	-
Net Assets - June 30 (Ending)	\$ 38,877	\$ 38,877	\$ 26,537	\$ (12,340)

The accompanying notes are an integral part of this statement.

DONA ANA COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 BUDGET AND ACTUAL - TALAVERA WATER SYSTEM
 FOR THE YEAR ENDED JUNE 30, 2006

EXHIBIT J-63

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	BUDGET BASIS (See Note)	Final Budget Positive or (Negative)
OPERATING RECEIPTS:				
Charges for Services	\$ 25,000	\$ 25,000	\$ 4,504	\$ (20,496)
Charges for Water Services	5,000	5,000	-	(5,000)
Investment Earnings	-	-	82	82
Total Operating Receipts	<u>30,000</u>	<u>30,000</u>	<u>4,586</u>	<u>(25,414)</u>
OPERATING DISBURSEMENTS:				
Proprietary Fund Function - Water				
Purchased Professional & Technical Services	19,600	19,600	-	19,600
Supplies	5,000	5,000	-	5,000
Total Proprietary Fund Function - Water	<u>24,600</u>	<u>24,600</u>	<u>-</u>	<u>24,600</u>
Total Operating Disbursements	<u>24,600</u>	<u>24,600</u>	<u>-</u>	<u>24,600</u>
Operating Income (Loss)	5,400	5,400	4,586	(814)
Net Assets - July 1 (Beginning)	-	-	-	-
Net Assets - June 30 (Ending)	<u>\$ 5,400</u>	<u>\$ 5,400</u>	<u>\$ 4,586</u>	<u>\$ (814)</u>

The accompanying notes are an integral part of this statement.

OTHER SCHEDULES

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DOÑA ANA COUNTY

Schedule of Reconciliation of Property Taxes

For the Fiscal Year Ended June 30, 2006

Reconciliation of Property Taxes Receivable

Taxes receivable, beginning of year	\$ 5,722,090
2005 Allowance added back	1,256,000
2004 Property tax assessment	70,261,344
Tax roll corrections and adjustments, net	(49,191)
Less Taxes Collected:	
Current	66,675,038
Delinquent	2,728,016
Taxes collected in advance applied to current year	<u>433,881</u>
Total taxes collected	<u>69,836,935</u>
Total taxes to be collected	7,353,308
Allowance for uncollected taxes	<u>(1,255,518)</u>
Taxes Receivable, end of year	<u><u>\$ 6,097,790</u></u>
Property Taxes Receivable by Years	
2005	\$ 3,651,229
2004	1,314,955
2003	623,529
2002	388,933
2001	247,932
2000	178,968
1999	182,118
1998	570,620
1997	118,787
1996	76,236
1995	<u>-</u>
Total taxes receivable	7,353,307
Allowance for uncollected taxes	<u>(1,255,518)</u>
Taxes receivable, net of allowance	<u><u>\$ 6,097,789</u></u>

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY TREASURER'S
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Undistributed at Year-End	County Receivable at Year-End
DOÑA ANA COUNTY:										
General Ad Valorem	2005	23,109,240	21,956,591	21,956,591	21,702,527	21,956,591	0	55,802	0	1,096,847
General Ad Valorem	2004	20,953,988	594,197	20,527,595	788,783	20,527,595	0	50,597	0	375,797
General Ad Valorem	2003	19,633,942	285,216	19,432,456	261,389	19,432,456	0	47,501	0	153,985
General Ad Valorem	2002	18,317,922	67,209	18,194,766	98,132	18,194,766	0	45,124	0	78,032
General Ad Valorem	2001	17,327,677	28,590	17,264,522	30,190	17,264,522	0	44,283	0	18,872
General Ad Valorem	2000	16,150,645	21,133	16,098,971	21,939	16,098,971	0	40,160	0	11,514
General Ad Valorem	1999	15,296,013	15,362	15,212,686	16,288	15,212,686	0	59,166	0	24,160
General Ad Valorem	1998	14,636,950	14,384	14,149,580	15,015	14,149,580	0	60,783	0	426,588
General Ad Valorem	1997	13,539,032	13,978	13,497,921	14,314	13,497,921	0	41,111	0	0
General Ad Valorem	1996	12,737,754	14,077	12,724,872	14,422	12,724,872	0	12,882	0	0
TOTAL GENERAL AD VALOREM		171,703,163	22,990,736	169,059,960	22,962,999	169,059,960	0	457,408	0	2,185,795
Non-Rendition Penalty	2005	124,716	96,007	96,007	93,783	96,007	0	301	0	28,408
Non-Rendition Penalty	2004	117,178	12,052	101,021	15,868	101,021	0	283	0	15,874
Non-Rendition Penalty	2003	122,390	5,725	110,182	7,070	110,182	0	295	0	11,913
Non-Rendition Penalty	2002	143,346	6,086	131,355	6,657	131,355	0	346	0	11,646
Non-Rendition Penalty	2001	136,811	1,578	129,630	2,125	129,630	0	330	0	6,851
Non-Rendition Penalty	2000	132,667	853	128,809	1,126	128,809	0	320	0	3,539
Non-Rendition Penalty	1999	106,586	371	103,981	499	103,981	0	257	0	2,348
Non-Rendition Penalty	1998	91,063	240	88,613	317	88,613	0	220	0	2,230
Non-Rendition Penalty	1997	75,201	167	73,818	198	73,818	0	1,384	0	0
Non-Rendition Penalty	1996	72,045	100	70,776	131	70,776	0	1,269	0	0
TOTAL NON-RENDITION PENALTY		1,122,004	123,180	1,034,192	127,775	1,034,192	0	5,004	0	82,808
County Debt Service	2005	587,811	557,620	557,620	551,542	557,620	0	1,418	0	28,773
County Debt Service	2004	514,479	14,900	503,930	19,670	503,930	0	1,241	0	9,307
County Debt Service	2003	418,356	5,694	414,331	5,679	414,331	0	1,009	0	3,016
County Debt Service	2002	673,709	2,292	669,403	3,445	669,403	0	1,626	0	2,680
County Debt Service	2001	632,603	977	629,717	1,067	629,717	0	1,526	0	1,359
County Debt Service	2000	596,552	686	594,526	722	594,526	0	1,439	0	587
County Debt Service	1999	606,755	501	605,081	544	605,081	0	1,464	0	210
County Debt Service	1998	612,217	511	610,676	541	610,676	0	1,477	0	63
County Debt Service	1997	620,524	518	619,004	534	619,004	0	1,520	0	0
County Debt Service	1996	642,787	587	641,355	605	641,355	0	1,432	0	0
TOTAL COUNTY DEBT SERVICE		5,905,795	584,288	5,845,645	584,348	5,845,645	0	14,154	0	45,996
Administrative Fees	2005	3,335	2,886	2,886	2,814	2,886	0	8	0	441
Administrative Fees	2004	4,323	307	4,072	499	4,072	0	10	0	241
Administrative Fees	2003	5,620	97	5,308	169	5,308	0	14	0	299
Administrative Fees	2002	5,480	45	5,246	71	5,246	0	13	0	220
Administrative Fees	2001	5,214	22	4,995	31	4,995	0	13	0	207
Administrative Fees	2000	5,100	10	4,936	19	4,936	0	12	0	152
Administrative Fees	1999	4,730	2	4,619	8	4,619	0	11	0	99
Administrative Fees	1998	4,113	6	4,030	6	4,030	0	10	0	73
Administrative Fees	1997	3,674	6	3,623	6	3,623	0	51	0	0
Administrative Fees	1996	4,932	11	4,878	11	4,878	0	54	0	0
TOTAL ADMINISTRATIVE FEES		46,522	3,391	44,592	3,632	44,592	0	197	0	1,733
Flood Levy	2005	1,200,551	1,124,600	1,124,600	1,116,503	1,124,600	0	2,897	0	73,054
Flood Levy	2004	1,077,081	39,941	1,047,906	51,782	1,047,906	0	2,599	0	26,576
Flood Levy	2003	1,076,629	18,817	1,061,465	19,661	1,061,465	0	2,598	0	12,566
Flood Levy	2002	1,034,517	6,023	1,023,240	8,807	1,023,240	0	2,496	0	8,781
Flood Levy	2001	949,536	2,333	942,437	2,813	942,437	0	2,291	0	4,807
Flood Levy	2000	881,096	1,497	876,313	1,675	876,313	0	2,126	0	2,657
Flood Levy	1999	841,388	1,227	837,673	1,313	837,673	0	2,030	0	1,685
Flood Levy	1998	800,889	1,149	797,566	1,208	797,566	0	1,933	0	1,390
Flood Levy	1997	851,319	1,218	848,225	1,256	848,225	0	3,094	0	0
Flood Levy	1996	801,557	1,251	798,952	1,291	798,952	0	2,605	0	0
TOTAL FLOOD LEVY		9,514,562	1,198,055	9,356,376	1,206,309	9,356,376	0	24,869	0	131,516
TOTAL DOÑA ANA COUNTY		188,292,045	24,899,650	185,342,765	24,885,063	185,342,765	0	501,433	0	2,447,847

