

Comprehensive Annual Financial Report

Year Ended June 30, 2020



Chaves County, New Mexico

#1 St. Mary's Place

Roswell, NM

FINANCIAL REPORT
Fiscal Year Ended June 30, 2020

COUNTY OF CHAVES, NEW MEXICO GOVERNMENT
Board of County Commissioners
Stanton L. Riggs, County Manager
Joe Sedillo, Finance Director

Prepared by:
The Finance Department

INTRODUCTORY SECTION

**STATE OF NEW MEXICO
CHAVES COUNTY
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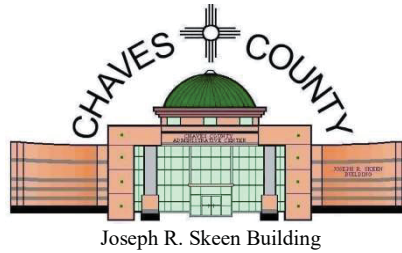
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**FINANCE
DEPARTMENT**

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COMMISSIONERS

Dara A. Dana - District 1
T Calder Ezzell Jr. - District 2
Jeff Bilberry – District 3
Robert Corn - District 4
William E. Cavin – District 5

County Manager

Stanton L. Riggs

**Chief Financial
Officer**

Joe Sedillo

November 30, 2020

County Commissioners of
Chaves County, New Mexico

County Manager and the Citizens of
Chaves County, New Mexico

We are pleased to submit to you the Comprehensive Annual Financial Report of Chaves County for the fiscal year ended June 30, 2020. New Mexico state law, Section 12-6-3 NMSA 1978, requires that an annual audit of Chaves County's financial records and Comprehensive Annual Financial Report be performed by independent public accountants.

This report consists of management's representations concerning the finances of Chaves County. County management assumes full responsibility for the completeness and reliability of the information presented in this report, based on a comprehensive framework of internal controls that were established for this purpose. Chaves County has established a comprehensive internal control framework that is intended to provide reasonable assurance that assets are safeguarded against loss or unauthorized use, and that financial records can be relied upon to produce financial statements according to generally accepted accounting principles. "Reasonable assurance" is intended to recognize that the cost of maintaining the system of internal accounting controls should not exceed the benefits derived. The County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The County's management team asserts that, to the best of our knowledge, this financial report is complete and reliable on all material respects.

The report consists of an Introductory Section, the Financial Section which includes the auditor's opinion from Jaramillo Accounting Group LLC. The Introductory Section includes this transmittal letter, the County's organization chart and a list of County Officials and administrative staff.

The Reporting Entity and Its Services

Chaves County is in southeast New Mexico and was created by Territorial Legislature on February 25, 1889, out of land from Lincoln County. The County comprises an area of 6,075 square miles and is the fourth largest county in the state. The County seat is Roswell, situated in the center of the County. The 2010 census lists the County's population as 65,778 people (as compared to 61,382 in 2000). Estimates of the 2020 population are 65,459. The County's population has decreased by .48% between 2010 and 2020. In 2010 the County had a median income of \$37,293 and 74% of the County's

population live within the County seat of Roswell, which has a population of 46,977, (prior to official census), and a population density of 1,619 individuals per square mile. Roswell is a center for irrigated farms, farming, dairy production, ranching, manufacturing, distribution and petroleum production. Other small towns, all of which lie south of Roswell, include Dexter, with an area of 0.8 square mile and a population of 1,203, (prior to official census); Hagerman with an area of 1.4 square miles and population of 1,194, (prior to official census); and Lake Arthur of 0.6 square mile and a population of 402, (prior to official census).

The governance is established by a five-member Board of Commissioners operating with commissioner-manager relationship. The executive function is further divided to five elected county officials-Assessor, Treasurer, Clerk, Sheriff and Probate Judge. Services provided include roads, sanitation, health and social services, public safety, (sheriff, fire, emergency communications, corrections and detention) public improvement projects, planning and zoning, administrative services and economic development.

Chaves County maintains a budgetary structure which is systematically scrutinized by management for planning and control. The County utilizes a 'zero-base' budgeting process in which line items are considered and approved. Zero based budgeting requires that line item requests be justified. The budgets are subsequently scrutinized by the Budget and Finance Committee.

Economic Condition and Outlook

As an indicator, property values convey an important part of the local economy. The property values in the County are showing a mixed trend comparing residential and non-residential values. According to The Chaves County Assessor, the past three years have shown an uneven trend in property valuations for Chaves County. Residential property values for assessment purposes on a county wide basis have grown at an average of 3.40% over the past three years. A similar level of growth will continue indefinitely into the future barring a change in statute removing the 3% cap. The market value of residential properties appears to be increasing. According to a recent report from the Roswell Association of Realtors the average sales price of residences year over year increased 12.8%. This increase appears to be driven by a low inventory of home listings, approximately 140 properties, and record-breaking low interest rates.

A composite of all non-residential properties, which are not capped, shows an overall decline in value. In the past three years non-residential property values have declined an average of .33%. Comparing 2019 and 2020 non-residential property values, the overall decline was 2.02%. This is attributable to a decrease in State Assessed property values and a continued decline in livestock values. Non-residential property values include State Assessed properties, vacant lands, commercial properties and livestock. State Assessed properties include utilities, railroads, pipelines and communication systems. One bright spot for the upcoming 2021 State Assessed valuations is that a new wind project will be coming online in December 2020 with an estimated construction cost in Chaves County of over \$350,000,000. The project was not funded by Industrial Revenue Bonds making it taxable for property tax purposes. The total full valuation of all state assessed properties for 2020 was approximately \$549,000,000, so this project will have a significant impact on our overall State Assessed valuations.

Gross Receipts Tax produced an increase in tax received of 10.42% over the previous year fiscal year to date. The increase in part, to adjustments from the state for on-line gross receipts tax generated to the state and adjustments to the Hold-Harmless reimbursement fund.

Oil and gas – Production plays an important role in the economy. The industry, however, is prone to heavy fluctuations and is difficult to gage over the long range. It, nevertheless, is an important economic player in Southeast New Mexico. The WTI, (West Texas Intermediate), index has fluctuated \$43-57 per barrel over the course of a year.

Manufacturing - The largest manufacturing companies which contribute to the overall strength of our economy are Dean Baldwin (aircraft painting), AerSale (aircraft overhaul and repair), Ascent aviation has announced that they will be building a large hanger in Roswell. They plan to overhaul large aircraft with upwards of 350 people. Cavu Aerospace (airplane parts), General Air Frame Support and Leprino Foods (cheese processing plant). The Leprino Foods are beginning a 26,000 square foot expansion costing approximately \$10,000. This expansion is phase one of a larger plan to increase cheese production.

Agriculture and Dairy - Chaves County is the number one agriculture producing county in the State of New Mexico; ranking in the top three categories: volume of milk produced; agriculture products sold (livestock, sheep); and total acres of production (pecans, hay, corn, silage and sorghum).

Long-Term Financial Planning

In the fiscal year, oil and gas has had a significant effect and an upward swing in the local and state-wide economic production. Chaves County has been positively impacted directly in job production by providing jobs in the area affecting retail, utilities and construction gross receipts. The long-term objective going forward will be to retire the debt as well as replenish the participating funds. Chaves County has now paid the debt associated with the Court House bonds. No substantial or large construction is currently planned although some intermediate projects like the courthouse elevator and preservation of historical windows at the court house are planned and budgeted. Chaves County continues to play a major role in renewable energy with the construction of the Oso Grande wind project. The project will provide energy to Tucson Arizona. There will be 32 wind turbines in Chaves County at a cost of approximately \$350 million. The Oso Grande project will be fully taxable.

Relevant Financial Policies

Chaves County has developed and strengthened policies in areas of procurement, fraud prevention, budget, and internal controls. The budget cycle begins in mid-March with a target of an interim budget by the end of May. The departmental process involves the setting of goals and objectives by each of the County's departments. Zero based budgeting is adhered to as a basis for the fiscal year, and line item justification is a requirement stipulated by management. Flat budgets have been adhered to by the departments and approved by the governance of Chaves County.

Major Initiatives

Chaves County has engaged in several initiatives and projects as listed below:

Hobson Road Project--This project is estimated to cost \$2.5 million upon completion and consists of planning, designing, and improving five miles of pavement on Hobson Road and U.S. 285 South. This includes the reconstruction of two intersections, placement of new culverts, correcting drainage, the construction of a drainage pond, re-processing and adding base course, and re-paving the roadbed.

Chaves County Courthouse ADA Elevator and Historic Window replacement--Planning, design, equipping, and installation of an elevator into a modified building envelope. The elevator is to have a climate controlled entry vestibule and landing. This project is estimated to cost \$250,000.00. Design and install window replacements acceptable to the NM State Historical Preservation Department. Estimated cost \$450,000.

Emergency Communications Project – This project is a radio communication system that all emergency entities, in example, 911 Dispatchers, local police, sheriff, and fire personnel will use. This

includes radios, accessories, software and network. The project is estimated to cost the County \$480,000.00.

AWARDS AND ACKNOWLEDGMENT

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to be awarded this certificate, the County published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

This certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to GFOA to determine its eligibility for the fiscal year ended June 30, 2020 certificate.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the County. Each member of the County has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the County Manager and the members of the Board of County Commissioners, preparation of this report would not have been possible.

Respectfully submitted,


Stanton L. Riggs
County Manager


Joe Sedillo
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Chaves County
New Mexico**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

CHAVES COUNTY ORGANIZATIONAL CHART

BOARD OF COMMISSIONERS

ELECTED OFFICIALS:
ASSESSOR
CLERK
PROBATE JUDGE
SHERIFF
TREASURER

COUNTY MANAGER

LEGAL

INFORMATION
TECHNOLOGY

FINANCE DIVISION

FINANCE

INDIGENT

COMMUNITY
DEVELOPMENT

COURT SERVICES

PUBLIC WORKS DIVISION

PUBLIC SERVICES

ROAD DEPARTMENT

FACILITY
MAINTENANCE

DETENTION DIVISION

ADMINISTRATION

ADULT DETENTION

GENERAL GOVERNMENT

HUMAN
RESOURCES

PLANNING &
ZONING

PURCHASING

**STATE OF NEW MEXICO
CHAVES COUNTY
LIST OF PRINCIPAL OFFICERS
JUNE 30, 2020**

Name	Title
<u>County Commissioners</u>	
Dara A. Dana	District 1 Commissioner
T. Calder Ezzell, Jr.	District 2 Commissioner
Jeff Bilberry	District 3 Commissioner
Robert Corn	District 4 Commissioner
William E. Cavin	District 5 Commissioner
<u>Elected Officials</u>	
Mark Willard	County Assessor
David Kunko	County Clerk
Mike Herrington	County Sheriff
Charlotte Andrade	County Treasurer
<u>Administrative Officials</u>	
Stanton L. Riggs	County Manager
Joe Sedillo	Finance Director
William Williams	Public Services Director
Alfredo Garcia	IT Director
Louis Jaramillo	Planning and Zoning Director
Richard "Dick" Smith	Flood Control Superintendent
Clay Corn	Adult and Juvenile Detention Administrator

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

County Commissioners of
Chaves County
Roswell, New Mexico and
Mr. Brian Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Chaves County, New Mexico (the County), as of and for the year ended June 30, 2020, and the related notes to financial statements, which collectively comprise the County's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

County Commissioners of
Chaves County and
Mr. Brian Colón, Esq.
New Mexico State Auditor

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information and the respective budgetary comparisons for the general fund and the major special revenue funds of the County as of June 30, 2020, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the internal service fund of the County as of June 30, 2020 in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 11 - 20), information about Infrastructure Assets Reported Using the Modified Approach (on pages 66 - 68), and the Schedule of the County's Proportionate Share of the Net Pension Liability, Schedule of the County's Pension Contributions, Schedule of the County' Proportionate Share of the Net OPEB Liability, and the Schedule of the County's OPEB Contributions (on pages 69 - 72), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the County's financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, individual nonmajor fund budget statements, the schedules required by NMAC 2.2.2 (Schedule of Changes in Fiduciary Assets and Liabilities – Agency Funds, Schedule of Deposit and Investment Accounts, Schedule of Collateral Pledged, Tax Roll Reconciliation of Changes in the County Treasurer's Property Tax Receivable, Property Tax Schedule, Schedule of Expenditures of State Appropriations, and the Schedule of Joint Powers Agreements), and other information, such as the Introductory Section and Statistical Section, which are presented for purposes of additional analysis and are not a required part of the basic financial statements.

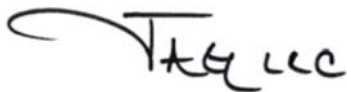
County Commissioners of
Chaves County and
Mr. Brian Colón, Esq.
New Mexico State Auditor

The combining and individual nonmajor fund financial statements, individual nonmajor fund budget statements, and the schedules required by NMAC 2.2.2 (Schedule of Changes in Fiduciary Assets and Liabilities – Agency Funds, Schedule of Deposit and Investment Accounts, Schedule of Collateral Pledged, Tax Roll Reconciliation of Changes in the County Treasurer’s Property Tax Receivable, Property Tax Schedule, Schedule of Expenditures of State Appropriations, and the Schedule of Joint Powers Agreements) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, individual nonmajor fund budget statements, and the schedules required by NMAC 2.2.2 (Schedule of Changes in Fiduciary Assets and Liabilities – Agency Funds, Schedule of Deposit and Investment Accounts, Schedule of Collateral Pledged, Tax Roll Reconciliation of Changes in the County Treasurer’s Property Tax Receivable, Property Tax Schedule, Schedule of Expenditures of State Appropriations, and the Schedule of Joint Powers Agreements) are fairly stated, in all material respects, in relation to the basic financial statement as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2020 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 30, 2020

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

As management of the Chaves County, New Mexico (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. The Management's Discussion and Analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introductory Section of this report.

FINANCIAL HIGHLIGHTS

- The County's total net position of governmental activities increased \$5.5 million primarily due to an increase of \$1.5 million in investment income and \$2.0 million in gross receipts tax.
- General revenues from governmental activities accounted for \$36.8 million in revenue, or 85% of all revenues from governmental activities. Program specific revenues in the form of charges for services and grants and contributions accounted for \$6.7 million, or 15% of total governmental activities revenues.
- The County had \$38.0 million in expenses related to governmental activities, an increase of 6.7% from the prior fiscal year.
- The General Fund had \$19.5 million in revenues, which primarily consisted of property tax and intergovernmental revenues. The total expenditures of the General Fund were \$16.2 million. The General Fund's fund balance increased \$2.8 million to \$11.0 million primarily due to increased investment income and reductions in interest on bonds.
- The County Road Fund had \$2.2 million in revenues, which primarily consisted of gasoline, motor vehicle taxes, and state grants. The total expenditures of the County Road Fund were \$5.5 million. The County Road Fund's fund balance (after transfers and increase in inventory) decreased \$0.5 million to \$1.6 million at current fiscal year-end.
- The Indigent Hospital Claims Fund had \$5.2 million in revenues, which primarily consisted of gross receipts taxes. The total expenditures of the Indigent Hospital Claims Fund were \$4.6 million. The Indigent Hospital Claims Fund's fund balance increased \$0.7 million from prior fiscal year end to \$2.1 million.
- The Detention Construction Fund had \$7.1 million in revenues, which consisted of gross receipts taxes. The total expenditures of the Detention Construction Fund were \$2.1 million. The Detention Construction Fund's fund balance (after transfers) increased \$2.4 million from prior fiscal year to \$7.5 million.