**STATE OF NEW MEXICO
DOÑA ANA COUNTY TREASURER'S
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006**

Agency		Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed In Current Year	Distributed To-Date	Amount Uncollectible Current Year	To-Date Amount Uncollectible	Undistributed at Year-End	County Receivable at Year-End
MUNICIPALITIES:										
City of Las Cruces	2005	8,081,904	7,743,888	7,743,888	7,646,371	7,646,371	0	19,502	97,517	318,514
City of Las Cruces	2004	7,217,199	154,035	7,116,163	210,051	7,109,661	0	17,415	6,503	83,620
City of Las Cruces	2003	6,698,118	69,150	6,664,658	63,916	6,653,206	0	16,163	11,452	17,297
City of Las Cruces	2002	6,236,695	8,163	6,222,488	13,465	6,221,494	0	14,207	995	0
City of Las Cruces	2001	5,884,258	4,611	5,872,361	3,588	5,871,139	0	11,897	1,222	0
City of Las Cruces	2000	5,842,319	4,150	5,833,001	3,812	5,831,949	0	9,318	1,052	0
City of Las Cruces	1999	6,007,811	1,606	6,000,561	1,853	6,000,561	0	7,250	0	0
City of Las Cruces	1998	5,628,192	1,667	5,622,451	1,787	5,622,451	0	5,740	0	0
City of Las Cruces	1997	5,340,679	1,818	5,333,311	1,642	5,333,311	0	7,369	0	0
City of Las Cruces	1996	5,034,469	1,636	5,027,824	1,665	5,027,824	0	6,644	0	0
TOTAL CITY OF LAS CRUCES		61,971,643	7,990,523	61,436,708	7,948,150	61,317,967	0	115,504	118,740	419,432
Village of Hatch	2005	47,347	43,031	43,031	42,118	42,118	0	114	913	4,202
Village of Hatch	2004	43,259	2,187	42,112	2,681	42,036	0	104	76	1,043
Village of Hatch	2003	41,623	1,064	41,457	845	41,147	0	100	310	66
Village of Hatch	2002	39,532	131	39,425	449	39,425	0	95	0	12
Village of Hatch	2001	37,017	39	36,899	39	36,899	0	89	0	28
Village of Hatch	2000	33,624	24	33,550	24	33,550	0	74	0	0
Village of Hatch	1999	31,868	20	31,789	20	31,789	0	77	0	2
Village of Hatch	1998	30,953	0	30,838	0	30,838	0	75	0	40
Village of Hatch	1997	30,163	0	30,113	0	30,113	0	50	0	0
Village of Hatch	1996	30,729	0	30,641	0	30,641	0	88	0	0
TOTAL VILLAGE OF HATCH		366,114	46,496	359,854	46,175	358,555	0	868	1,299	5,392
Town of Mesilla	2005	44,864	41,535	41,535	41,270	41,270	0	108	265	3,220
Town of Mesilla	2004	42,046	1,981	39,757	2,391	39,744	0	101	13	2,188
Town of Mesilla	2003	39,364	957	39,356	1,000	39,330	0	8	27	0
Town of Mesilla	2002	38,360	0	38,312	13	38,312	0	46	0	2
Town of Mesilla	2001	36,543	0	36,473	0	36,473	0	68	0	2
Town of Mesilla	2000	34,683	0	34,634	0	34,634	0	49	0	0
Town of Mesilla	1999	33,290	0	33,236	0	33,236	0	54	0	0
Town of Mesilla	1998	30,878	0	30,845	0	30,845	0	33	0	0
Town of Mesilla	1997	30,653	0	30,653	0	30,653	0	0	0	0
Town of Mesilla	1996	29,833	0	29,832	0	29,832	0	1	0	0
TOTAL TOWN OF MESILLA		360,513	44,472	354,833	44,674	354,329	0	468	304	5,412
City of Sunland Park	2005	304,281	283,738	283,738	281,483	281,483	0	734	2,255	19,808
City of Sunland Park	2004	275,292	10,988	266,747	13,084	266,194	0	664	553	7,881
City of Sunland Park	2003	255,169	4,552	252,545	5,085	252,291	0	616	253	2,009
City of Sunland Park	2002	245,706	900	243,647	1,186	243,647	0	593	0	1,466
City of Sunland Park	2001	226,008	475	223,221	518	223,221	0	545	0	2,242
City of Sunland Park	2000	202,065	339	201,030	351	201,026	0	488	4	547
City of Sunland Park	1999	187,636	319	186,901	319	186,901	0	453	0	283
City of Sunland Park	1998	86,946	44	86,671	48	86,671	0	210	0	65
City of Sunland Park	1997	76,339	30	76,188	30	76,188	0	151	0	0
City of Sunland Park	1996	72,757	18	72,679	18	72,679	0	78	0	0
TOTAL CITY OF SUNLAND PARK		1,932,199	301,403	1,893,366	302,121	1,890,301	0	4,532	3,065	34,301
TOTAL MUNICIPALITIES		64,630,470	8,382,894	64,044,560	8,341,121	63,921,152	0	121,372	123,408	464,537

STATE OF NEW MEXICO
DOÑA ANA COUNTY TREASURER'S
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Amount Uncollectible Current Year	To-Date Amount Uncollectible	Undistributed at Year-End	County Receivable at Year-End
SCHOOL DISTRICTS:										
Las Cruces Public School District #2	2005	19,076,505	18,247,891	18,247,891	18,247,891	18,045,309	0	46,032	202,582	782,582
Las Cruces Public School District #2	2004	16,915,625	432,705	16,649,740	432,705	16,629,288	0	40,817	20,452	225,068
Las Cruces Public School District #2	2003	16,158,141	197,745	16,066,546	197,745	16,037,335	0	38,990	29,211	52,606
Las Cruces Public School District #2	2002	15,161,356	27,247	15,109,214	27,247	15,107,087	0	36,584	2,127	15,557
Las Cruces Public School District #2	2001	14,896,680	13,425	14,857,819	13,425	14,855,536	0	35,946	2,283	2,916
Las Cruces Public School District #2	2000	13,903,785	8,937	13,879,072	8,937	13,877,211	0	24,713	1,860	0
Las Cruces Public School District #2	1999	13,167,984	3,989	13,150,470	3,989	13,150,456	0	17,514	14	0
Las Cruces Public School District #2	1998	11,949,260	3,118	11,937,647	3,118	11,937,647	0	11,613	0	0
Las Cruces Public School District #2	1997	11,617,676	2,891	11,605,868	2,891	11,605,842	0	11,808	26	0
Las Cruces Public School District #2	1996	10,419,234	2,541	10,407,255	2,541	10,407,255	0	11,079	0	0
TOTAL LAS CRUCES PUBLIC SCHOOL DIST #2		143,286,245	18,940,491	141,911,521	18,940,491	141,652,966	0	275,996	258,555	1,078,729
Hatch Valley School District #11	2005	681,895	633,309	633,309	633,309	625,246	0	1,645	8,064	46,940
Hatch Valley School District #11	2004	617,945	31,092	603,106	31,092	602,103	0	1,491	1,003	13,347
Hatch Valley School District #11	2003	574,722	11,376	568,436	11,376	567,050	0	1,387	1,386	4,900
Hatch Valley School District #11	2002	560,423	2,521	556,429	2,521	556,429	0	1,352	0	2,642
Hatch Valley School District #11	2001	502,782	1,029	501,685	1,029	501,685	0	1,097	0	0
Hatch Valley School District #11	2000	485,826	456	494,830	456	494,830	0	997	0	0
Hatch Valley School District #11	1999	451,702	79	451,305	79	451,305	0	397	0	0
Hatch Valley School District #11	1998	453,151	0	452,390	0	452,390	0	762	0	0
Hatch Valley School District #11	1997	447,154	0	446,895	0	446,895	0	259	0	0
Hatch Valley School District #11	1996	392,215	0	390,251	0	390,251	0	1,964	0	0
TOTAL HATCH VALLEY SCHOOL DIST #11		5,177,816	679,862	5,098,636	679,862	5,088,182	0	11,351	10,454	67,829
Gadsden Independent School District #16	2005	8,922,514	8,220,859	8,220,859	8,220,859	8,137,444	0	21,530	83,416	680,125
Gadsden Independent School District #16	2004	8,144,977	314,858	7,843,739	314,858	7,826,621	0	19,654	17,118	281,584
Gadsden Independent School District #16	2003	7,955,650	140,980	7,771,753	140,980	7,757,206	0	19,197	14,547	164,700
Gadsden Independent School District #16	2002	6,876,034	65,729	6,753,154	65,729	6,749,602	0	16,592	3,553	106,288
Gadsden Independent School District #16	2001	6,318,632	25,426	6,239,705	25,426	6,239,208	0	15,247	497	63,680
Gadsden Independent School District #16	2000	6,047,159	19,012	5,987,967	19,012	5,987,774	0	27,294	193	31,898
Gadsden Independent School District #16	1999	5,821,819	16,806	5,573,317	16,806	5,573,218	0	13,565	99	34,937
Gadsden Independent School District #16	1998	5,091,610	16,238	5,047,446	16,238	5,047,298	0	12,286	148	31,878
Gadsden Independent School District #16	1997	4,680,661	15,516	4,620,965	15,516	4,620,925	0	23,221	40	16,476
Gadsden Independent School District #16	1996	4,266,678	15,859	4,239,962	15,859	4,239,919	0	26,716	43	0
TOTAL GADSDEN INDEPENDENT SCHOOL DIST #16		63,905,735	8,851,284	62,298,867	8,851,284	62,179,214	0	195,302	119,653	1,411,566
TOTAL SCHOOL DISTRICTS		212,349,796	28,471,637	209,309,024	28,471,637	208,920,363	0	482,649	388,661	2,558,123