OVERVIEW OF FINANCIAL STATEMENTS

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

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

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

The Statement of Net Position presents information on all the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

The government-wide financial statements outline functions of the County that are principally supported by taxes and intergovernmental revenues. The governmental activities of the County include general government, public safety, public works, culture and recreation, health and welfare, and interest on long-term debt.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All 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 of spendable resources, as well as on balances of spendable 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 County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Road, Indigent Hospital Claims, Detention Construction, and County Permanent Fund, all of which are the County's major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and schedules.

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

Proprietary funds. The County maintains one type of proprietary fund. The internal service funds an accounting device used to accumulate and allocate costs to the County's various functions. The internal service fund accounts for purchases of bulk supplies and phone services which are then charged to the departments that utilize the supplies and services.

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

Notes to the Financial Statements. The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Under Section 2.2.2 of the New Mexico Administrative Code (NMAC), governments in New Mexico must include the budgetary comparison statement for the General Fund and major special revenue fund data as a component of the fund financial statements within the basic financial statements. Schedules for the pension and OPEB plans have been provided as required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows by \$161.3 million at the current fiscal year-end.

The largest portion of Chaves County's net position reflects its investment in capital assets (e.g., land, construction in progress, infrastructure, fine art, land improvements, buildings and improvements, and vehicles, furniture and equipment, and bridges) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related outstanding 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. In addition, a significant portion of the County's net position relates to resources that are subject to external restrictions on how they may be used as well as the resources related to the Permanent Fund.

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The following table presents a summary of the County's net position for the fiscal years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 89,325,091	\$ 81,504,293
Capital assets, net	<u>111,063,916</u>	<u>112,376,531</u>
Total assets	<u>200,389,007</u>	<u>193,880,824</u>
Deferred outflows	<u>5,028,638</u>	<u>7,110,514</u>
Current and other liabilities	2,983,839	3,640,976
Long-term liabilities	<u>35,392,428</u>	<u>37,153,578</u>
Total liabilities	<u>38,376,267</u>	<u>40,794,554</u>
Deferred inflows	<u>5,755,986</u>	<u>4,432,095</u>
Net investment in capital assets	108,374,981	108,399,061
Restricted	73,519,979	68,174,705
Unrestricted	<u>(20,609,568)</u>	<u>(20,809,077)</u>
Total net position	<u>\$ 161,285,392</u>	<u>\$ 155,764,689</u>

The County's financial position is the product of several financial transactions including the net result of activities, the acquisition and disposal of capital assets, the depreciation of capital assets, and the payment of debt. The following are significant current year transactions that had an impact on the Statement of Net Position.

- Bond principal retirement of \$600,000 and NMFA loan principal retirement of \$610,227.
- Addition of approximately \$1.8 million in capital assets and current depreciation expense of \$3.8 million.
- An increase in pension liabilities of \$1.6 million and a decrease in OPEB liabilities \$2.7 million, respectively, offset by a decrease in pension deferred outflows of \$2.1 million.

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

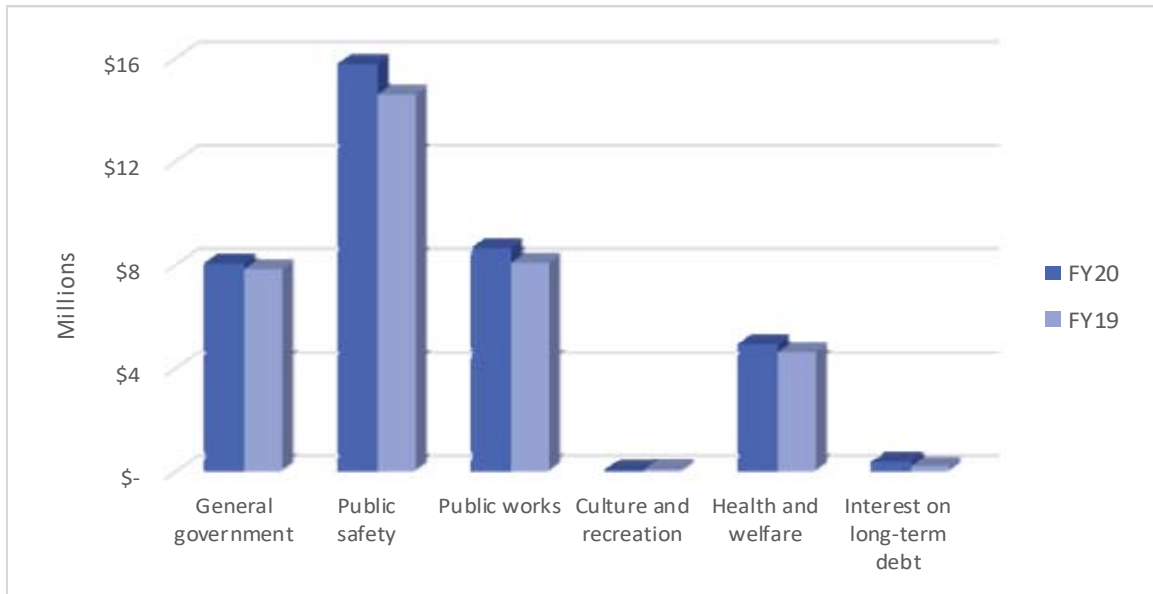
GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in net position. The County's total revenues for the current fiscal year were \$43.5 million. The total cost of all programs and services was \$37.9 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
REVENUES		
Program revenues		
Charges for services	\$ 2,662,786	\$ 2,408,701
Operating grants and contributions	2,386,552	3,743,551
Capital grants and contributions	1,664,804	927,041
General revenues		
Property taxes, levied for general purposes	9,540,521	9,758,379
Property taxes, levied for capital purposes	1,517,033	1,458,866
Gross receipts taxes	17,284,732	15,239,492
Gasoline and motor vehicle taxes	1,703,519	1,820,820
Unrestricted federal aid	3,905,285	3,747,288
Investment income	2,849,158	1,385,081
Total revenues	<u>43,514,390</u>	<u>40,489,219</u>
EXPENSES		
General government	8,075,881	7,864,657
Public safety	15,790,030	14,615,250
Public works	8,669,904	8,104,384
Culture and recreation	81,936	129,079
Health and welfare	4,959,181	4,651,334
Interest on long-term debt	416,755	239,526
Total expenses	<u>37,993,687</u>	<u>35,604,230</u>
Changes in net position	5,520,703	4,884,989
Net position - beginning of year	<u>155,764,689</u>	<u>150,879,700</u>
Net position - ending of year	<u>\$ 161,285,392</u>	<u>\$ 155,764,689</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)



The following are significant current year transactions that had an impact on the change in net position.

- Investment income increased \$1.5 million primarily due to improved investment experience.
- Gross receipts taxes increase \$2.0 million primarily due to adjustments from the State for online gross receipts tax generated to the State and adjustments to the hold-harmless reimbursement fund.
- Public safety expenses increased \$2.3 million primarily due to increased personnel costs.

Governmental activities. The following table presents the cost of the six major county functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the state and county's taxpayers by each of these functions.

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

	2020		2019	
	Total	Net	Total	Net
	Expenses	(Expense) Revenue	Expenses	(Expense) Revenue
General government	\$ 8,075,881	\$ (6,127,694)	\$ 7,864,657	\$ (5,523,745)
Public safety	15,790,030	(12,295,911)	14,615,250	(10,692,206)
Public works	8,669,904	(7,886,066)	8,104,384	(7,289,047)
Culture and recreation	81,936	(14,446)	129,079	(129,079)
Health and welfare	4,959,181	(4,538,673)	4,651,334	(4,651,334)
Interest on long-term debt	416,755	(416,755)	239,526	(239,526)
Total	<u>\$ 37,993,687</u>	<u>\$ (31,279,545)</u>	<u>\$ 35,604,230</u>	<u>\$ (28,524,937)</u>

- The cost of all governmental activities this year was \$37.9 million.
- Charges for services and contributions subsidized certain governmental programs with revenues of \$6.71 million.
- Net cost of governmental activities of \$31.3 million was financed by general revenues of \$36.8 million, which are made up of primarily property taxes and gross receipts taxes.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as useful measure of the County's net resources available for spending at the end of the fiscal year. The financial performance of the County as a whole is reflected in its governmental funds. As the County completed the year, its governmental funds reported a combined fund balance of \$89.9 million, an increase of \$7.8 million, or approximately 10%.

The General Fund is the principal operating fund of the County. Fund balance increased from \$8.2 million to \$11 million as of the fiscal year-end. General Fund revenues increased \$1 million primarily as a result of increased investment income. General Fund expenditures increased \$.5 million as a result in Health and Welfare costs and General Government insurance deductible costs.

The Road Fund's fund balance remained relatively stable year over year.

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS (CONTINUED)

The Indigent Hospital Fund's fund balance had an increase of \$.7 million to \$2.1 million at fiscal year-end. The increase was primarily due to increased gross receipts tax collections.

The Detention Construction Fund's fund balance increased \$2.4 million to \$7.5 million at fiscal year-end primarily due to the additional 3/8th increment in Gross Receipts Tax.

BUDGETARY HIGHLIGHTS

County budgets reflect the same pattern as seen in the revenue and expenditures of the County. The State of New Mexico budget process is defined under state law and regulation. To enhance the processor developing a budget at the county level, Chaves County utilizes goals and objectives defined by the County Commissioners, community input meetings, long-term plans and input from various staff groups to develop the County budget. County priorities are well defined through this process. A statement reporting the original and final budget amounts compared to the County's actual financial activity for the General Fund is provided in this report as a basic financial statement. The significant variances are summarized as follows.

- The favorable variance of \$432,686 in revenues for general government was primarily the result of better than expected investment experience and higher federal revenue.

There were no significant variances between the General Fund's original and final budgets.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year-end, the County had invested \$170.5 million in capital assets, including land, construction in progress, infrastructure, fine art, land improvements, buildings and improvements, vehicles, furniture and equipment, and bridges. This amount represents a net increase prior to depreciation of \$2 million. Total depreciation expense for the current fiscal year was \$3.8 million. The following schedule presents capital asset balances for the fiscal years ended June 30, 2020 and 2019:

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

<u>Governmental Activities</u>	<u>2020</u>	<u>2019</u>
Land	\$ 3,821,441	\$ 3,821,441
Construction in progress	1,311,297	1,198,086
Infrastructure	48,136,138	48,136,138
Fine art	642,181	642,181
Land improvements	1,962,432	871,901
Buildings and improvements	64,707,209	64,604,759
Vehicles, furniture and equipment	35,422,378	34,767,867
Bridges	<u>14,496,542</u>	<u>14,496,542</u>
Subtotal	170,499,618	168,538,915
Accumulated depreciation	<u>(59,435,702)</u>	<u>(56,162,384)</u>
Total	<u>\$ 111,063,916</u>	<u>\$ 112,376,531</u>

The County has \$1.2 million in current construction projects in progress at fiscal year-end. The County has elected to record its infrastructure assets using the modified approach, as defined in GASB Statement 34. Assets accounted for under the modified approach include 499.13 miles of chip sealed/paved roadways and 900.443 miles of unpaved roadways that the County is responsible for maintaining.

Chaves County utilizes a Pavement Management System. The County's Pavement Management System's purpose is to develop a cost-effective rehabilitation program that preserves the County's road investment and enhances public transportation and safety. Each road segment is evaluated using four different road distress factors which are combined to obtain a Pavement Remaining Service Life (RSL) Factor. This factor is then assigned to each segment of road and expressed in a continuous scale from 0 to 20, which 0 is assigned the least acceptable road condition and 20 is assigned the best. The goal of Chaves County is to maintain and preserve the eligible infrastructure roads at an average RSL Range of 6 to 10, or average to above average to good. The County's most recent assessment indicated that an overall RSL factor of 8.47 was achieved.

Additional information on the County's capital assets can be found in Note 6.

Debt Administration. At year-end, the County had \$2.5 million in long-term debt outstanding. The following table presents a summary of the County's outstanding long-term debt for the fiscal years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Bonds payable	\$ -	\$ 600,000
Loans payable	<u>2,454,008</u>	<u>3,064,235</u>
Total	<u>\$ 2,454,008</u>	<u>\$ 3,664,235</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2020**

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

State statutes currently limit the amount of general obligation debt a County may issue to 4% of its total taxable property for general purposes. The current debt limitation for general purposes for the County is \$49.7 million. The County has no general obligation debt outstanding.

Additional information on the County's long-term debt can be found in Notes 7 through 10.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the County's administration during the process of developing the fiscal year 2020-21 budget. Among them:

- The 2020 average unemployment rate of Chaves County was 5.3% which is an increase of .4% from last year's 4.9%. This is more favorable than the state's unemployment rate of 8.1% and a more favorable rate compared to the national average rate of 11.1%.
- An increase of federal and local PILT of 6.18%.
- Inflationary trends in the region compare unfavorably to the national indices of 0.06%.

Also considered in the development of the budget is the local economy and inflation of the surrounding area.

Budgeted expenditures in the General Fund decreased 2% to \$17.6 million in fiscal year 2020-2021. A decrease in areas as in personnel plus direct employee benefits, contributed to the decrease.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

Finance Director
Chaves County
PO Box 1597
Roswell, New Mexico 88202-1597

or visit our website at <http://co.chaves.nm.us>.

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF NET POSITION
JUNE 30, 2020**

	Governmental Activities
ASSETS	
Current assets	
Cash and cash equivalents	\$ 16,057,625
Investments	18,173,249
Receivables	3,607,507
Inventory	642,300
Prepaid items	353,190
Total current assets	38,833,871
Non-current assets	
Cash and cash equivalents - restricted	-
Investments - restricted	50,491,220
Capital assets, nondepreciable	53,911,057
Capital assets, depreciable, net	57,152,859
Total non-current assets	161,555,136
Total assets	200,389,007
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions and OPEB	5,028,638
LIABILITIES	
Current liabilities	
Accounts payable	722,481
Accrued payroll	1,033,694
Compensated absences	585,937
Loans payable, current	633,328
Accrued interest payable	8,399
Total current liabilities	2,983,839
Non-current liabilities	
Compensated absences	217,046
Loans payable, long-term	1,820,680
Loan premium, net	234,927
Net pension liability	25,621,751
Net OPEB liability	7,498,024
Total non-current liabilities	35,392,428
Total liabilities	38,376,267
DEFERRED INFLOWS OF RESOURCES	
Related to pensions and OPEB	5,755,986
NET POSITION	
Net investment in capital assets	108,374,981
Restricted for	
Special purposes (Note 2)	11,125,034
Debt service	4,024,155
Capital outlay	8,370,790
Nonexpendable	50,000,000
Unrestricted (deficit)	(20,609,568)
Total net position	\$ 161,285,392

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	(Expenses) Revenues and Changes in Net Position
Primary Government:					
Governmental activities					
General government	\$ 8,075,881	\$ 1,769,901	\$ 178,286	\$ -	\$ (6,127,694)
Public safety	15,790,030	666,489	2,115,034	712,596	(12,295,911)
Public works	8,669,904	224,807	-	559,031	(7,886,066)
Culture and recreation	81,936	-	-	67,490	(14,446)
Health and welfare	4,959,181	1,589	93,232	325,687	(4,538,673)
Interest on long-term debt	416,755	-	-	-	(416,755)
Total governmental activities	\$ 37,993,687	\$ 2,662,786	\$ 2,386,552	\$ 1,664,804	(31,279,545)

General Revenues

Taxes

Property taxes, levied for general purposes	9,540,521
Property taxes, levied for capital purposes	1,517,033
Gross receipts tax	17,284,732
Gasoline and motor vehicle taxes	1,703,519
Unrestricted federal aid	3,905,285
Investment income	2,849,158

Total general revenues 36,800,248

Changes in net position 5,520,703

Net position - beginning of year 155,764,689

Net position - end of year \$ 161,285,392

**STATE OF NEW MEXICO
CHAVES COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2020**

	General	County Road	Indigent Hospital Claims	Detention Construction
ASSETS				
Cash and cash equivalents	\$ 8,505,426	\$ 532,874	\$ -	\$ 5,867,226
Cash and cash equivalents - restricted	-	-	-	-
Investments	2,666,000	735,730	1,535,736	-
Investments - restricted	-	-	-	491,220
Receivables	756,427	137,504	584,006	1,084,282
Inventory	-	629,671	-	-
Prepaid items	189,147	23,324	578	103,213
Interfund advances receivable	435,000	-	-	-
Total assets	<u>\$ 12,552,000</u>	<u>\$ 2,059,103</u>	<u>\$ 2,120,320</u>	<u>\$ 7,545,941</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 249,243	\$ 255,403	\$ 5,404	\$ 46,105
Accrued payroll	753,637	176,538	8,442	-
Unearned revenues	-	-	-	-
Interfund advances payable	-	-	-	-
Total liabilities	<u>1,002,880</u>	<u>431,941</u>	<u>13,846</u>	<u>46,105</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	499,164	-	-	-
FUND BALANCES				
Nonspendable	189,147	652,995	578	103,213
Restricted	-	974,167	2,105,896	7,396,623
Committed	-	-	-	-
Unassigned	10,860,809	-	-	-
Total fund balances	<u>11,049,956</u>	<u>1,627,162</u>	<u>2,106,474</u>	<u>7,499,836</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,552,000</u>	<u>\$ 2,059,103</u>	<u>\$ 2,120,320</u>	<u>\$ 7,545,941</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2020**

	County Permanent	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 1,050,888	\$ 15,956,414
Cash and cash equivalents - restricted	-	-	-
Investments	-	13,235,783	18,173,249
Investments - restricted	50,000,000	-	50,491,220
Receivables	-	1,045,288	3,607,507
Inventory	-	-	629,671
Prepaid items	-	36,928	353,190
Interfund advances receivable	-	150,000	585,000
Total assets	\$ 50,000,000	\$ 15,518,887	\$ 89,796,251
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Current liabilities			
Accounts payable	\$ -	\$ 154,945	\$ 711,100
Accrued payroll	-	95,077	1,033,694
Unearned revenues	-	-	-
Interfund advances payable	-	585,000	585,000
Total liabilities	-	835,022	2,329,794
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	-	83,667	582,831
FUND BALANCES			
Nonspendable	50,000,000	36,928	50,982,861
Restricted	-	13,043,293	23,519,979
Committed	-	1,519,977	1,519,977
Unassigned	-	-	10,860,809
Total fund balances	50,000,000	14,600,198	86,883,626
Total liabilities, deferred inflows of resources and fund balances	\$ 50,000,000	\$ 15,518,887	\$ 89,796,251

**STATE OF NEW MEXICO
CHAVES COUNTY
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

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

Fund balances - total governmental funds	\$ 86,883,626
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Governmental capital assets, net of accumulated depreciation	111,063,916
Deferred inflows and outflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflow of resources related to pensions and OPEB	5,028,638
Deferred inflow of resources related to pensions and OPEB	(5,755,986)
Some revenues will not be available to pay for current period expenditures and, therefore, are not reported in the funds.	
Property taxes	582,831
The Internal service fund is used by management to charge the costs of supplies and services to individual departments. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the Statement of Net Position.	
	102,459
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued interest payable	(8,399)
Accrued compensated absences payable	(802,983)
Loan premium payable	(234,927)
Loans payable	(2,454,008)
Net pension liability	(25,621,751)
Net OPEB liability	<u>(7,498,024)</u>
Net position - total governmental activities	<u>\$ 161,285,392</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	General	County Road	Indigent Hospital Claims	Detention Construction
REVENUES				
Property taxes	\$ 9,522,620	\$ -	\$ -	\$ -
Gasoline and motor vehicles taxes	618,625	1,084,894	-	-
Gross receipts tax	700,076	300,000	5,249,658	7,109,044
State grants and contributions	267,679	542,152	-	-
Federal grants and contributions	3,905,285	16,879	-	-
Charges for services	573,229	-	-	-
Licenses and fees	511,378	-	-	-
Investment income	2,801,570	-	6,870	8,384
Other	588,401	224,807	1,589	-
Total revenues	<u>19,488,863</u>	<u>2,168,732</u>	<u>5,258,117</u>	<u>7,117,428</u>
EXPENDITURES				
Current				
General government	6,157,470	-	-	-
Public safety	9,589,993	-	-	1,531,273
Public works	-	5,230,913	-	-
Culture and recreation	62,654	-	-	-
Health and welfare	59,311	-	4,565,881	-
Capital outlay	-	216,911	-	4,000
Debt service				
Principal	-	-	-	500,000
Interest and fees	288,024	-	-	103,685
Total expenditures	<u>16,157,452</u>	<u>5,447,824</u>	<u>4,565,881</u>	<u>2,138,958</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,331,411</u>	<u>(3,279,092)</u>	<u>692,236</u>	<u>4,978,470</u>
Other financing sources (uses)				
Transfers in	-	2,700,000	-	500,000
Transfers out	(505,000)	-	-	(3,050,000)
Total other financing sources (uses)	<u>(505,000)</u>	<u>2,700,000</u>	<u>-</u>	<u>(2,550,000)</u>
Change in fund balances	2,826,411	(579,092)	692,236	2,428,470
Fund balances, beginning of year	8,223,545	2,093,251	1,414,238	5,071,366
Changes in non-spendable resources				
Increase in inventory	-	113,003	-	-
Fund balances, end of year	<u>\$ 11,049,956</u>	<u>\$ 1,627,162</u>	<u>\$ 2,106,474</u>	<u>\$ 7,499,836</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	County Permanent	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Property taxes	\$ -	\$ 1,517,623	\$ 11,040,243
Gasoline and motor vehicles taxes	-	-	1,703,519
Gross receipts tax	-	3,925,954	17,284,732
State grants and contributions	-	2,741,827	3,551,658
Federal grants and contributions	-	482,819	4,404,983
Charges for services	-	387,298	960,527
Licenses and fees	-	186,172	697,550
Investment income	-	32,334	2,849,158
Other	-	189,912	1,004,709
Total revenues	<u>-</u>	<u>9,463,939</u>	<u>43,497,079</u>
EXPENDITURES			
Current			
General government	-	336,746	6,494,216
Public safety	-	2,239,581	13,360,847
Public works	-	998,699	6,229,612
Culture and recreation	-	-	62,654
Health and welfare	-	300,918	4,926,110
Capital outlay	-	2,812,851	3,033,762
Debt service			
Principal	-	710,227	1,210,227
Interest and fees	-	118,553	510,262
Total expenditures	<u>-</u>	<u>7,517,575</u>	<u>35,827,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>1,946,364</u>	<u>7,669,389</u>
Other financing sources (uses)			
Transfers in	-	1,920,702	5,120,702
Transfers out	-	(1,565,702)	(5,120,702)
Total other financing sources (uses)	<u>-</u>	<u>355,000</u>	<u>-</u>
Change in fund balances	<u>-</u>	<u>2,301,364</u>	<u>7,669,389</u>
Fund balances, beginning of year	50,000,000	12,298,834	79,101,234
Changes in non-spendable resources			
Increase in inventory	-	-	113,003
Fund balances, end of year	<u>\$ 50,000,000</u>	<u>\$ 14,600,198</u>	<u>\$ 86,883,626</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

Net change in fund balances - total governmental funds	\$	7,669,389
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		
Expenditures for capital assets	\$ 2,560,577	
Current year depreciation	<u>(3,787,582)</u>	(1,227,005)
<p>Revenues in the governmental funds that provide current financial resources are not included in the Statement of Activities because they were recognized in a prior period.</p>		
Property taxes		17,311
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>		
Bond principal retirement	600,000	
Loan principal retirement	<u>610,227</u>	1,210,227
<p>Governmental funds report pension and OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension and OPEB liability, adjusted for deferred pension and OPEB items, is reported as pension and OPEB expenses in the Statement of Activities.</p>		
County pension contribution	1,744,499	
Pension expense	(4,860,398)	
County OPEB contribution	216,956	
OPEB income	<u>649,077</u>	(2,249,866)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Inventory	113,003	
Loss on disposal of capital assets	(85,610)	
Compensated absences payable	(43,307)	
Amortization of debt items	78,308	
Accrued interest on long-term debt	<u>15,199</u>	77,593
<p>Internal Service Fund is used by management to charge the costs of supplies and services to the individual departments. The change in net position of the Internal Service Fund is reported with governmental activities in the Statement of Activities.</p>		
		<u>23,054</u>
Change in net position of governmental activities	\$	<u>5,520,703</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ 9,446,986	\$ 9,446,986	\$ 9,503,511	\$ 56,525
Gasoline and motor vehicle taxes	551,484	551,484	618,071	66,587
Gross receipts taxes	470,000	709,095	700,076	(9,019)
State grants and contributions	143,000	143,000	267,679	124,679
Federal grants and contributions	3,447,383	3,447,383	3,905,285	457,902
Charges for services	745,000	745,000	722,340	(22,660)
Licenses and fees	465,750	465,750	511,378	45,628
Investment income	1,354,973	1,932,791	2,301,570	368,779
Other	1,250,436	1,250,436	594,701	(655,735)
Total revenues	<u>17,875,012</u>	<u>18,691,925</u>	<u>19,124,611</u>	<u>432,686</u>
EXPENDITURES				
Current				
General government	6,178,155	6,407,292	6,155,614	251,678
Public safety	11,193,594	11,279,356	9,589,852	1,689,504
Public works	-	-	-	-
Culture and recreation	160,814	128,402	62,654	65,748
Health and welfare	23,500	25,700	59,311	(33,611)
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	150,000	300,000	288,024	11,976
Total expenditures	<u>17,706,063</u>	<u>18,140,750</u>	<u>16,155,455</u>	<u>1,985,295</u>
Other financing sources				
Transfers in	-	-	75,000	75,000
Transfers out	2,105,000	2,155,000	(80,000)	(2,235,000)
Total other financing sources	<u>\$ 2,105,000</u>	<u>\$ 2,155,000</u>	<u>(5,000)</u>	<u>\$ (2,160,000)</u>
Change in fund balance - budgetary basis			2,964,156	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			364,251	
Unbudgeted expenditure accruals			(1,996)	
Change in fund balance for funds budgeted separately from the General Fund			<u>(500,000)</u>	
Change in fund balance - GAAP Basis			<u>\$ 2,826,411</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ROAD FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	1,110,000	1,110,000	1,081,281	(28,719)
Gross receipts taxes	300,000	300,000	300,000	-
State grants and contributions	690,000	690,000	542,152	(147,848)
Federal grants and contributions	15,000	15,000	16,879	1,879
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	8,000	8,000	224,807	216,807
Total revenues	2,123,000	2,123,000	2,165,119	42,119
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	5,602,949	5,592,023	5,233,340	358,683
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	122,000	222,000	216,911	5,089
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	5,724,949	5,814,023	5,450,251	363,772
Other financing sources				
Transfers in	4,000,000	4,000,000	2,700,000	(1,300,000)
Transfers out	-	-	-	-
Total other financing sources	\$ 4,000,000	\$ 4,000,000	2,700,000	\$ (1,300,000)
Change in fund balance - budgetary basis			(585,132)	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			3,613	
Unbudgeted expenditure accruals			2,427	
Change in fund balance - GAAP Basis			\$ (579,092)	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - INDIGENT HOSPITAL CLAIMS FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	4,590,818	4,590,818	5,207,505	616,687
State grants and contributions	-	-	-	-
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	5,101	5,101	6,870	1,769
Other	-	-	1,589	1,589
Total revenues	<u>4,595,919</u>	<u>4,595,919</u>	<u>5,215,964</u>	<u>620,045</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	4,817,911	4,822,574	4,565,994	256,580
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>4,817,911</u>	<u>4,822,574</u>	<u>4,565,994</u>	<u>256,580</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			649,970	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			42,153	
Unbudgeted expenditure accruals			<u>113</u>	
Change in fund balance - GAAP Basis			<u>\$ 692,236</u>	

STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Governmental Activities: Internal Service Funds
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 101,211
Inventory	12,629
Total assets	113,840
 LIABILITIES	
Current Liabilities	
Accounts payable	11,381
Total liabilities	11,381
 NET POSITION	
Unrestricted	102,459
Total net position	\$ 102,459

STATE OF NEW MEXICO
 CHAVES COUNTY
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities: Internal Service Funds
OPERATING REVENUES	
Sales of supplies	\$ 110,258
Charges for services	-
Total operating revenues	110,258
 OPERATING EXPENSES	
Supplies	25,798
Services	61,406
Total operating expenses	87,204
Operating income	23,054
Changes in net position	23,054
Net position, beginning of year	79,405
Net position, end of year	\$ 102,459

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Governmental Activities: Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash received from sales of supplies and services	\$ 112,201
Cash payments to suppliers for goods and services	<u>(87,209)</u>
Net cash provided by operating activities	<u>24,992</u>
Net increase in cash and cash equivalents	24,992
Cash and cash equivalents, beginning of year	<u>76,219</u>
Cash and cash equivalents, end of year	<u><u>\$ 101,211</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities	
Operating income	\$ 23,054
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities:	
Decrease in inventory	1,943
Decrease in accounts payable	<u>(5)</u>
Total adjustments	<u>1,938</u>
Net cash provided by operating activities	<u><u>\$ 24,992</u></u>

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
JUNE 30, 2020**

ASSETS

Cash and cash equivalents	\$ 557,054
Property taxes receivable	<u>1,739,998</u>

Total assets	<u><u>\$ 2,297,052</u></u>
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LIABILITIES

Deposits held for others	\$ 48,055
Due to taxing entities	<u>2,248,997</u>

Total liabilities	<u><u>\$ 2,297,052</u></u>
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**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Chaves County (the County) is a political subdivision of the State of New Mexico established under the provisions of Section 4-4-1 of New Mexico Statutes Annotated, 1978 (NMSA) compilation, and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissioners-manager form of government and provides the following services as authorized by public law: public safety (police, fire, emergency medical, etc.), roads, health and social services, farm and range, recreation, property assessment, tourist promotion and general administrative services.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The County's significant accounting policies are described below.

A. Reporting Entity

The County's major operations include public safety, collection of and distribution of property taxes, farm and range, planning and zoning, certain health and social services, general administration services, and jail operations.