**STATE OF NEW MEXICO
DOÑA ANA COUNTY TREASURER'S
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2006**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Amount Uncollectible Current Year	To-Date Amount Uncollectible	Undistributed at Year-End	County Receivable at Year-End
NEW MEXICO STATE TREASURER:										
New Mexico State Treasurer	2005	3,226,176	3,061,240	3,061,240	3,061,240	3,028,728	0	7,785	32,512	157,151
New Mexico State Treasurer	2004	2,402,642	68,803	2,354,583	68,803	2,351,283	0	5,798	3,300	42,262
New Mexico State Treasurer	2003	3,358,805	44,987	3,326,592	44,987	3,320,432	0	8,105	6,160	24,109
New Mexico State Treasurer	2002	2,314,996	7,733	2,297,678	7,733	2,297,192	0	5,586	485	11,733
New Mexico State Treasurer	2001	3,420,408	5,184	3,403,620	5,184	3,403,162	0	8,253	458	8,535
New Mexico State Treasurer	2000	2,804,945	3,161	2,795,632	3,161	2,795,325	0	6,768	307	2,544
New Mexico State Treasurer	1999	2,585,524	2,095	2,578,501	2,095	2,578,490	0	6,239	11	784
New Mexico State Treasurer	1998	2,256,454	1,828	2,250,882	1,828	2,250,869	0	5,445	13	127
New Mexico State Treasurer	1997	2,016,881	1,647	2,011,693	1,647	2,011,686	0	4,867	7	322
New Mexico State Treasurer	1996	2,108,869	1,882	2,104,239	1,882	2,104,235	0	4,630	4	0
TOTAL NM STATE TREASURER (Levy & Levtk)		26,495,701	3,198,559	26,184,858	3,198,559	26,141,402	0	63,475	43,256	247,567
DOÑA ANA BRANCH COMMUNITY COLLEGE: NMSU										
Doña Ana Branch Community College	2005	4,912,192	4,658,985	4,658,985	4,607,864	4,607,864	0	11,853	51,122	241,354
Doña Ana Branch Community College	2004	4,348,933	125,611	4,259,556	165,935	4,253,440	0	10,494	6,116	78,883
Doña Ana Branch Community College	2003	4,146,734	56,398	4,106,651	56,188	4,099,076	0	10,006	7,575	30,077
Doña Ana Branch Community College	2002	3,854,339	13,402	3,829,125	20,072	3,828,291	0	9,301	834	15,913
Doña Ana Branch Community College	2001	3,663,024	5,704	3,646,179	6,201	3,645,686	0	8,839	492	8,006
Doña Ana Branch Community College	2000	3,433,534	4,021	3,421,762	4,220	3,421,386	0	8,285	376	3,487
Doña Ana Branch Community College	1999	3,255,564	2,771	3,246,431	2,994	3,246,417	0	7,856	14	1,277
Doña Ana Branch Community College	1998	2,977,884	2,531	2,970,305	2,675	2,970,287	0	7,186	17	394
Doña Ana Branch Community College	1997	2,850,163	2,435	2,843,055	2,508	2,843,046	0	6,877	10	230
Doña Ana Branch Community College	1996	2,626,264	2,417	2,620,371	2,490	2,620,366	0	5,893	5	0
TOTAL DABCC - NMSU (Oper. & Debt)		36,068,630	4,874,274	35,602,420	4,871,146	35,535,859	0	86,589	66,560	379,621
WATERSHED DISTRICT										
McClead Watershed District	2005	2,937	2,856	2,856	2,873	2,854	0	0	3	81
McClead Watershed District	2004	2,781	59	2,768	59	2,755	0	0	13	13
McClead Watershed District	2003	3,842	13	3,842	0	3,842	0	0	0	0
McClead Watershed District	2002	3,277	0	3,277	0	3,277	0	0	0	0
McClead Watershed District	2001	3,606	0	3,606	0	3,606	0	0	0	0
McClead Watershed District	2000	3,575	0	3,575	0	3,575	0	0	0	0
McClead Watershed District	1999	3,400	0	3,400	0	3,400	0	0	0	0
McClead Watershed District	1998	3,397	0	3,397	0	3,397	0	0	0	0
McClead Watershed District	1997	3,459	0	3,459	0	3,459	0	0	0	0
McClead Watershed District	1996	3,200	0	3,200	0	3,200	0	0	0	0
TOTAL McCLEAD WATERSHED DISTRICT		33,474	2,928	33,380	2,932	33,365	0	0	16	94
TOTAL NMST, DABCC & WATERSHED		62,597,805	8,075,762	61,820,458	8,072,637	61,710,626	0	150,065	109,832	627,282
GRAND TOTALS		\$527,870,115	\$69,829,942	\$520,516,807	\$69,770,458	\$519,894,906	\$0	\$1,255,518	\$621,901	\$6,087,790

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Dofia Ana County

Schedule of Joint Powers Agreements

For the Fiscal Year Ended June 30, 2006

Participants	Responsible Party for Operations	Descriptions	Beginning and Ending Dates	Total Estimated Amount of Project	Contribution 06/30/06	Audit Responsibility	Revenues and Expenditures Reported on:
Village of Hatch	DAC	DAC to perform building inspections within the city limits of Hatch	May 25, 1997 - Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	DAC
Town of Mesilla	DAC	DAC to perform building inspections within the city limits of Mesilla	April 3, 1997 - Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	DAC
DAC Flood Commissioner	DAC	DAC to provide certain services, personnel and office space	March 13, 1990 - Ongoing	Ongoing project costs vary from year to year		DAC	DAC
Las Cruces, Mesilla, Hatch, NMSU, Sunland Park, Anthony WSD, EBID	LRGWUO	Lower Rio Grande Water Users Organization for coordinated regional water planning	October 23, 1996 - Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	CLC
NM Taxation & Revenue	TRD	Register taxpayers with TRD for gross receipts tax reporting purposes and to assign TRD taxpayer identification numbers	July 15, 2004 - Ongoing	Ongoing project costs vary from year to year		TRD	TRD
City of Las Cruces	SCSWA	Established a joint City/County Solid Waste Authority	April 1, 1993 - Ongoing	Ongoing project costs vary from year to year		CLC	CLC Component Unit
City of Sunland Park and Dofia Ana County	DAC/CSP	Zoning, subdivisions and planning and platting	February 10, 2005 - November 10, 2006	Ongoing project costs vary from year to year		DAC	DAC/CLC
City of Las Cruces	MVRDA	Mesilla Valley Regional Dispatch Authority (MVRDA)	June 13, 1995 - Ongoing	Ongoing project costs vary from year to year		CLC	CLC
City of Las Cruces	DAC	Established a joint City/County Commission to hear subdivision and zoning matters (Extraterritorial Zoning Commission ETZ)	May 12, 1987 - Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	DAC	DAC
City of Las Cruces, Dofia Ana County and Town of Mesilla		Metropolitan Planning Organization	December 21, 1989 - Ongoing			CLC	CLC
City of Las Cruces	CLC	Metro Narcotics	June 13, 1995 - Ongoing	Ongoing project costs vary from year to year		CLC	CLC

The accompanying notes are an integral part of this statement.

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FEDERAL AWARD SECTION

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REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Mr. Domingo P. Martinez, CGFM, State Auditor and
The Board of County Commissioners
Doña Ana County

We have audited the financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information and the major budget comparisons of Doña Ana County, as of and for the year ended June 30, 2006, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 6, 2006. 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

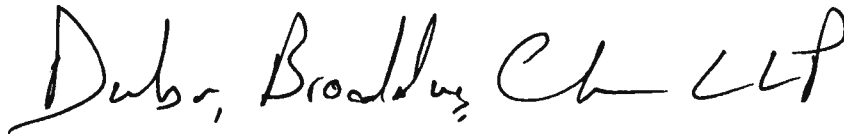
In planning and performing our audit, we considered Doña Ana County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion(s) on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Doña Ana County's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 06-2, 06-3 and 06-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Doña Ana 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 and other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 06-1 and 06-5.