The financial reporting entity consists of a primary government and its component units. The County is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the County for financial statement presentation purposes, and the County is not included in any other governmental reporting entity. Consequently, the County's financial the financial activity of those organizational entities for which its elected governing body is financially accountable.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the County as a whole. The reported information includes all of the nonfiduciary activities of the County. For the most part, the effect of internal activity has been removed from these statements. These statements distinguish between governmental and business-type activities of the County. The County does not have any business-type activities. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Government-Wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. In addition, the fiduciary fund financial statements are reported on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements, however the effect of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their exchange value. The County does not allocate indirect expenses to functions in the statement of activities.

Governmental Fund Financial Statements. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. In addition, derived tax revenues, such as gross receipts, gasoline and motor vehicle taxes, are recognized as revenues when the underlying exchange transaction has occurred. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, gross receipts taxes, state shared taxes, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenue is not susceptible to accrual because generally they are not measurable until received.

Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Unearned revenue also arises when resources are received by the County before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Property taxes recognized are net of estimated refunds and uncollectible amounts. Delinquent property taxes have been recorded as unavailable revenues. Receivables that will not be collected within the available period have also been reported as unavailable revenues on the governmental fund financial statements.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The County reports the following major governmental funds.

General Fund – This fund accounts all financial activities except those required to be accounted for in other funds. It is funded primarily through property, gross receipts and other miscellaneous taxes. The General Fund includes the County’s Hospital Aged Accounts and County Income Funds. These funds are maintained as separate funds for accounting and budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

County Road Fund – This special revenue fund accounts for the motor vehicle fees flowing through the State, transfers from other funds, and other miscellaneous sources used to maintain county roads. (4-55A-40 through 43 NMSA 1978)

Indigent Hospital Claims Fund – This special revenue fund accounts for monies received from a countywide tax levy. Expenditures are restricted to the payment of approved claims and administrative costs. (Ordinance #18-6-85, 27-5-7 NMSA 1978)

Detention Construction Fund – This fund accounts for the construction of a new detention center. (Ordinance #39, 6-21-93)

County Permanent Fund – This fund accounts for monies transferred to the Permanent Fund that was established as a result of Ordinance #54 by the County Commissioners in accordance with Section 6-6-19, NMSA 1978 statutes of the State of New Mexico. The amount that may be deposited in the Permanent Fund is any portion of the unappropriated General Fund surplus that is in excess of 50% of the prior year’s budget of the County. At June 30, 1999, \$50,000,000 in corpus was established in the Permanent Fund; investment earnings on the Permanent fund are recorded in the County Income Fund.

Additionally, the County reports the following fund types:

Proprietary Fund – The Proprietary Fund is an Internal Service Fund that accounts for activities related to the County’s purchase of bulk supplies and phone services which are then charged to the departments that utilize the supplies and services.

Fiduciary Fund – The Fiduciary Fund is an Agency Fund which accounts for resources held by the County for others. This fund is used to account for the collection and payment of property taxes and special fees to other governmental agencies.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Agency Fund is custodial in nature and does not have a measurement focus and is reported on the accrual basis of accounting.

D. Cash and Investments

For purposes of the Statement of Cash Flows, the County considers all highly-liquid investments with a maturity of three months or less when purchased to be cash equivalents.

New Mexico Statutes Annotated (NMSA) authorizes the County to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of New Mexico, counties, cities, school districts, and special districts as specified by statute.

The State of New Mexico local government investment pool is a pool that is not registered with the United States Securities Exchange Commission. NMSA empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment 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. The pool does not have unit shares. At the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the local government investment pool is voluntary. The investment in the State of New Mexico local government investment pool approximates the value of the participant's pool share.

A significant portion of the cash and investments of funds of the County is pooled for investment purposes. Equity in pooled cash and investments includes amounts in demand deposit accounts, money market accounts, certificates of deposit, U.S. Treasury securities, and repurchase agreements secured by collateral with a market value greater than 102% of the value of the agreement. The securities are held by a third party in the County's name. Interest earned is allocated to the applicable County funds based on the County's policy of allocating interest to those funds which are required by law or by debt covenants. The remaining interest income is recorded in the General Fund.

Non-participating interest-earning investment contracts are stated at cost. Money market investments and participating interest investment contracts with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

Certain resources set aside for the repayment of debt are classified as cash and investments – restricted on the statement of net position/balance sheet, because their use is limited by applicable bond and loan covenants. Trust accounts, recorded in the Revenue Bond Reserve Fund and the Detention Construction Fund, are used to segregate resources accumulated for future debt service payments for the 2007 Refunding Bonds, and the County Detention Center Loan with the New Mexico Finance Authority (NMFA), respectively.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments.

F. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Interfund balances between governmental funds are eliminated on the Statement of Net Position. All other outstanding balances between funds are reported as “due to/from other funds.” All receivables are shown net of allowance for uncollectibles.

The County is responsible for assessing, collecting and distributing property taxes for its own operational and debt service purposes and for certain outside entities. Taxes are levied on November 1 and are payable in two installments no later than November 10 and April 10. Unpaid property taxes attach as an enforceable lien on property thirty (30) days thereafter. Collections and remittance of property taxes are accounted for in the County Treasurer's Agency Fund. Amounts are recognized as revenue in the applicable governmental fund types under accounting principles generally accepted in the United States. The property taxes receivable for the General Fund and for the Flood Control Fund in the governmental fund financial statements are net of an allowance for uncollectible. Refunds related to the settlement of property tax protests are only recorded when the case is completed.

G. Inventory

Road inventories consist of materials used in the Road Department's operations and are valued using the average cost method. Other inventories consist of general supplies and are valued using the first-in/first-out (FIFO) method. Inventories are recorded as expenses/expenditures when consumed in the government-wide and fund financial statements.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

I. Capital Assets

Capital assets include land and improvements; buildings and improvements; plant; vehicles, furniture, and equipment; construction in progress; computer software; fine art; and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items). Information technology equipment including software, is capitalized and included in furniture, fixtures and equipment in accordance with State Law. The County defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than one year. Effective

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

July 1, 2006, State law requires capitalization of assets greater than \$5,000. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in any service concession arrangements are reported at acquisition value rather than fair value. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Unpaved roads are not depreciated since once they are placed in operation, only annual maintenance is required to keep them operational for an indefinite period. Infrastructure assets are not depreciated as the County has elected to use the modified method in accounting for infrastructure assets. The modified method allows governments to report as expenses in lieu of depreciation, infrastructure expenditures that maintain the asset but do not add to nor improve the asset. Additions and improvements to infrastructure assets are capitalized. The County uses an asset management system to rate the condition of infrastructure assets and quantify the results of maintenance efforts. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Governmental capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	40
Buildings and improvements	40
Vehicles, furniture and equipment	5-30
Bridges	50

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA's. For this purpose, benefit payments

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Pensions (Continued)

(including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally, resources from the general fund are used to pay for pension liabilities.

L. Post-Employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally, resources from the general fund are used to pay for OPEB liabilities.

M. Compensated Absences

The County's employee vacation and sick leave policies provide for granting vacation and sick leave with pay. Employees accrue vacation leave with pay based upon years of service and accrue a maximum of eighty (80) hours of sick leave annually. In the event of termination, an employee is reimbursed for all accrued vacation. The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

N. Long-Term Obligations

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Debt premiums and discounts are amortized over the life of the debt using the straight-line method. Deferred amounts on refunding result from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

O. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the statement of activities. Interfund transfers in the fund statements are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Budgets

Annual budgets of the County are prepared prior to June 1 and must be approved by resolution of the Board of County Commissioners and submitted to the Department of Finance and Administration for State approval. Once the budget has been formally approved, any amendments must also be approved by the County Commissioners and the Department of Finance and Administration, Local Government Division. Amendments may include 1) budget increases, 2) transfers of budget or cash between funds, and 3) budget decreases. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, the legal level of budgetary control is the fund level. Expenditures may not legally exceed budgeted appropriations at the fund level. The general fund, all special revenue funds, all capital projects funds, and all debt service funds of the County have legally adopted budgets.

The County budget is prepared primarily on a cash basis and therefore a reconciliation to generally accepted accounting principles (GAAP) is presented with each fund. Budgetary basis expenditures exclude encumbrances. The budget secures appropriations of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent year.

Q. Net Position Flow Assumption

In the government-wide and proprietary fund financial statements the County applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

R. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2. FUND BALANCE CLASSIFICATIONS

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

Nonspendable. The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. Nonspendable balances typically include principal on permanent funds, inventories, and prepaid items.

Restricted. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by County Commissioner Ordinances. Those committed amounts cannot be used for any other purpose unless the County Commissioners remove or change the specified use by taking the same type of action employed to previously commit those amounts (i.e., County Ordinance).

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2. FUND BALANCE CLASSIFICATIONS (CONTINUED)

Assigned. Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the County Commissioners or a management official delegated that authority by the County Commissioners. The County does not have a formal policy or procedures for the utilization of assigned fund balance and, accordingly, no assigned fund balance amounts are reported.

Unassigned. Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had be restricted, committed, or assigned. The County applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The table below provides detail of the major components of the County's fund balance classifications at year-end.

	General Fund	County Roads	Indigent Hospital Claims Fund	Detention Construction Fund	County Permanent Fund	Nonmajor Governmental Funds	Total
Fund Balances							
Nonspendable							
Inventory	\$ -	\$ 629,671	\$ -	\$ -	\$ -	\$ -	\$ 629,671
Prepaid	189,147	23,324	578	103,213	-	36,928	353,190
Permanent	-	-	-	-	50,000,000	-	50,000,000
Restricted							
Debt Service	-	-	-	-	-	4,024,155	4,024,155
Capital Projects	-	974,167	-	7,396,623	-	-	8,370,790
State/Federal Projects	-	-	-	-	-	2,148,178	2,148,178
Health and welfare svcs	-	-	2,105,896	-	-	31,748	2,137,644
Fire Protection and EMS	-	-	-	-	-	6,545,265	6,545,265
Law enforcement	-	-	-	-	-	164,562	164,562
Environmental services	-	-	-	-	-	129,385	129,385
Committed							
Capital projects	-	-	-	-	-	276,329	276,329
County assessor	-	-	-	-	-	1,038,657	1,038,657
County clerk	-	-	-	-	-	183,208	183,208
Law enforcement	-	-	-	-	-	21,783	21,783
Unassigned	<u>10,860,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,860,809</u>
Total fund balances	<u>\$ 11,049,956</u>	<u>\$ 1,627,162</u>	<u>\$ 2,106,474</u>	<u>\$ 7,499,836</u>	<u>\$ 50,000,000</u>	<u>\$ 14,600,198</u>	<u>\$ 86,883,626</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3. CASH AND INVESTMENTS

At year end, the carrying amount of the County's deposits was \$16,664,896 and the bank balance was \$17,147,662. The difference represents outstanding checks, deposits, and other reconciling items.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned. The County's deposit policy for custodial credit risk follows New Mexico law. All deposits with financial institutions must be collateralized in an amount not less than 50% of the uninsured balance. The County's agreement with its sole depository requires pledged collateral of 102% of the public money in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). At year end, \$16,846,795 of the County's bank balance was exposed to custodial credit risk as uninsured and \$21,095,916 was collateralized with securities held by the pledging financial institution's trust department. The pledged collateral by bank at year end consists of the following:

Deposits	\$ 17,147,662
FDIC coverage	<u>(300,867)</u>
Total uninsured public funds	<u>16,846,795</u>
50% collateral requirement	680,020
102% collateral requirement	15,796,490
Pledged securities, fair value	<u>21,095,916</u>
Pledged amount (over) under requirement	<u>\$ (4,619,406)</u>

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets
- Level 2 inputs are significant other observable inputs
- Level 3 inputs are significant unobservable inputs

All investments in which the fair value hierarchy is applicable are measured at fair value on a recurring basis. All Level 2 investments are bonds valued by a pricing service that uses matrix pricing. A Level 2 input would be a price or yield of a similar bond. At year end, the County's investments consisted of the following:

Investment Type	Category	Fair Value	Investment Maturity in Years			Total	Credit Risk Concentration:
			Less than 1	1-5	6-10		
Money market - investments	N/A	\$ 475,860	\$ 475,860	\$ -	\$ -	\$ 475,860	0.69%
State investment pool	N/A	284,885	284,885	-	-	284,885	0.41%
Corporate bond	Level 2	19,634,770	3,035,855	16,598,915	-	19,634,770	28.60%
U.S. Treasuries	Level 2	16,470,473	4,339,126	12,131,347	-	16,470,473	23.99%
U.S. Agencies:							
Federal National Mortgage Assoc.	Level 2	6,888,928	2,012,096	4,876,832	-	6,888,928	10.03%
Federal Home Loan Mortgage Corp.	Level 2	3,556,613	1,005,725	2,550,888	-	3,556,613	5.18%
Federal Home Loan Bank	Level 2	9,990,000	-	9,990,000	-	9,990,000	14.55%
Federal Farm Credit Bank	Level 2	10,871,719	1,421,496	9,450,223	-	10,871,719	15.83%
Investments – NMFA Pooled							
Debt Service Account	Level 2	<u>491,220</u>	<u>491,220</u>	-	-	<u>491,220</u>	<u>0.72%</u>
Total		<u>\$ 68,664,468</u>	<u>\$ 13,066,263</u>	<u>\$ 55,598,205</u>	<u>\$ -</u>	<u>\$ 68,664,468</u>	<u>100.00%</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

GASB Statement No. 40, Deposit and Investment Risk Disclosures, relates to how deposits and investments are reported in the annual financial statements of government entities. These disclosures inform financial statement users about deposit and investment risks that could affect a government's ability to provide services and meet its obligations as they become due. GASB Statement No. 40 requires governments to disclose deposit and investment risks related to credit (including custodial credit risk), concentration of credit risk, interest rate risk, and foreign currency risk.

The NM State Treasurer's Office (STO) provides the following information regarding the LGIP:

Credit Risk - With respect to credit risk, the LGIP is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.

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

Foreign Currency Risk - GASB Statement No. 40 defines foreign currency risk as the potential that changes in exchange rates may adversely affect the fair value of an investment or deposit. The LGIP does not have any foreign currency risk as all investments are denominated in US dollars.

Interest Rate Risk - GASB Statement No. 40 defines interest rate risk as the potential that interest rate changes may adversely affect the fair value of an investment.

According to the Statement, an acceptable method for reporting interest rate risk is weighted average maturity ("WAM"). The STO uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.nmsto.gov. The value of the investment in the LGIP as of June 30, 2020, is the ending balance on the LGIP statements. The County's June 30, 2020 balance is as follows:

New Mexico LGIP AAAM Rated \$284,885 [25] day WAM (R); [77] day WAM (F).

STO's investment portfolio is posted on the State Treasurer's Office website, www.nmsto.gov, and available for review by participants at any time.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4. RECEIVABLES

Governmental receivable balances, net of allowance for uncollectible accounts, as of year-end for the County's individual major governmental funds and nonmajor governmental funds in the aggregate were as follows:

	General Fund	County Roads Fund	Indigent Hospital Claims Fund	Detention Construction Fund	Nonmajor Governmental Funds	Total
Gross receipts	\$ -	\$ -	\$ 584,006	\$ 1,084,282	\$ 767,834	\$ 2,436,122
Property taxes	626,533	-	-	-	102,849	729,382
Gasoline and motor vehicle	27,729	137,504	-	-	-	165,233
Intergovernmental - State	-	-	-	-	174,605	174,605
Intergovernmental - Care of Prisoners	102,165	-	-	-	-	102,165
Accounts	-	-	-	-	-	-
Net receivables	<u>\$ 756,427</u>	<u>\$ 137,504</u>	<u>\$ 584,006</u>	<u>\$ 1,084,282</u>	<u>\$ 1,045,288</u>	<u>\$ 3,607,507</u>

NOTE 5. DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows of resources in connection with revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred inflows of resources reported in the governmental funds were as follows:

	General Fund	Nonmajor Governmental Funds	Total
Deferred inflows related to property taxes	\$ 499,164	\$ 83,667	\$ 582,831
Total deferred inflows of resources	<u>\$ 499,164</u>	<u>\$ 83,667</u>	<u>\$ 582,831</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6. CAPITAL ASSETS

A summary of capital asset activity for the current fiscal year follows:

Governmental Activities	Beginning Balance	Additions	Deletions	Transfers/ Reclassifi- cation	Ending Balance
Capital assets, not being depreciated					
Land	\$ 3,821,441	\$ -	\$ -	\$ -	\$ 3,821,441
Construction in progress	1,198,086	727,910	-	(614,699)	1,311,297
Infrastructure (paved and unpaved)	48,136,138	-	-	-	48,136,138
Fine art	642,181	-	-	-	642,181
Total capital assets, not being depreciated	<u>53,797,846</u>	<u>727,910</u>	<u>-</u>	<u>(614,699)</u>	<u>53,911,057</u>
Capital assets, being depreciated					
Land improvements	871,901	475,832	-	614,699	1,962,432
Buildings and improvements	64,604,759	268,867	(166,417)	-	64,707,209
Vehicles, furniture, and equipment	34,767,867	1,087,968	(433,457)	-	35,422,378
Bridges	14,496,542	-	-	-	14,496,542
Total capital assets being depreciated	<u>114,741,069</u>	<u>1,832,667</u>	<u>(599,874)</u>	<u>614,699</u>	<u>116,588,561</u>
Accumulated depreciation for					
Land improvements	(357,963)	(36,744)	-	-	(394,707)
Buildings and improvements	(24,327,122)	(1,771,469)	81,172	-	(26,017,419)
Vehicles, furniture, and equipment	(22,036,665)	(1,701,597)	433,092	-	(23,305,170)
Bridges	(9,440,634)	(277,772)	-	-	(9,718,406)
Total accumulated depreciation	<u>(56,162,384)</u>	<u>(3,787,582)</u>	<u>514,264</u>	<u>-</u>	<u>(59,435,702)</u>
Total capital assets, being depreciated, net	<u>58,578,685</u>	<u>(1,954,915)</u>	<u>(85,610)</u>	<u>614,699</u>	<u>57,152,859</u>
Governmental activities capital assets, net	<u>\$ 112,376,531</u>	<u>\$ (1,227,005)</u>	<u>\$ (85,610)</u>	<u>\$ -</u>	<u>\$ 111,063,916</u>

Governmental capital asset depreciation by function is as follows:

General government	\$ 530,685
Public safety	1,123,847
Public works	<u>2,133,050</u>
Total	<u>\$ 3,787,582</u>

Construction Commitments. The County had construction projects ongoing as of the fiscal year ended June 30, 2020 that are to continue into the following fiscal year. The projects include building construction for the flood department. At June 30, 2020, the County has commitments for construction of \$1,135,695. At year end, the County had no significant contractual commitments related to capital projects.

NOTE 7. BONDS PAYABLE

The County paid off their 2007 Refunding Bonds during the fiscal year ended June 30, 2020. The County paid the remaining principal balance of \$600,000 as well as \$12,300 in interest.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8. LOANS PAYABLE

NMFA Loans. The County entered into several debt finance agreements with New Mexico Finance Authority (NMFA) to purchase various equipment and fund construction projects. The associated equipment is used as collateral for each respective loan. The principal and interest payments are recorded in the Detention Construction Fund, a major governmental fund, and the Fire Protection Funds (all nonmajor governmental funds). The NMFA loans are as follows:

Description	Date of Issue	Maturity	Interest Rates	Original Amount of Issue	Balance June 30, 2020
District #8 Fire Equipment	March 2003	May 2023	3.00%	\$ 125,000	\$ 23,851
East Grand Plains Fire Equipment	April 2004	May 2024	3.66%-4.27%	269,708	70,942
Midway Fire Equipment	April 2009	May 2030	3.00%	162,400	93,115
East Grand Plains Fire Equipment	May 2011	May 2022	2.49%-3.86%	126,875	52,195
County Detention Center Loan	June 2013	June 2023	4.10%-5.10%	4,725,000	1,635,000
Sierra Substation	July 2013	May 2033	1.00%-3.395%	619,613	437,672
Sierra Fire Truck	July 2014	May 2025	0.76%-2.93%	267,003	141,233
Total				<u>\$ 6,295,599</u>	<u>\$ 2,454,008</u>

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 633,328	\$ 100,997	\$ 734,325
2022	661,762	77,012	738,774
2023	662,698	46,286	708,984
2024	87,042	15,135	102,177
2025	70,054	12,475	82,529
2026-2030	222,141	38,510	260,651
2031-2035	116,983	7,090	124,073
Thereafter	-	-	-
Total	<u>\$ 2,454,008</u>	<u>\$ 297,505</u>	<u>\$ 2,751,513</u>

NOTE 9. OBLIGATIONS UNDER OPERATING LEASES

The County leases heavy equipment for road maintenance, including road graders, front loaders, and water trucks. The County also leases copy machines for various departments. The County's monthly rental payments for operating leases totaled \$503,571 for the current fiscal year.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9. OBLIGATIONS UNDER OPERATING LEASES (CONTINUED)

The future minimum rental payments required under the operating leases at year end were as follows:

<u>Year ending June 30,</u>	
2021	\$ 570,606
2022	525,196
2023	476,380
2024	359,349
2025	191,160
Thereafter	-
Total minimum payments required	<u>\$ 2,122,691</u>

NOTE 10. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the current fiscal year was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Refunding revenue bonds	\$ 600,000	\$ -	\$ 600,000	\$ -	\$ -
Total bonds payable	<u>600,000</u>	<u>-</u>	<u>600,000</u>	<u>-</u>	<u>-</u>
Loans payable	3,064,235	-	610,227	2,454,008	633,328
Loan premium payable	<u>313,235</u>	<u>-</u>	<u>78,308</u>	<u>234,927</u>	<u>-</u>
Total loans payable	<u>3,377,470</u>	<u>-</u>	<u>688,535</u>	<u>2,688,935</u>	<u>633,328</u>
Net pension liability	24,041,826	1,579,925	-	25,621,751	-
Net OPEB liability	10,233,853	-	2,735,829	7,498,024	-
Compensated absences	<u>759,676</u>	<u>623,066</u>	<u>579,759</u>	<u>802,983</u>	<u>585,937</u>
Total	<u>\$ 39,012,825</u>	<u>\$ 2,202,991</u>	<u>\$ 4,604,123</u>	<u>\$ 36,611,693</u>	<u>\$ 1,219,265</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 11. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Transfers – Interfund transfers were utilized by the County during the fiscal year, as approved in the annual budget, to transfer resources for expenditure purposes. Transfers made were as follows:

Transfers out	Transfers In					Total
	Major Funds					
	General Fund	County Road Fund	Indigent Hospital Claims	Detention Construction Fund	Nonmajor Governmental Fund	
General Fund	\$ -	\$ -	\$ -	\$ 355,000	\$ 150,000	\$ 505,000
Detention Construction Fund	-	2,700,000	-	-	350,000	3,050,000
Nonmajor Governmental Funds	-	-	-	145,000	1,420,702	1,565,702
Total	<u>\$ -</u>	<u>\$ 2,700,000</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ 1,920,702</u>	<u>\$ 5,120,702</u>

Transfers between funds were used to (1) move gross receipts taxes collected in the Revenue Bond #2 Fund to the 2007 Refunding Bond Fund (both nonmajor governmental funds) for the payment of bond principal and interest, (2) to move the excess resources (as permitted by bond covenants and statute) from the Revenue Bond #2 to the Capital Outlay Fund to facilitate various capital projects, (3) to move resources from the General Fund to the Road Fund and other funds to facilitate various capital projects, (4) to move resources from the Detention Construction Fund to the General Fund to restore fund balances used in the financing of construction project, (5) to move resources from the Detention Construction Fund to Indigent Health Care to cover inmates health expenses. Transfers were done in FY 2019-2020 that were affected by this fiscal year’s end of the year processes.

NOTE 12. CONTINGENT LIABILITIES

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

Lawsuits – The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County’s counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

NOTE 13. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. The County belongs to the New Mexico County Insurance Authority (NMCIA), a public entity risk pool currently operating as a common risk management and insurance program for its member counties. The County pays an annual premium to NMCIA for all its general, property, liability, and workers’ compensation insurance coverage.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 13. RISK MANAGEMENT (CONTINUED)

The agreement for formation of the NMCIA provides that NMCIA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of amounts that range from \$150,000 for property to \$300,000 for other liability claims.

The County carries commercial insurance for all other risks of loss including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The County has established a self-insured dental program for employees, employees' spouses, and their dependents. Payments are made to BenefitSource for 100% of preventative services, 80% of basic services, and 50% of major services and have a maximum of \$1,000 per enrolled person on a contract year basis. During the year, the County General Fund paid claims in the amount of \$94,751. All claims handling procedures are performed by a third-party claims administrator. Unpaid claims have not been accrued as they are not significant to the financial statements.

NOTE 14. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description. Public Employees Retirement Fund is a cost-sharing, multiple employer-defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officers, Municipal General, Municipal Police/Detention Officers, Municipal Fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division.

Eligibility for membership in the Public Employees Retirement Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), each employee and elected official of every affiliated public employer is required to be a member in the Public Employees Retirement Fund, unless specifically excluded.

Benefits Provided. Benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Certain police and fire members may retire at any age with 20 or more years of service for Tier I members. Generally, the amount of retirement pension is based on final average salary, which is defined under Tier I as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service. The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivors' annuities are also available. The County participates in two PERA plans: Municipal General Plan 4 and Municipal Police Plan 5.

**STATE OF NEW MEXICO
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NOTES TO FINANCIAL STATEMENTS
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NOTE 14. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

TIER II. The retirement age and service credit requirements for normal retirement for PERA state and municipal general members hired increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (Tier II), general members are eligible to retire at any age if the member has at least eight years of service credit and the sum of the member's age and service credit equals at least 85 or at age 67 with 8 or more years of service credit. General members hired on or before June 30, 2013 (Tier I) remain eligible to retire at any age with 25 or more years of service credit. Under Tier II, police and firefighters in Plans 3, 4 and 5 are eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in 25-year retirement plans, however, service credit will no longer be enhanced by 20%. All public safety members in Tier II may retire at age 60 with 6 or more years of service credit. Generally, under Tier II pension factors were reduced by .5%, employee Contribution increased 1.5% and effective July 1, 2014 employer contributions were raised .05%. The computation of final average salary increased as the average of salary for 60 consecutive months.

Contributions. The contribution requirements of PERA Fund members are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. The combined employee and employer contribution rates (listed in the table above) are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. The County's contributions to the Municipal General Plan 4 and Municipal Police Plan 5 pension plans for the year ended June 30, 2020 were \$1,312,030 and \$432,471, respectively.

**STATE OF NEW MEXICO
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NOTE 14. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Contributions. See PERA’s comprehensive annual financial report for Contribution provided description.

PERA Contribution Rates and Pension Factors in effect during FY20						
Coverage Plan	Employee Contribution		Employer Contribution Percentage	Pension Factor per year		Pension Maximum as a Percentage of the Final Average
	Annual Salary less than \$20,000	Annual Salary greater than \$20,000		TIER 1	TIER 2	
STATE PLAN						
State Plan 3	7.42%	8.92%	16.99%	3.0%	2.5%	90%
MUNICIPAL PLANS 1 - 4						
Municipal Plan 1 (plan open to new employers)	7.0%	8.5%	7.4%	2.0%	2.0%	90%
Municipal Plan 2 (plan open to new employers)	9.15%	10.65%	9.55%	2.5%	2.0%	90%
Municipal Plan 3 (plan closed to new employers 6/95)	13.15%	14.65%	9.55%	3.0%	2.5%	90%
Municipal Plan 4 (plan closed to new employers 6/00)	15.65%	17.15%	12.05%	3.0%	2.5%	90%
MUNICIPAL POLICE PLANS 1 - 5						
Municipal Police Plan 1	7.0%	8.5%	10.40%	2.0%	2.0%	90%
Municipal Police Plan 2	7.0%	8.5%	15.40%	2.5%	2.0%	90%
Municipal Police Plan 3	7.0%	8.5%	18.90%	2.5%	2.0%	90%
Municipal Police Plan 4	12.35%	13.85%	18.90%	3.0%	2.5%	90%
Municipal Police Plan 5	16.3%	17.8%	18.90%	3.5%	3.0%	90%
MUNICIPAL FIRE PLANS 1 - 5						
Municipal Fire Plan 1	8.0%	9.5%	11.40%	2.0%	2.0%	90%
Municipal Fire Plan 2	8.0%	9.5%	17.9%	2.5%	2.0%	90%
Municipal Fire Plan 3	8.0%	9.5%	21.65%	2.5%	2.0%	90%
Municipal Fire Plan 4	12.8%	14.3%	21.65%	3.0%	2.5%	90%
Municipal Fire Plan 5	16.2%	17.7%	21.65%	3.5%	3.0%	90%
MUNICIPAL DETENTION OFFICER PLAN 1						
Municipal Detention Officer Plan 1	16.65%	18.15%	17.05%	3.0%	3.0%	90%
STATE POLICE AND ADULT CORRECTIONAL OFFICER PLANS, ETC.						
State Police and Adult Correctional Officer Plan 1	7.6%	9.1%	25.50%	3.0%	3.0%	90%
State Plan 3 - Peace Officer	7.42%	8.92%	16.99%	3.0%	3.0%	90%
Juvenile Correctional Officer Plan 2	4.78%	6.28%	26.12%	3.0%	3.0%	90%

**STATE OF NEW MEXICO
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NOTES TO FINANCIAL STATEMENTS
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NOTE 14. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the county’s reported a liability of \$19,457,588 from Municipal General Plan 4 and \$6,164,193 from Municipal Police Plan 5 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2019 using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2019. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2019. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2019, the County’s proportion was 1.1240% from Municipal General Plan 4 and 0.83450% from Municipal Police Plan 5, which was a decrease of 0.0262% from Municipal General Plan 4 and 0.0014% from Municipal Police Plan 5, from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the County recognized pension expense of \$3,828,829 from Municipal General Plan 4 and \$1,031,569 from Municipal Police Plan 5. At June 30, 2020, County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Municipal General Plan 4		Municipal Police Plan 5	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 583,374	\$ 210,488	\$ 257,522	\$ 262,585
Changes of assumptions	867,602	47,923	349,649	15,683
Net difference between projected and actual earnings on pension plan investments	655,667	-	192,489	-
Changes in proportion and differences between between contributions and proportionate share of contributions	158,003	327,598	2,875	198,849
Contributions subsequent to the measurement date	1,312,030	-	432,471	-
Total	\$ 3,576,676	\$ 586,009	\$ 1,235,006	\$ 477,117

\$1,312,030 from Municipal General Plan 4 and \$432,471 from Municipal Police Plan 5 reported as deferred outflows of resources related to pensions resulting from County’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 14. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

<u>Year Ending June 30,</u>	<u>Municipal General Plan 4</u>	<u>Municipal Police Plan 5</u>	<u>Total</u>
2021	\$ 932,196	\$ 86,711	\$ 1,018,907
2022	412,571	114,759	527,330
2023	225,996	92,359	318,355
2024	107,874	31,589	139,463
2025	-	-	-
Total	<u>\$ 1,678,637</u>	<u>\$ 325,418</u>	<u>\$ 2,004,055</u>

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Period	Level Percentage of Pay
Asset Valuation Method	Solved for based on statutory rates
Actuarial assumptions:	
Investment rate of return	7.25% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll growth	3.00%
Projected salary increases	3.25% to 13.50% annual rate
Includes inflation at	2.50%
	2.75 % all other years
Mortality Assumption	The mortality assumptions are based on the RPH-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generationally. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups.
Experience study dates	July 1, 2008 to June 30, 2017 (demographic) and July 1, 2013 through June 30, 2017 (economic).