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



El Paso, Texas
November 6, 2006

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

Mr. Domingo P. Martinez, CGFM, State Auditor and
The Board of County Commissioners
Doña Ana County

Compliance

We have audited the compliance of Doña Ana County with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. Doña Ana County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Doña Ana County's management. Our responsibility is to express an opinion on Doña Ana County's compliance based on our audit.

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

In our opinion, Doña Ana County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB A-133 and which are described in the accompanying schedule of findings and questioned costs as items 06-6 and 06-7.

Internal Control Over Compliance

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

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

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

A handwritten signature in black ink that reads "Debra Bradley Chell". The signature is written in a cursive, flowing style.

El Paso, Texas
November 6, 2006

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
<u>SUMMARY OF AUDITOR'S RESULTS</u>		
<u>Financial Statements</u>		
	Type of Auditor's Report issued:	Unqualified
	Internal control over financial reporting:	
	Material weaknesses identified?	No
	Reportable conditions identified that are not considered to be material weaknesses?	Yes
	Noncompliance material to the financial statements:	No
<u>Federal Awards</u>		
	Internal control over major programs:	
	Material weaknesses identified?	No
	Reportable conditions identified that are not considered to be material weaknesses?	No
	Type of auditor's report issued on compliance for major programs:	Unqualified
	Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes
	Major Federal Programs:	Surveys, Studies, Investigations and Special Purpose Grants (CFDA 66.606); CDBG (CFDA 14.246) Section 8 Housing Choice Vouchers (CFDA 14.871); Airport Improvement Grant (CFDA 20.106)
	Dollar threshold used to distinguish between type A and type B programs:	\$300,000
	Auditee qualified as low-risk auditee?	No

(Continued)

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
	<u>FINANCIAL STATEMENT FINDINGS</u>	
06-1	State Reporting	
	Criteria:	Per section 6-6-3B NMSA 1978 Requirements for Contracting and Conducting Audits of Agencies, the County is required to submit quarterly financial reports to the State of New Mexico Department of Finance and Administration.
	Condition Found:	Quarterly reports for the quarters ended September 30, 2005 and December 31, 2005 were not submitted to the New Mexico Department of Finance and Administration.
	Cause:	Unknown
	Questioned Costs/Basis:	Not applicable.
	Instances/Universe:	Two instances were noted.
	Effect:	The required reports were not submitted timely.
	Recommendation:	We encourage management to monitor the submission of these reports and ensure they are filed timely for state compliance purposes.
	Management's Response:	The responsibility for the reporting activity for the quarterly financial reports to DFA fell under the former Assistant County Manager and the then newly hired Budget Coordinator. We cannot find evidence that the above mentioned reports were filed and forwarded to DFA for the two instances mentioned in the findings. All previous and subsequent reports have been filed as required. In order to avoid this from happening again, the Director of Financial Services has required that all reports be listed on the Financial Services calendar with due dates. The calendar has electronic reminding functions, which have been programmed to alert the responsible individual of the due date for any particular report.

(Continued)

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
06-2	Travel Authorizations	
	Criteria:	County policies require that all travel requests be properly approved before reimbursement is made.
	Condition Found:	In testing travel reimbursements we observed one travel request did not contain the proper approval.
	Cause:	Unknown
	Questioned Cost/Basis:	Not applicable.
	Instances/Universe	Not applicable.
	Effect:	One county employee received travel reimbursements without following the appropriate process.
	Recommendation:	Management should continue to stress the importance of following County policies in all phases of the cash disbursement cycle.
	Management's Response:	The finding was discussed with the department head to ensure that each and everyone of the approval procedures will be better monitored and all signatures are obtained prior to processing any expenditure.
06-3	Utilities Department - Billing and Cash Receipts	
	Criteria:	To help ensure that contracts are legally enforceable, they should be signed by authorized personnel and, where applicable, signed and sealed by a notary public. The stated provisions of any contract or user agreement should also be properly applied. Furthermore, in order to prevent misposting or loss of revenue, procedures should include the reconciliation of cash receipts on a consistent basis.
	Condition Found:	<ol style="list-style-type: none"> 1. In three instances, the applications were not signed by a County employee as the form required or was not signed and sealed by a notary public as the form required.

(Continued)

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
		<p>2. On two of the billings tested, the customers' classification per the user agreement did not agree to the billing rate applied to the customers' account.</p> <p>3. During our review of management's internal financial reports, we noted that a deposit originating in the Utilities Department in the amount of approximately \$300 did not appear to be recorded in the accounting system.</p>
	Cause:	Unknown
	Questioned Cost/Basis:	Approximately \$300
	Instances/Universe:	Not applicable.
	Effect:	The county provided services to five customers without ensuring all phases of the application and approval process were complete.
	Recommendation:	In order to ensure that contracts are legally enforceable, the County should ensure that all contracts are properly completed, signed by authorized personnel, and signed and sealed by a notary public if so required. Furthermore, the County should implement and maintain a control system whereby proper billing rates are applied to each customer's account.
	Management's Response:	The Director of Financial Services discussed this finding with the Utilities Director. The Director will ensure that all agreements are signed by the County staff and notarized as required. In addition, the department's staff will include a procedure in the customer setup process providing for an additional staff member to verify the account setup for accuracy.

(Continued)

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
06-4	County Treasurer's Office	
	Criteria:	The policies and procedures of the County Treasurer's office stipulate that public funds and county personnel are to be used for reasonable and necessary purposes. Moreover, the County Treasurer's office is subject to numerous state laws and regulations regarding investment structuring.
	Condition Found:	<ol style="list-style-type: none"> 1. Based upon various reports issued by the Internal Audit Department of the County, it appears the imprudent use of County funds and/or personnel may have occurred. 2. In reviewing the 2005-2006 investment policy, we noted certain areas that could be improved upon in order to better comply with the state's compliance requirements over investments. 3. Our review of the County Treasurer's cash handling procedures noted that procedures to preclude cashiers from sharing cash register drawers were not properly addressed.
	Cause:	Unknown
	Questioned Cost/Basis:	Undetermined
	Instances/Universe:	Unable to determine.
	Effect:	County resources may have been used improperly. In addition, the County Treasurer's office does not appear to be operating as intended due to imprudent acts, current investment practices and improper internal control procedures.
	Recommendation:	We recommend management monitor this area closely to ensure the office of the County Treasurer is operating as intended in respect to use of funds, and internal control procedures. Specifically, we recommend the County consider the following issues when revising the investment policy and requesting qualifications for investment advisors:

(Continued)

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
		<ul style="list-style-type: none"> • Consider the impact to local businesses when modifying policies which include requirements that are more stringent than State law. • Follow the County's accepted review and approval process when one official wishes to modify an existing policy. • Set the minimum requirements for advisors in a more generic manner to encourage more individuals to submit their qualifications. • Assign the members of evaluation committees to achieve a broader representation of the County to avoid giving the appearance that the ultimate choice is being made by one individual.
	Treasurer's Response:	<ol style="list-style-type: none"> 1. The Treasurer's Office strongly disagrees with Condition 1 and believes that it is politically motivated. It is important to note that the external auditing firm, is hired by the County Manger, the County Commission approves of the County Manager's choice of the auditing firm and the County Commission approves the payment to the auditing firm. 2. The County Commissioners which also serves as the Board of Finance has appointed a Board of Finance Investment Committee to review the State of New Mexico's requirements and to update the policy accordingly. The Treasurer concurs that the Investment Policy needs to be reviewed. 3. The staff has been instructed that at no time should they share cash operating drawers and each staff member has been given written cash operating procedures, which state no sharing of cash register drawers.