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2018. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2019. These assumptions were adopted by the Board use in the June 30, 2018 actuarial valuation.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 14. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equity	42.33%	7.48%
Risk reduction and mitigation	21.37%	2.37%
Credit oriented fixed income	15.00%	5.47%
Real assets to include real estate equ	20.00%	6.48%
Multi-risk allocation	1.30%	
Total	<u>100.0%</u>	

Discount rate. A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2019. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

Sensitivity of the County’s proportionate share of the net pension liability to changes in the discount rate. The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

<u>Proportionate Share of Net Pension Liability:</u>	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Municipal General Plan 4	\$ 29,428,383	\$ 19,457,558	\$ 11,208,036
Municipal Police Plan 5	<u>9,328,381</u>	<u>6,164,193</u>	<u>3,582,811</u>
Total	<u>\$ 38,756,764</u>	<u>\$ 25,621,751</u>	<u>\$ 14,790,847</u>

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in separately issued PERA’S financial reports.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 15. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTHCARE PLAN

Plan description. Employees of the County are provided with OPEB through the Retiree Health Care Fund (the Fund)—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents, and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA’s financial information is included with the financial presentation of the State of New Mexico.

Benefits provided. The Fund is a multiple-employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses, and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

Employees covered by benefit terms. At June 30, 2019, the Fund’s measurement date, the following State of New Mexico employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	52,179
Inactive and eligible for deferred benefit	10,916
Current active members	<u>91,082</u>
	<u>154,177</u>
Active membership	
State general	17,097
State police and corrections	1,830
Municipal general	17,538
Municipal police	3,159
Municipal FTRE	1,966
Educational Retirement Board	<u>49,492</u>
	<u>91,082</u>

Contributions. Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee’s salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer’s participation in the Fund. Contributions to the Fund from the County were \$216,952 for the year ended June 30, 2020.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 15. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTHCARE PLAN (CONTINUED)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2020, the County reported a liability of \$7,498,024 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2019. At June 30, 2019, the County’s proportion was 0.23125%.

For the year ended June 30, 2020, the County recognized OPEB income of \$649,077. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,886,884
Net Difference between actual and projected earnings on OPEB plan investments	-	69,713
Changes of assumptions	-	2,420,000
Change in Proportion	-	316,263
Contributions made after the measurement date	<u>216,956</u>	<u>-</u>
Total	<u><u>\$ 216,956</u></u>	<u><u>\$ 4,692,860</u></u>

Deferred outflows of resources totaling \$216,956 represent County contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2020	\$(1,260,355)
2021	(1,260,355)
2022	(1,110,009)
2023	(698,264)
2024	<u>(363,877)</u>
Total	<u><u>\$(4,692,860)</u></u>

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 15. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTHCARE PLAN (CONTINUED)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50% for ERB members; 2.50% for PERA members
Projected payroll increases	3.25% to 13.50%, based on years of service, including inflation
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs
Mortality	ERB members: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females) PERA members: RP-2014 Combined Healthy Mortality

Rate of Return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

The best estimates for the long-term expected rate of return is summarized as follows:

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 15. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTHCARE PLAN (CONTINUED)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Rate of Return</u>
U.S. core fixed income	20%	2.1%
U.S. equity - large cap	20%	7.1%
Non U.S. - emerging markets	15%	10.2%
Non U.S. - developed equities	12%	7.8%
Private equity	10%	11.8%
Credit and structured finance	10%	5.3%
Real estate	5%	4.9%
Absolute return	5%	4.1%
U.S. equity - small/mid cap	3%	7.1%

Discount Rate. The discount rate used to measure the Fund’s total OPEB liability is 4.16% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2029. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2029. Beyond 2029, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Thus, 4.16% is the blended discount rate.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the County, as well as what the County’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.16%) or 1-percentage-point higher (5.16%) than the **current discount rate**:

<u>1% Decrease (3.16%)</u>	<u>Current Discount (4.16%)</u>	<u>1% Increase (5.16%)</u>
\$ 9,171,890	\$ 7,498,024	\$ 6,182,207

The following presents the net OPEB liability of the County, as well as what the County’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the **current healthcare cost trend rates**:

<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
\$ 6,242,588	\$ 7,498,024	\$ 8,503,178

OPEB plan fiduciary net position. Detailed information about the OPEB plan’s fiduciary net position is available in NMRHCA’s audited financial statements for the year ended June 30, 2020.

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
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NOTE 16. SUBSEQUENT ACCOUNTING STANDARD PRONOUNCEMENTS

In January 2017, GASB Statement No. 84, *Fiduciary Activities* was issued. On May 6, 2020, the GASB postponed the required implementation. Revised Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect future financial statements.

In June 2017, GASB Statement No. 87, *Leases* was issued. On May 6, 2020, the GASB postponed the required implementation. Revised Effective Date: For reporting periods beginning after December 15, 2020. The County is still evaluating how this pronouncement will affect future financial statements.

In June 2018, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* was issued. On May 6, 2020, the GASB postponed the required implementation. Revised Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect future financial statements.

In August 2018, GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61* was issued. On May 6, 2020, the GASB postponed the required implementation. Revised Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect future financial statements.

In May 2019, GASB Statement No. 91, *Conduit Debt Obligations* was issued. On May 6, 2020, the GASB postponed the required implementation. Revised Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect future financial statements.

NOTE 17. TAX ABATEMENTS

Abatements of Other Governments. The County is subject to tax abatements granted by the Board of Commissioners and the City of Roswell through the Industrial Revenue Bond Act. This program has the stated purposes of promoting industry and trade other than retail trade in the county and municipalities.

Industrial Revenue Bonds. Under the Industrial Revenue Bond Act [3-32 NMSA 1978], the Board of Commissioners or the City Council can vote to induce an industrial revenue bond in order to induce a manufacturing, industrial, or commercial enterprise to locate or expand in that region, by financing a specified project. The County or the City may include in the agreement a stipulation of an amount or a percentage reduction of property taxes, which can be as much as 100%. This reduction or exemption is applicable for the life of the bond issue, not to exceed 30 years from the date the bonds were issued and is a significant benefit for borrowers that would not otherwise qualify for a property tax exemption under other constitutional or statutory provisions. Information relevant to disclosure of those programs for the fiscal year ended June 30, 2020 are presented on the following pages:

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 17. TAX ABATEMENTS (CONTINUED)

Agency Number	5003	5003
Agency Name	Chaves County	Chaves County
Agency Type	County Government	County Government
Tax Abatement Agreement Name	Roswell Solar Series 2015A	Anderson Wind Farm Series 2012
Recipient(s) of tax abatement	Roswell Solar LLC	Anderson Wind Farm
Parent company(ies) of recipient(s) of tax abatement	Roswell Solar LLC	Anderson Wind Farm
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds	Taxable Industrial Revenue Bonds
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	County Industrial Revenue Bond Act, Sections 4-59-1 to 4-59-16, NMSA 1978	County Industrial Revenue Bond Act, Sections 4-59-1 to 4-59-16, NMSA 1978
Criteria that make a recipient eligible to receive a tax abatement	Providing electrical energy and PILOT direct funds.	Providing electrical energy and PILOT direct funds.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Taxes are abated to a total reduction of Ad-Valorem Tax.	Taxes are abated to a total reduction of Ad-Valorem Tax.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	Net personal and real capital asset costs less depreciation times tax rates	Net personal and real capital asset costs less depreciation times tax rates
Are there provisions for recapturing abated taxes? (Yes or No)	No	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	NA	NA
List each specific commitment made by the recipient of the abatement.	Construction of Solar Panels North East of Roswell. Will provide 70 Mega watts of Power to the Utility electrical Grid.	Construction of wind generators providing electrical power to the local grid.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	The total amount of revenue lost in Property tax is \$634,952	The total amount of revenue lost in Property tax is \$68,070
For any Payments in Lieu of Taxes (PILOTS) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	NMSA §4-59 County Industrial Revenue Bond Act. To be received annually by December 13 through 2046.	NMSA §4-59 County Industrial Revenue Bond Act. To be received annually by February 1st through 2041.
For any Payments in Lieu of Taxes (PILOTS) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$396,000	\$15,000
For any Payments in Lieu of Taxes (PILOTS) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes, ENMU, State of New Mexico, Roswell Independent Schl. District	Yes, ENMU, State of New Mexico, Lake Arthur Municipal Schools
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	None Omitted	None Omitted

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 17. TAX ABATEMENTS (CONTINUED)

Agency Number	5003	5003
Agency Name	Chaves County	Chaves County
Agency Type	County Government	County Government
Tax Abatement Agreement Name	AC Nutrition Series 2000	San Juan Mesa Wind Series 2005
Recipient(s) of tax abatement	AC Nutrition	San Juan Mesa Wind Farm
Parent company(ies) of recipient(s) of tax abatement	Standard Nutrition	NRG Energy Inc,
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds	Taxable Industrial Revenue Bonds
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	County Industrial Revenue Bond Act, Sections 4-59-1 to 4-59-16, NMSA 1978	County Industrial Revenue Bond Act, Sections 4-59-1 to 4-59-16, NMSA 1978
Criteria that make a recipient eligible to receive a tax abatement	Providing agricultural nutrition	Providing electrical energy and PILOT direct funds.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Taxes are abated to a total reduction of Ad-Valorem Tax.	Taxes are abated to a total reduction of Ad-Valorem Tax.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	Net personal and real capital asset costs less depreciation times tax rates	Net personal and real capital asset costs less depreciation times tax rates
Are there provisions for recapturing abated taxes? (Yes or No)	No	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	NA	NA
List each specific commitment made by the recipient of the abatement.	Construction of a more efficient animal nutrition facility servicing the agricultural area.	The construction of a wind farm and supporting towers rotors, nacelles equipment for generating and transporting electricity.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	The total amount of revenue lost in Property tax is \$2,395	The total amount of revenue lost in Property tax is \$11,818
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	N/A	NMSA §4-59 County Industrial Revenue Bond Act. To be received annually by December 1st through 2025.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$0	\$25,000
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes, ENMU, State of New Mexico, Roswell Independent Schl. District, Soil & Water Conservation	Yes, State of New Mexico, Elida Public Schools
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	None Omitted	None Omitted

**STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 18. CHANGE IN FUND PRESENTATION FROM PRIOR YEAR

During fiscal year 2020, certain funds were reclassified along with the fund's respective beginning balances in order to be in alignment with the County's current fund structure and legally adopted budgets as follows:

Fund Name	Beginning Balance as Originally Reported	Reclassified	Beginning Balance as Reclassified
Dunken Fire District	\$ 391,249	\$ (391,249)	\$ -
East Grand Plain Fire District	270,310	(270,310)	-
Peñasco Fire District	632,597	(632,597)	-
Midway Fire District	343,234	(343,234)	-
Berrendo Fire District	545,337	(545,337)	-
Sierra Fire District	373,270	(373,270)	-
Rio Felix Fire District	174,386	(174,386)	-
Chaves County Fire District #8	110,814	(110,814)	-
	<u>\$ 2,841,197</u>	<u>\$ (2,841,197)</u>	<u>\$ -</u>
Fire Protection	<u>\$ -</u>	<u>\$ 2,841,197</u>	<u>\$ 2,841,197</u>
Public Safety Grant	\$ 4,398	\$ (4,398)	\$ -
Sheriff Forfeiture Grant	21,783	(21,783)	-
	<u>\$ 26,181</u>	<u>\$ (26,181)</u>	<u>\$ -</u>
Other Special Revenue	<u>\$ -</u>	<u>\$ 26,181</u>	<u>\$ 26,181</u>
2007 Refunding Bonds	\$ 21,598	\$ (21,598)	\$ -
Revenue Bond #2	2,665,011	(2,665,011)	-
	<u>\$ 2,686,609</u>	<u>\$ (2,686,609)</u>	<u>\$ -</u>
GRT Revenue Bond Debt Service	<u>\$ -</u>	<u>\$ 2,686,609</u>	<u>\$ 2,686,609</u>
Roads	\$ 1,557,521	\$ (1,557,521)	\$ -
Road Special Construction	535,730	(535,730)	-
	<u>\$ 2,093,251</u>	<u>\$ (2,093,251)</u>	<u>\$ -</u>
County Roads	<u>\$ -</u>	<u>\$ 2,093,251</u>	<u>\$ 2,093,251</u>
Emergency Capital Outlay	\$ 321,739	\$ (321,739)	\$ -
CDBG	-	-	-
	<u>\$ 321,739</u>	<u>\$ (321,739)</u>	<u>\$ -</u>
Other Capital Projects	<u>\$ -</u>	<u>\$ 321,739</u>	<u>\$ 321,739</u>

**REQUIRED SUPPLEMENTARY
INFORMATION (UNAUDITED)**

**STATE OF NEW MEXICO
CHAVES COUNTY
INFRASTRUCTURE ASSETS REPORTED USING
THE MODIFIED APPROACH
JUNE 30, 2020**

Modified Approach for County Streets Infrastructure Capital Assets

The County has elected to use the “Modified Approach” as defined by GASB Statement No. 34 for infrastructure reporting for its Streets Pavement System. The County excludes unkept and unpaved roads from this approach. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- The County manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) ability to perform condition assessments and summarize the results using a measurement scale; and (3) ability to estimate annual amount to maintain and preserve at the established condition assessment level.
- The County documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level.

Chaves County maintains 499.13 miles of chip sealed/paved roadways and 900.443 miles of unpaved roadways. The goal of the Chaves County Road Department is to develop and provide a cost-effective pavement maintenance and rehabilitation program that preserves the County’s investment in its road network and enhances public transportation and safety. The chip sealed roadway surface on the County’s paved roads is expected to have a life of approximately 10 years. In order to prevent the chip seal road surface from failing completely, and requiring complete reconstruction, the County attempts to resurface these roads every 7 years. This goal requires the County to resurface approximately 71.3 miles of paved roads each year.

Due to the increasing road maintenance material costs, increasing fuel and labor costs and relatively flat road revenues, Chaves County, in recent years, has not been able to meet these goals. Chaves County was able to complete 44.50 miles in the current fiscal year. Next year’s goal will be to pave 75.00 miles, costing \$1,125,000 (with the LGRF Funding portion covering \$454,602), leaving Chaves County with a remaining balance of \$670,398.

The County is continuously taking actions to increase the life of its paved roads with short-term maintenance such as pothole patching, culvert and cattle guard repairs and replacement. This includes drainage and grading of the unpaved roads including ditches and turnouts. In addition, in fiscal year 2012/2013, the County implemented the NMDOT pavement evaluation process to better monitor and maintain the pavement life.

Chaves County utilizes a Pavement Management System. The County’s Pavement Management System’s purpose is to develop a cost-effective rehabilitation program that preserves the County’s road investment and enhances public transportation and safety. Each road segment is evaluated using 5 different road distress factors: Fatigue (Distress, Raveling & Weathering), Cracking (Longitudinal and Transverse), Edge Cracking and Patching. All of these factors are rated and combined to obtain a Pavement RSL (Remaining Service Life) Factor. This factor is then assigned to each segment of road and expressed in a continuous scale from 0 to 20, which 0 is assigned the least acceptable road condition and 20 is assigned the best.

**STATE OF NEW MEXICO
CHAVES COUNTY
INFRASTRUCTURE ASSETS REPORTED USING
THE MODIFIED APPROACH
JUNE 30, 2020**

The following conditions were defined:

<u>Condition</u>	<u>RSL Range</u>
Excellent - Very Good	20 - 10
Good - Above Average	10 - 8
Average	8 - 6
Below Average - Poor	6 - 4
Very poor - Needs immediate work	4 - 0

The most recent assessment of all eligible roads was completed in November 2019 by the Chaves County Road Department. The goal of Chaves County is to maintain and preserve the eligible infrastructure roads at an average RSL Range of 6 to 10, or average to above average to good. The following table summarizes the results of these assessments:

<u>Condition</u>	<u>RSL Range</u>	<u>2019-2020 % of Road</u>	<u>2015-16 % of Road</u>
Excellent - Very Good	20 - 10	0.00%	3.92%
Good - Above Average	10 - 8	42.55%	73.89%
Average	8 - 6	15.36%	16.28%
Below Average - Poor	6 - 4	19.10%	4.42%
Very poor - Needs immediate work	4 - 0	22.39%	1.49%
Average RSL Rating		8.47%	9.78%

The County performs the complete condition assessment on a three-year cycle. Accordingly, the County's third condition assessment will be performed during fiscal year ended June 30, 2021.

The County is continuously taking action to stop road deterioration through short-term maintenance activities such as pothole and blade patching. In order to prevent the chip seal road surface from failing completely and requiring complete reconstruction, the County attempts to resurface roads every 7 years. This goal requires resurfacing approximately 69 miles of paved roads each year. Due to the increasing road maintenance costs, increasing fuel and labor costs and relatively flat road revenues, Chaves County in recent years has not been able to meet these goals. The remaining miles that are not resurfaced are forwarded into next year's schedule and reevaluated to determine the roads that need treatment the most.

In fiscal year 2020, there were no changes to the Chaves County Road Infrastructure. To date 95.16 miles have been chip sealed utilizing the Local Government Road Fund Program funding. The County has reached its resurfacing goal of 60 miles with only 95.16 resurfaced to date through June 30, 2020.

**STATE OF NEW MEXICO
CHAVES COUNTY
INFRASTRUCTURE ASSETS REPORTED USING
THE MODIFIED APPROACH
JUNE 30, 2020**

A schedule of estimated annual amounts calculated to maintain and preserve our roads at the current level compared to actual expenditures for road maintenance for the last seven years is presented below:

Fiscal Year	Estimated Miles	Actual Miles	Estimated Expenditures	Actual Expenditures
2013/2014	45.00	64.34	\$ 1,330,653	\$ 1,004,275
2014/2015	64.00	40.29	1,084,833	934,629
2015/2016	88.00	80.52	1,547,070	1,727,689
2016/2017	101.50	35.19	1,427,312	679,225
2017/2018	65.48	4.49	1,235,501	85,000
2018/2019	75.00	61.09	1,432,986	1,037,865
2019/2020	60.00	95.16	1,080,960	1,632,634
2020/2021	108.00	N/A	1,620,924	N/A

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PENSION PLAN
LAST 10 FISCAL YEARS* (UNAUDITED)**

Fiscal Year Measurement Date	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
Municipal General Plan						
County's proportion of the net pension liability	1.1240%	1.1502%	1.1260%	1.1520%	1.1300%	1.0899%
County's proportionate share of the net pension liability	\$ 19,457,558	\$ 18,338,445	\$ 15,472,192	\$ 18,405,083	\$ 11,347,999	\$ 8,502,390
County's covered payroll	\$ 8,600,131	\$ 7,831,635	\$ 8,135,052	\$ 7,830,984	\$ 7,319,075	\$ 6,948,721
County's proportionate share of the net pension liability as a percentage of its covered payroll	226.25%	234.16%	190.19%	235.03%	155.05%	122.36%
Municipal Police Plan						
County's proportion of the net pension liability	0.83450%	0.83590%	0.90380%	0.90530%	0.87740%	0.77530%
County's proportionate share of the net pension liability	\$ 6,164,193	\$ 5,703,381	\$ 5,021,202	\$ 6,679,573	\$ 4,219,031	\$ 2,527,394
County's covered payroll	\$ 1,958,365	\$ 1,792,067	\$ 1,932,311	\$ 1,805,938	\$ 1,720,334	\$ 1,493,108
County's proportionate share of the net pension liability as a percentage of its covered payroll	314.76%	318.26%	259.85%	369.87%	245.24%	169.27%
County Total						
County's proportionate share of the net pension liability	\$ 25,621,751	\$ 24,041,826	\$ 20,493,394	\$ 25,084,656	\$ 15,567,030	\$ 11,029,784
County's covered payroll	\$ 10,558,496	\$ 9,623,702	\$ 10,067,363	\$ 9,636,922	\$ 9,039,409	\$ 8,441,829
County's proportionate share of the net pension liability as a percentage of its covered payroll	242.66%	249.82%	203.56%	260.30%	172.21%	130.66%
Plan fiduciary net position as a percentage of total pension liability	70.52%	71.13%	69.18%	61.58%	76.99%	81.29%

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the County is not available prior to fiscal year 2015, the year the statement's requirements became effective.

*See Notes to Required
Supplementary Information.*

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF THE COUNTY'S PENSION CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PENSION PLAN
LAST 10 FISCAL YEARS* (UNAUDITED)**

	June 30,					
	2020	2019	2018	2017	2016	2015
Municipal General Plan						
Statutory required	\$ 1,312,030	\$ 1,221,007	\$ 1,195,678	\$ 980,274	\$ 943,634	\$ 881,948
Contributions in relation to Statutorily required	<u>\$ 1,312,030</u>	<u>\$ 1,221,007</u>	<u>\$ 1,195,678</u>	<u>\$ 980,274</u>	<u>\$ 943,634</u>	<u>\$ 881,948</u>
Annual Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Municipal Police Plan						
Statutory required	\$ 432,471	\$ 402,468	\$ 394,341	\$ 365,207	\$ 341,220	\$ 325,143
Contributions in relation to Statutorily required	<u>\$ 432,471</u>	<u>\$ 402,468</u>	<u>\$ 394,341</u>	<u>\$ 365,207</u>	<u>\$ 341,220</u>	<u>\$ 325,143</u>
Annual Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County Total						
Statutory required	\$ 1,744,501	\$ 1,623,475	\$ 1,590,019	\$ 1,345,481	\$ 1,284,854	\$ 1,207,091
Contributions in relation to Statutorily required	<u>\$ 1,744,501</u>	<u>\$ 1,623,475</u>	<u>\$ 1,590,019</u>	<u>\$ 1,345,481</u>	<u>\$ 1,284,854</u>	<u>\$ 1,207,091</u>
Annual Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the County is not available prior to fiscal year 2015, the year the statement's requirements became effective.

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
NEW MEXICO RETIREEE HEALTH CARE AUTHORITY (RHCA) PLAN
LAST 10 FISCAL YEARS* (UNAUDITED)**

	Fiscal Year Measurement Date	2020 2019	2019 2018	2018 2017
Proportion of the net OPEB liability		0.02313%	0.23535%	0.23899%
Proportionate share of the net OPEB liability		\$ 7,498,024	\$ 10,233,853	\$ 10,830,245
Covered payroll		\$ 10,097,967	\$ 9,955,481	\$ 10,165,372
Proportionate share of the net OPEB liability as a percentage of covered payroll		77.70%	102.80%	106.54%
Plan fiduciary net position as a percentage of the total OPEB liability		18.92%	13.14%	11.34%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for available years.

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF THE COUNTY'S OPEB CONTRIBUTIONS
NEW MEXICO RETIREEE HEALTH CARE AUTHORITY (RHCA) PLAN
LAST 10 FISCAL YEARS* (UNAUDITED)**

	June 30,		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 204,694	\$ 367,774	\$ 758,905
Contributions in relation to the contractually required contribution	<u>\$ 204,694</u>	<u>\$ 363,283</u>	<u>\$ 380,886</u>
Contribution deficiency	<u>\$ -</u>	<u>\$ 4,491</u>	<u>\$ 378,019</u>
Covered payroll	\$ 9,649,897	\$ 10,097,967	\$ 9,955,481
Contributions as a percentage of covered payroll	2.12%	3.60%	3.83%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available. The first year available is fiscal year 2018.

STATE OF NEW MEXICO
CHAVES COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
JUNE 30, 2020

NOTE 1. PENSION PLAN SCHEDULES

PERA PLAN

Changes of benefit terms. The PERA and COLA retirement eligibility benefits changes in recent years are described in Note 1 of PERA's CAFR. <https://www.saonm.org>

Changes of benefit assumptions. The Public Employment Retirement Association of New Mexico Annual Actuarial Valuations as of the June 2019 report is available at <http://www.nmpera.org>.

RHCA PLAN

Changes in benefit provisions. There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2019.

Changes in assumptions and methods. In the June 30, 2019 actuarial valuation, changes in assumptions and differences between expected and actual experience include adjustments resulting from an increase in the discount rate from 4.08% to 4.16%, decrease in expected participation rates for future retirees from 75% to 60%, and a decrease in spousal coverage rate for future male retirees from 55% to 35%.

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 847,125	\$ -	\$ 203,763	\$ 1,050,888
Cash and cash equivalents - restricted	-	-	-	-
Investments	9,645,635	3,590,148	-	13,235,783
Investments - restricted	-	-	-	-
Receivables	433,418	584,007	27,863	1,045,288
Inventory	-	-	-	-
Prepaid items	36,928	-	-	36,928
Interfund advances receivable	-	-	150,000	150,000
Total assets	<u>\$ 10,963,106</u>	<u>\$ 4,174,155</u>	<u>\$ 381,626</u>	<u>\$ 15,518,887</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 149,648	\$ -	\$ 5,297	\$ 154,945
Accrued payroll	95,077	-	-	95,077
Unearned revenues	-	-	-	-
Interfund advances payable	335,000	150,000	100,000	585,000
Total liabilities	<u>579,725</u>	<u>150,000</u>	<u>105,297</u>	<u>835,022</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	83,667	-	-	83,667
FUND BALANCES				
Nonspendable	36,928	-	-	36,928
Restricted	9,019,138	4,024,155	-	13,043,293
Committed	1,243,648	-	276,329	1,519,977
Unassigned	-	-	-	-
Total fund balances	<u>10,299,714</u>	<u>4,024,155</u>	<u>276,329</u>	<u>14,600,198</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,963,106</u>	<u>\$ 4,174,155</u>	<u>\$ 381,626</u>	<u>\$ 15,518,887</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Property taxes	\$ 1,517,623	\$ -	\$ -	\$ 1,517,623
Gasoline and motor vehicles taxes	-	-	-	-
Gross receipts tax	971,455	2,954,499	-	3,925,954
State grants and contributions	2,741,827	-	-	2,741,827
Federal grants and contributions	440,575	-	42,244	482,819
Charges for services	387,298	-	-	387,298
Licenses and fees	186,172	-	-	186,172
Investment income	8,977	23,357	-	32,334
Other	189,912	-	-	189,912
Total revenues	<u>6,443,839</u>	<u>2,977,856</u>	<u>42,244</u>	<u>9,463,939</u>
EXPENDITURES				
Current				
General government	299,196	-	37,550	336,746
Public safety	2,239,581	-	-	2,239,581
Public works	998,699	-	-	998,699
Culture and recreation	-	-	-	-
Health and welfare	300,918	-	-	300,918
Capital outlay	1,462,747	-	1,350,104	2,812,851
Debt service				
Principal	110,227	600,000	-	710,227
Interest and fees	28,243	90,310	-	118,553
Total expenditures	<u>5,439,611</u>	<u>690,310</u>	<u>1,387,654</u>	<u>7,517,575</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,004,228</u>	<u>2,287,546</u>	<u>(1,345,410)</u>	<u>1,946,364</u>
Other financing sources (uses)				
Transfers in	30,000	590,702	1,300,000	1,920,702
Transfers out	(25,000)	(1,540,702)	-	(1,565,702)
Total other financing sources (uses)	<u>5,000</u>	<u>(950,000)</u>	<u>1,300,000</u>	<u>355,000</u>
Change in fund balances	1,009,228	1,337,546	(45,410)	2,301,364
Fund balances, beginning of year	<u>9,290,486</u>	<u>2,686,609</u>	<u>321,739</u>	<u>12,298,834</u>
Fund balances, end of year	<u>\$ 10,299,714</u>	<u>\$ 4,024,155</u>	<u>\$ 276,329</u>	<u>\$ 14,600,198</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
NONMAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS
JUNE 30, 2020**

The following special revenue funds are maintained by the County:

Fire Protection. To account for the operations and maintenance of the County's fire districts of Dunken, East Grand Plains, Peñasco, Midway, Berrendo, Sierra, Rio Felix, and Chaves County Fire District #8. Financing is provided by allotments from the State of New Mexico and other miscellaneous sources. (Ordinance #41, 11-24-93)

Farm and Range. To account for the Farm and Range Improvement Act which directs the county commissioners to expend funds that are derived from the state's share of the 1934 Taylor Grazing Act public lands grazing district fees paid to the Bureau of Land Management. The funds may be used for the purposes of soil and water conservation, control of rodents and predatory animals, extermination of poisonous noxious weeds, and construction and maintenance of secondary roads within the County. (6-11-6 NMSA 1978)

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

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

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

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

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

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

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

Clerk Recording and Filing. To account for funds received from charges for County services. Funds are used to solely by the County Clerk. (Resolution 95-41)

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

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

Other Special Revenue. To account for revenues and expenditures to assist in in certain public safety activities. (Resolution R-92-35)