(Continued)

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
	Administration's Response:	<ol style="list-style-type: none"> 1. The external auditor is selected from the list of Independent Public Accountant firms (IPA) registered with the State Auditor's Office, and other interested audit firms through a competitive request for proposal process. The selected firm is then presented to the County's Board of Commissioners and at this point the Board approves or disapproves the selection. The final approval of the selected firm comes from the State Auditor's Office. At no time is the County Manager involved in the selection or hiring process other than to commit to the contractual obligation assigned by the Board of County Commissioners. 2. The Investment Policy finding referred to above, is the Doña Ana County Deposit and Investment Policy adopted under Resolution No. 06-17 resolved in Board session January 25, 2006. The current Doña Ana County Investment Policy (Resolution #06-66) adopted by resolution of July 25, 2006 replaces the above-mentioned Investment Policy, and addresses the points highlighted in the audit finding. 3. Cash drawer operating process and internal control procedures need to be updated to meet the minimum Best Practices Standards per Government Finance Officers Association (GFOA) recommendations.
06-5	Annual Audit Report Filed Late	
	Criteria:	The New Mexico State Auditor's Rule specifies that the audit reports for Counties are due in the State Auditor's office by November 15 2006.
	Condition Found:	This report was not submitted to the State Auditor by the due date.

(Continued)

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
	Cause:	The County incurred significant turnover in its accounting department and a number of key positions had not been filled.
	Questioned Costs/Basis:	Not applicable
	Instances/Universe:	Not applicable
	Effect:	Because of these vacancies, certain information pertinent to the audit was not provided timely.
	Recommendation:	The County should continue its efforts to obtain competent staff and implement cross training procedures to ensure timely completion of projects when staff shortages occur.
	Management's Response:	Management concurs with the finding and we continue to recruit for vacant positions. Once positions are filled extensive cross training will take place and an aggressive retention program will be implemented.
<u>FEDERAL AWARD FINDINGS AND QUESTIONED COSTS</u>		
06-6	Section 8 Housing Choice Vouchers (CFDA 14.871)	Special Tests and Provisions - Income Targeting Requirement
	Criteria:	In each Public Housing Authority (PHA) fiscal year, at least seventy-five percent of a PHA's new admissions to the Section 8 program must have incomes that do not exceed 30 percent of the area median income as published by HUD.
	Condition Found:	The Housing Authority of Doña Ana County did not meet the income targeting requirement. Only fifty-six percent of new admissions to the Section 8 Program met this requirement.
	Cause:	Unknown
	Questioned Cost/Basis:	Not applicable
	Instances/Universe:	Not applicable
	Effect:	The Housing Authority of Doña Ana County was not in compliance with the income targeting requirement.

(Continued)

DOÑA ANA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2006

Schedule Reference Number	PROGRAM	DESCRIPTION
	Recommendation:	We recommend the Section 8 Department implement procedures to monitor the income targeting percentage on a monthly basis in order to ensure compliance with HUD regulations.
	Management's Response:	The Section 8 Department will develop procedures to monitor the income targeting percentage on a monthly basis to ensure compliance with this requirement.
06-7	CDBG/Brownsfield Economic Development Initiative (CFDA 14.246)	Financial Reporting
	Criteria:	As stipulated in the federal compliance requirements for this program, requests for reimbursements should be made in a timely manner.
	Condition Found:	As of June 30, 2006, a request for reimbursement had not been submitted for an expenditure incurred in January 2006. In addition, Form 269 was not submitted during the 2005-2006 fiscal year as required per the grant agreement.
	Cause:	Unknown
	Questioned Costs/Basis:	\$3,372
	Instances/Universe:	Unable to determine
	Effect:	Noncompliance with grant reimbursement requirements.
	Recommendation:	It is the responsibility of grant administrators to submit timely reports to the appropriate federal agencies in order to maximize the funding available to the County.
	Management's Response:	Procedures have been implemented by the department to ensure that all appropriate staff have access to the LOCCS system at all times in order to submit all required drawdowns.

DOÑA ANA COUNTY

SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS

YEAR END JUNE 30, 2006

Schedule Reference Number	PRIOR YEAR FINDING/ NONCOMPLIANCE	STATUS OF PRIOR YEAR'S FINDINGS/NONCOMPLIANCE
----------------------------------	--	--

FINANCIAL STATEMENT FINDINGS

05-1	Human Resource Department	This is no longer a finding. The County Human Resources department has developed a checklist and additional training for Human Resource personnel is ongoing.
05-2	Procurement	This is no longer a finding. County management has been working with the Purchasing Department on tighter controls to keep this finding from reoccurring.
05-3	Supplies	This is no longer a finding. The County has taken steps to automate the inventory system and has informed all departments of the written policies and procedures.
05-4	Capital Assets	This is no longer a finding. County management has taken appropriate steps to educate the affected department.
05-5	Project Accounting and Accounts Payable	This is no longer a finding. County management is continually working with departments to ensure timely payments are made.
05-6	County Treasurer's Office	The Treasurer's office is continuing to work with other departments to address these issues. Due to the progress made, this is no longer a finding.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No prior year findings.

DOÑA ANA COUNTY

CORRECTIVE ACTION PLAN

JUNE 30, 2006

Schedule Reference Number	PROGRAM	Description
06-1	State Reporting	Quarterly Reporting to the State as per Section 2.2.2.10(I)(1) NMAC
	Corrective Action Plan:	All reports are to be listed on the Financial Services calendar with due dates. Calendar has been set up with the appropriate due dates and mailing schedules for all reports.
	Responsible Party:	Financial Services Director, Budget Coordinator and County Treasurer.
	Anticipated Completion Date:	Currently being implemented.
06-2	Travel Authorizations	Approval of Travel Requests
	Corrective Action Plan:	The Accounting Operations Manager will review the documentation for approval signatures prior to disbursing advance payments or reimbursements.
	Responsible Party:	Department Heads, Financial Services Accounts Payables
	Anticipated Completion Date:	Currently in place.
06-3	Utilities Department - Billing and Cash Receipts	Proper billing and reconciliation of cash receipts
	Corrective Action Plan:	Utilities Department Head, and staff will include in the customer setup that an additional staff member will check the account setup and verify for accuracy.
	Responsible Party:	Utilities Department
	Anticipated Completion Date:	Currently in place.

(Continued)

DOÑA ANA COUNTY
CORRECTIVE ACTION PLAN

JUNE 30, 2006

Schedule Reference Number	PROGRAM	Description
06-4	County Treasurer's Office	Imprudent use of County funds and/or personnel and improper cash handling procedures and improvement of the County's investment policies.
	Corrective Action Plan:	County management will work closely with the elected County Treasurer to plan and implement corrective actions leading to strong safeguards and responsible stewardship of taxpayer's dollars.
	Responsible Party:	County Treasurer and County Administration
	Anticipated Completion Date:	Ongoing
06-5	Annual Audit Report Filed Late	Filing of Audit Report for counties to the State Auditor no later than November 15, 2006.
	Corrective Action Plan:	Institutionalize and aggressive recruiting, cross training and retention program.
	Responsible Party:	Director of Financial Services, Human Resources Specialist
	Anticipated Completion Date:	Ongoing
06-6	Section 8 Housing Choice Vouchers (CFDA 14.871)	Special Tests and Provisions - Income Targeting Requirements
	Corrective Action Plan:	The Housing Authority will establish procedures to ensure that the Section 8 Program meets the income targeting requirements as indicated by HUD regulations.
	Responsible Party:	Thomas Hassell, Executive Director
	Anticipated Completion Date:	Immediately

(Continued)

DOÑA ANA COUNTY

CORRECTIVE ACTION PLAN

JUNE 30, 2006

Schedule Reference Number	PROGRAM	Description
06-7	CDBG/Brownsfield Economic Development Initiative (CFDA 14.246)	
	Corrective Action Plan:	Procedures have been implemented by this department to ensure that all appropriate staff have access to the LOCCS system at all times in order to submit all required drawdown.
	Responsible Party:	Facilities and Parks
	Anticipated Completion Date:	Currently in place.

Doña Ana County
Federal Awards
For the Date Ending June 30, 2006

Federal Grantor/Program Title	Federal CFDA Number	Project Number	Award Amount	Restated Adjusted Accrued or (Deferred) Revenue at 6/30/05	Receipts	Expenditures	Accrued or (Deferred) Revenue at 6/30/06
US Dept. of Housing and Urban Dev.							
Passed through State of NM:							
Comm. Dev. Block Grants State's Prog.							
Dona Ana MDWA-Water Imp.	14.219	00-C-NR-I-3-G12	231,111.00	-	-		
La Union Water System Improvement	14.219	04-C-NR-I-1-G72	400,000.00	37,223.99	-	20,955.79	58,179.78
Southern New Mexico Fairgrounds	14.246	B-02-SP-NM-0439	1,000,000.00	-	-	3,372.32	3,372.32
Veterans Memorial Wall	14.246	B-04-SP-NM-0479	198,820.00	-	(198,820.00)	198,820.00	-
Total Comm. Dev. Block Grants			1,829,931.00	37,223.99	(198,820.00)	223,148.11	61,552.10
Direct Funding:							
Public Housing Operating Subsidy	14.85		46,430.00	-	(43,564.00)	43,564.00	-
HUD Section 8 Tenant - Based Cluster:							
Section 8 Vouchers (2002)	14.871		2,792,163.00	-	(2,866,763.00)	2,866,763.00	-
CGP/CFP (2002)	14.872		40,546.00	-	(47,446.00)	47,446.00	-
CGP/CFP (2001)	14.872		8.00	-	(20,301.00)	20,301.00	-
PH Drug Elimination Grant (2002)	14.854		12,500.00	-	-	-	-
PH Drug Elimination Grant (2001)	14.854		12,500.00	-	-	-	-
Total Direct Funding			2,904,147.00	-	(2,978,074.00)	2,978,074.00	-
Total U.S. Department of Housing and Urban Development			4,734,078.00	37,223.99	(3,176,894.00)	3,201,222.11	61,552.10
U.S. Environ. Protection Agency (EPA)							
Surveys, Studies, Investigations							
Special Purpose Grants							
Utility Project Fund:							
Passed through NMED :							
Rincon WW Facility	66.606	193017	1,231,000.00	-	-	-	-
La Mesa/ San Miguel WW	66.606	193003	3,304,949.90	9,052.50	(1,027,890.76)	1,018,838.26	-
Vado/Del Cerro	66.606	193004	6,308,577.00	-	-	-	-
Berino WW	66.606	193007	1,795,609.85	-	-	-	-
La Union Easements	66.606	193006	45,000.00	-	-	-	-
Chamberino Easements	66.606	193008	14,000.00	-	-	-	-
Passed through BECC:							
La Union WW Project	66.606	TAA98-032	414,000.00	-	-	-	-
Chaparral WW	66.606	TAA04-001	10,000.00	-	-	-	-
Passed through NADbank:							
South Central WW Facility	66.606	28-52/02	12,517,625.32	-	(1,628,921.82)	1,338,619.00	(290,302.82)
Salem/Ogaz WW Facility	66.606	29-53/02	991,912.00	-	-	-	-
La Union WW Facility	66.606	30-61/02	4,769,444.00	-	(1,102,729.77)	717,681.27	(385,048.50)
IDP Software	66.606		50,000.00	-	-	-	-
Total Utility Projects			31,452,118.07	9,052.50	(3,759,542.35)	3,075,138.53	(675,351.32)
Clean Water State Revolving Loan Fund							
Passed through NMED :							
DAC Construction Management	66.606	193014	220,000.00	2,994.26	(6,599.89)	3,605.63	-
Clean Water State Revolving Loan	66.458	143807	5,400,000.00	-	(233,516.56)	1,559,963.59	1,326,447.03
Total CWSRL Fund			5,620,000.00	2,994.26	(240,116.45)	1,563,569.22	1,326,447.03
Total US Environ. Prot. Agency			37,072,118.07	12,046.76	(3,999,658.80)	4,638,707.75	651,095.71

Doña Ana County
Federal Awards
For the Date Ending June 30, 2006

Federal Grantor/Program Title	Federal CFDA Number	Project Number	Award Amount	Restated Adjusted Accrued or (Deferred) Revenue at 6/30/05	Receipts	Expenditures	Accrued or (Deferred) Revenue at 6/30/06
Federal Aviation Administration (FAA)							
Airport Improvement Grant	20.106	3-35-0055-012-02	1,908,630	11,143.00	(11,143.00)	-	-
Airport Improvement Grant	20.106	3-35-0055-1101	106,035	-	-	-	-
Airport Improvement Grant	20.106	3-35-0055-13	1,150,000	202,107.84	(414,852.00)	7,152.12	(205,592.04)
Airport Improvement Grant	20.106	3-35-0055-14	240,000	-	-	-	-
Airport Improvement Grant	20.106	3-35-0055-15	896,437	-	(70,014.00)	373,290.37	303,276.37
Airport Improvement Grant	20.106	3-35-0055-15	111,063	-	-	-	-
Airport Improvement Grant	20.106	3-35-0055-15	142,500	-	-	94,778.19	94,778.19
			4,554,665	213,250.84	(496,009.00)	475,220.68	192,462.52
Federal Emergency Manage. Asst. (FEMA)							
Office of Emergency Management	83.552	2005-GE-T5-0012-DONA	155,776	-	-	53,645.93	53,645.93
Office of Emergency Management	83.552	2006-EM-E6-0015-DONA	110,582	-	-	63,811.31	63,811.31
Office of Emergency Management	83.552	2005-GE-T5-0012-DAC	1,649,697	-	(6,279.71)	6,279.71	-
Asst. to firefighters-Fire Marshal	83.554	EMW-2004-FP-02023	35,574	-	(35,331.35)	35,331.35	-
Flood Study Project	83.555	EMT-2003-CA-0121	140,000	-	-	-	-
Asst. to firefighters-Anthony	53.554	EMW-2005-FG-16482	89,212	-	-	-	-
Asst. to firefighters-Chaparral	83.554	EMW-2002-FG-11167	92,268	(359.76)	-	359.76	-
Asst. to firefighters-Fairacres	83.554	EMW-2003-FG-16847	83,060	-	-	-	-
Asst. to firefighters-Fairacres	83.554	EMW-2005-FG-16728	51,918	-	-	-	-
Asst. to firefighters-Radium Springs	83.554	EMW-2003-FG-12751	148,541	53,657.43	(111,650.00)	57,992.92	(0.00)
Asst. to firefighters-NMSU	83.554	EMW-2004-FG-08695	43,677	38,337.62	(43,677.00)	5,339.38	-
Total FEMA			2,600,305	91,635.29	(196,938.06)	222,760.36	117,457.24
U.S. Dept. of Health and Human Serv.							
Border Health Foundation							
Strengthening Families	93	ISP09597-01	22,300	(5,396.24)	-	5,396.24	-
Total Border Health Foundation			22,300	(5,396.24)	-	5,396.24	-
U.S. Dept. of Justice							
VOCA Victim Assistance	16.575	03-VA-GX-0014, 2005 VA-919	34,450	-	(24,389.00)	27,875.06	3,486.06
COPS in Schools 2	16.71	2001SHWX0482	426,364	(17,538.68)	-	17,538.68	-
COPS MORE	16.71	2002CLWX0003	738,000	(579.51)	-	579.51	-
Improving Victim Services to Rural LEA's		2002VFGXK003	75,000	6,408.34	(32,981.68)	44,604.65	18,031.31
Local Law Enforcement Block Grant	16.592	2003LBBX2810	63,048	(3,708.88)	-	3,708.88	-
Local Law Enforcement Block Grant	16.592	2004LBBX1130	25,504	(4,493.72)	-	4,025.72	(468.00)
Office of Juvenile Justice & Delin. Prev.(OJJDP)							
Drug Free Communities	16.729	1H79SP11409-01	100,000	9,436.42	(26,402.49)	16,966.07	-
Southwest Border Local Assistance initiative	n/a	P.L. 106-553	-	-	-	-	-
Total U.S. Dept of Justice			1,462,366	(10,476.03)	(83,773.17)	115,298.57	21,049.37

Doña Ana County
Federal Awards
For the Date Ending June 30, 2006

Federal Grantor/Program Title	Federal CFDA Number	Project Number	Award Amount	Restated Adjusted Accrued or (Deferred) Revenue at 6/30/05	Receipts	Expenditures	Incr. Or (Decr.) To Fund Balance	Accrued or (Deferred) Revenue at 6/30/06
Office of National Drug Control Policy								
Total Office of Nat'l Drug Control								
U.S. Dept. of Transportation								
Passed through NM State highway and Transportation Dept.								
Operation Buckle Down	20.600	05-OP-RF-031	10,900	-	(6,088)	5,625	463	-
Click it or Ticket	20.602	06-OP-05-031	6,300	-	-	5,576	2	-
FTE DWI Officer Project	20.600	05-AL-03-031	150,000	-	-	91,825	-	91,825
STEP GRANT	20.605	05-PT-63-031	15,000	-	(3,553)	2,625	928	-
Traffic Records Improvement & Development	20.608	06-AL-64-11A	17,795	-	-	17,795	-	17,795
Operation DWI	20.600	05-AL-64-031	20,000	-	(6,475)	6,375	100	-
Operation DWI	20.600	06-AL-64-031	20,000	-	(6,650)	7,130	(480)	-
Operation DWI	20.600	06-ID-63-031	3,200	-	(2,900)	2,308	592	-
STEP GRANT	20.605	06-PT-63-031	15,000	-	(3,823)	5,008	(1,185)	-
Total U.S. Dept. of Transportation			258,195	-	(29,489)	144,266	420	109,620
Total Federal Rev., Expenditures, and Accrued Deferred Revenue								
			50,704,026	338,285	(7,982,762)	8,802,872	420	1,158,815

DOÑA ANA COUNTY

NOTES ON ACCOUNTING POLICIES AND PROCEDURES FOR FEDERAL AWARDS

YEAR END JUNE 30, 2006

1. Special Revenue Funds - are used to account for resources restricted to or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified projects periods.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in the Special Revenue Fund, a component of the Governmental Fund type. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund Types and Agency Funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when the obligations are expected to be liquidated with expendable available financial resources. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

3. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H. Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Supplement.

DOÑA ANA COUNTY

EXIT CONFERENCE

JUNE 30, 2006

EXIT CONFERENCE:

The exit conference was held November 13, 2006 and was attended by the following:

From Doña Ana County:

Bill McCamley, Doña Ana County Commissioner
Verona Wright, Doña Ana Internal Audit Commissioner
Sue Padilla, Assistant County Manager
Jaime Bari, Director of Financial Services
Jim Schoonover, Treasurer
Gerald Wheeler, Deputy Treasurer
Jill Johnson, Internal Auditor
Robert Lundien, Budget Coordinator
Raquel Quiroga, Accountant III

From Dunbar, Broaddus, Gibson LLP:

E. Craig Gibson, CPA
Lorena H. Webb, CPA

FINANCIAL STATEMENTS PREPARATION

Preparation of financial statements is the responsibility of management. Although, Doña Ana County's personnel provided significant assistance in the preparation, the statements and related footnotes were prepared by Dunbar, Broaddus, Gibson LLP.

gc
04-19-07