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2020**

	Fire Protection	Farm and Range	Recreation	Fire and Ambulance Excise Tax
ASSETS				
Cash and cash equivalents	\$ -	\$ 28,587	\$ 3,161	\$ -
Cash and cash equivalents - restricted	-	-	-	-
Investments	3,265,675	-	-	3,207,218
Investments - restricted	-	-	-	-
Receivables	-	-	-	122,553
Inventory	-	-	-	-
Prepaid items	30,089	-	-	-
Interfund advances receivable	-	-	-	-
Total assets	<u>\$ 3,295,764</u>	<u>\$ 28,587</u>	<u>\$ 3,161</u>	<u>\$ 3,329,771</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 50,091	\$ -	\$ -	\$ -
Accrued payroll	89	-	-	-
Unearned revenues	-	-	-	-
Interfund advances payable	-	-	-	-
Total liabilities	<u>50,180</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
FUND BALANCES				
Nonspendable	30,089	-	-	-
Restricted	3,215,495	28,587	3,161	3,329,771
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>3,245,584</u>	<u>28,587</u>	<u>3,161</u>	<u>3,329,771</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,295,764</u>	<u>\$ 28,587</u>	<u>\$ 3,161</u>	<u>\$ 3,329,771</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2020**

	Law Enforcement Grant	DWI Grant	Correction	Environmental
ASSETS				
Cash and cash equivalents	\$ -	\$ 82,043	\$ 179,707	\$ 86,126
Cash and cash equivalents - restricted	-	-	-	-
Investments	-	-	-	-
Investments - restricted	-	-	-	-
Receivables	-	-	-	61,274
Inventory	-	-	-	-
Prepaid items	-	434	-	197
Interfund advances receivable	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 82,477</u>	<u>\$ 179,707</u>	<u>\$ 147,597</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 18,994	\$ 480	\$ 15,243
Accrued payroll	-	11,052	16,662	2,772
Unearned revenues	-	-	-	-
Interfund advances payable	-	50,000	-	-
Total liabilities	<u>-</u>	<u>80,046</u>	<u>17,142</u>	<u>18,015</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
FUND BALANCES				
Nonspendable	-	434	-	197
Restricted	-	1,997	162,565	129,385
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>2,431</u>	<u>162,565</u>	<u>129,582</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 82,477</u>	<u>\$ 179,707</u>	<u>\$ 147,597</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2020**

	Flood Control	Clerk Recording and Filing	Property Valuation	Other Grants and Contracts
ASSETS				
Cash and cash equivalents	\$ -	\$ 183,208	\$ -	\$ 245,845
Cash and cash equivalents - restricted	-	-	-	-
Investments	2,115,928	-	1,056,814	-
Investments - restricted	-	-	-	-
Receivables	102,848	-	-	146,743
Inventory	-	-	-	-
Prepaid items	6,011	-	197	-
Interfund advances receivable	-	-	-	-
Total assets	<u>\$ 2,224,787</u>	<u>\$ 183,208</u>	<u>\$ 1,057,011</u>	<u>\$ 392,588</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 21,064	\$ -	\$ 614	\$ 43,094
Accrued payroll	46,184	-	17,543	(1,266)
Unearned revenues	-	-	-	-
Interfund advances payable	-	-	-	275,000
Total liabilities	<u>67,248</u>	<u>-</u>	<u>18,157</u>	<u>316,828</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>83,667</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	6,011	-	197	-
Restricted	2,067,861	-	-	75,760
Committed	-	183,208	1,038,657	-
Unassigned	-	-	-	-
Total fund balances	<u>2,073,872</u>	<u>183,208</u>	<u>1,038,854</u>	<u>75,760</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,224,787</u>	<u>\$ 183,208</u>	<u>\$ 1,057,011</u>	<u>\$ 392,588</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2020**

	<u>Other Special Revenue</u>	<u>Totals</u>	
ASSETS			
Cash and cash equivalents	\$ 38,448	\$ 847,125	
Cash and cash equivalents - restricted	-	-	
Investments	-	9,645,635	
Investments - restricted	-	-	
Receivables	-	433,418	
Inventory	-	-	
Prepaid items	-	36,928	
Interfund advances receivable	-	-	
Total assets	<u>\$ 38,448</u>	<u>\$ 10,963,106</u>	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 68	\$ 149,648	
Accrued payroll	2,041	95,077	
Unearned revenues	-	-	
Interfund advances payable	<u>10,000</u>	<u>335,000</u>	
Total liabilities	<u>12,109</u>	<u>579,725</u>	
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	<u>-</u>	<u>83,667</u>	
FUND BALANCES			
Nonspendable	-	36,928	
Restricted	4,556	9,019,138	
Committed	21,783	1,243,648	
Unassigned	<u>-</u>	<u>-</u>	
Total fund balances	<u>26,339</u>	<u>10,299,714</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 38,448</u>	<u>\$ 10,963,106</u>	

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Fire Protection	Farm and Range	Recreation	Fire and Ambulance Excise Tax
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicles taxes	-	-	-	-
Gross receipts tax	-	-	-	647,394
State grants and contributions	1,355,930	-	-	-
Federal grants and contributions	-	93,232	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	8,977
Other	11,305	-	-	-
Total revenues	<u>1,367,235</u>	<u>93,232</u>	<u>-</u>	<u>656,371</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	799,378	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	65,385	-	-
Capital outlay	-	-	-	17,901
Debt service				
Principal	110,227	-	-	-
Interest and fees	28,243	-	-	-
Total expenditures	<u>937,848</u>	<u>65,385</u>	<u>-</u>	<u>17,901</u>
Excess (deficiency) of revenues over (under) expenditures	<u>429,387</u>	<u>27,847</u>	<u>-</u>	<u>638,470</u>
Other financing sources (uses)				
Transfers in	-	-	-	30,000
Transfers out	(25,000)	-	-	-
Total other financing sources (uses)	<u>(25,000)</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
Change in fund balances	404,387	27,847	-	668,470
Fund balances, beginning of year	2,841,197	740	3,161	2,661,301
Fund balances, end of year	<u>\$ 3,245,584</u>	<u>\$ 28,587</u>	<u>\$ 3,161</u>	<u>\$ 3,329,771</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Law Enforcement Grant	DWI Grant	Correction	Environmental
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicles taxes	-	-	-	-
Gross receipts tax	-	-	-	324,061
State grants and contributions	39,200	507,682	97,650	-
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	126,721	59,451	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>39,200</u>	<u>634,403</u>	<u>157,101</u>	<u>324,061</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	39,200	632,276	188,819	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	235,533
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>39,200</u>	<u>632,276</u>	<u>188,819</u>	<u>235,533</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>2,127</u>	<u>(31,718)</u>	<u>88,528</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balances	-	2,127	(31,718)	88,528
Fund balances, beginning of year	-	304	194,283	41,054
Fund balances, end of year	<u>\$ -</u>	<u>\$ 2,431</u>	<u>\$ 162,565</u>	<u>\$ 129,582</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Flood Control	Clerk Recording and Filing	Property Valuation	Other Grants and Contracts
REVENUES				
Property taxes	\$ 1,517,623	\$ -	\$ -	\$ -
Gasoline and motor vehicles taxes	-	-	-	-
Gross receipts tax	-	-	-	-
State grants and contributions	-	3	-	737,842
Federal grants and contributions	-	-	-	325,687
Charges for services	-	60,480	326,818	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	17,301	-	-	161,306
Total revenues	<u>1,534,924</u>	<u>60,483</u>	<u>326,818</u>	<u>1,224,835</u>
EXPENDITURES				
Current				
General government	-	95,388	203,808	-
Public safety	-	-	-	554,890
Public works	998,699	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	475,832	-	-	969,014
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>1,474,531</u>	<u>95,388</u>	<u>203,808</u>	<u>1,523,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>60,393</u>	<u>(34,905)</u>	<u>123,010</u>	<u>(299,069)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balances	60,393	(34,905)	123,010	(299,069)
Fund balances, beginning of year	<u>2,013,479</u>	<u>218,113</u>	<u>915,844</u>	<u>374,829</u>
Fund balances, end of year	<u>\$ 2,073,872</u>	<u>\$ 183,208</u>	<u>\$ 1,038,854</u>	<u>\$ 75,760</u>

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

	Other Special Revenue	Totals
REVENUES		
Property taxes	\$ -	\$ 1,517,623
Gasoline and motor vehicles taxes	-	-
Gross receipts tax	-	971,455
State grants and contributions	3,520	2,741,827
Federal grants and contributions	21,656	440,575
Charges for services	-	387,298
Licenses and fees	-	186,172
Investment income	-	8,977
Other	-	189,912
Total revenues	25,176	6,443,839
EXPENDITURES		
Current		
General government	-	299,196
Public safety	25,018	2,239,581
Public works	-	998,699
Culture and recreation	-	-
Health and welfare	-	300,918
Capital outlay	-	1,462,747
Debt service		
Principal	-	110,227
Interest and fees	-	28,243
Total expenditures	25,018	5,439,611
Excess (deficiency) of revenues over (under) expenditures	158	1,004,228
Other financing sources (uses)		
Transfers in	-	30,000
Transfers out	-	(25,000)
Total other financing sources (uses)	-	5,000
Change in fund balances	158	1,009,228
Fund balances, beginning of year	26,181	9,290,486
Fund balances, end of year	\$ 26,339	\$ 10,299,714

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - FIRE PROTECTION FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	939,057	939,057	1,355,930	416,873
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	11,305	11,305
Total revenues	939,057	939,057	1,367,235	428,178
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	2,624,561	2,643,561	940,861	1,702,700
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	2,624,561	2,643,561	940,861	1,702,700
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	25,000	25,000	(25,000)	(50,000)
Total other financing sources (uses)	\$ 25,000	\$ 25,000	(25,000)	\$ (50,000)
Change in fund balance - budgetary basis			401,374	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			3,013	
Change in fund balance - GAAP Basis			\$ 404,387	

See Accompanying Notes.

STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - FARM AND RANGE FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	-	-	-	-
Federal grants and contributions	55,000	93,000	93,232	233
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>55,000</u>	<u>93,000</u>	<u>93,232</u>	<u>233</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	55,500	66,386	65,385	1,000
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>55,500</u>	<u>66,386</u>	<u>65,385</u>	<u>1,000</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			27,847	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			<u>\$ 27,847</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - RECREATION FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	-	-	-	-
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			-	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			<u>-</u>	
Change in fund balance - GAAP Basis			<u>\$ -</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - FIRE AND AMBULANCE EXCISE TAX FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	451,926	451,926	591,779	139,853
State grants and contributions	-	-	-	-
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	1,136	1,136	8,977	7,841
Other	-	-	-	-
Total revenues	<u>453,062</u>	<u>453,062</u>	<u>600,756</u>	<u>147,694</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	436,131	436,131	17,901	418,230
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>436,131</u>	<u>436,131</u>	<u>17,901</u>	<u>418,230</u>
Other financing sources				
Transfers in	30,000	30,000	30,000	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>30,000</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			612,855	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			55,615	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			<u>\$ 668,470</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - LAW ENFORCEMENT GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	39,200	39,200	39,200	-
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>39,200</u>	<u>39,200</u>	<u>39,200</u>	<u>-</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	39,200	39,200	39,200	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>39,200</u>	<u>39,200</u>	<u>39,200</u>	<u>-</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			-	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			<u>\$ -</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - DWI GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	474,011	513,182	507,682	(5,500)
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	126,721	126,721
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>474,011</u>	<u>513,182</u>	<u>634,403</u>	<u>121,221</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	525,677	658,264	632,465	25,799
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>525,677</u>	<u>658,264</u>	<u>632,465</u>	<u>25,799</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			1,938	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			<u>189</u>	
Change in fund balance - GAAP Basis			<u>\$ 2,127</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - CORRECTION FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	140,000	140,000	97,650	(42,350)
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	59,451	59,451
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	140,000	140,000	157,101	17,101
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	244,866	220,493	188,819	31,674
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	244,866	220,493	188,819	31,674
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	\$ -	\$ -	-	\$ -
Change in fund balance - budgetary basis			(31,718)	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			\$ (31,718)	

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - ENVIRONMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	233,690	253,690	296,254	42,564
State grants and contributions	-	-	-	-
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>233,690</u>	<u>253,690</u>	<u>296,254</u>	<u>42,564</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	215,655	238,263	235,533	2,730
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>215,655</u>	<u>238,263</u>	<u>235,533</u>	<u>2,730</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			60,721	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			27,807	
Unbudgeted expenditure accruals			<u>-</u>	
Change in fund balance - GAAP Basis			<u>\$ 88,528</u>	

STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - FLOOD CONTROL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ 1,500,638	\$ 1,500,638	\$ 1,512,869	\$ 12,231
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	-	-	-	-
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	17,301	17,301
Total revenues	<u>1,500,638</u>	<u>1,500,638</u>	<u>1,530,170</u>	<u>29,532</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	1,206,427	1,200,096	999,225	200,871
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	628,500	660,590	475,832	184,758
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>1,834,927</u>	<u>1,860,686</u>	<u>1,475,057</u>	<u>385,629</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			55,113	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			4,754	
Unbudgeted expenditure accruals			<u>526</u>	
Change in fund balance - GAAP Basis			<u>\$ 60,393</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - CLERK RECORDING AND FILING FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	-	-	3	3
Federal grants and contributions	-	-	-	-
Charges for services	65,000	65,000	60,480	(4,520)
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>60,483</u>	<u>(4,517)</u>
EXPENDITURES				
Current				
General government	127,238	127,238	95,388	31,850
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>127,238</u>	<u>127,238</u>	<u>95,388</u>	<u>31,850</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			(34,905)	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			<u>\$ (34,905)</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - PROPERTY VALUATION FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	-	-	-	-
Federal grants and contributions	-	-	-	-
Charges for services	310,000	310,000	326,819	16,819
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>310,000</u>	<u>310,000</u>	<u>326,819</u>	<u>16,819</u>
EXPENDITURES				
Current				
General government	264,277	275,030	203,809	71,221
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>264,277</u>	<u>275,030</u>	<u>203,809</u>	<u>71,221</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			123,010	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			<u>\$ 123,010</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - OTHER GRANTS AND CONTRACTS FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	3,536,630	3,719,265	864,432	(2,854,833)
Federal grants and contributions	-	-	325,687	325,687
Charges for services	310,000	310,000	-	(310,000)
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	161,306	161,306
Total revenues	3,846,630	4,029,265	1,351,425	(2,677,840)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	818,703	805,945	554,892	251,053
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	2,904,578	3,113,608	969,014	2,144,594
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	3,723,281	3,919,553	1,523,906	2,395,647
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	\$ -	\$ -	-	\$ -
Change in fund balance - budgetary basis			(172,481)	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			(126,588)	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			\$ (299,069)	

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - OTHER SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	-	-	3,520	3,520
Federal grants and contributions	9,000	9,000	21,656	12,656
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	2	2
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>25,178</u>	<u>16,178</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	33,400	33,400	25,020	8,380
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>33,400</u>	<u>33,400</u>	<u>25,020</u>	<u>8,380</u>
Other financing sources				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Change in fund balance - budgetary basis			158	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			<u>\$ 158</u>	

**STATE OF NEW MEXICO
CHAVES COUNTY
NONMAJOR DEBT SERVICE FUND DESCRIPTION
JUNE 30, 2020**

The following debt service fund is maintained by the County:

GRT Revenue Bond Debt Service. To account for funds for the refunding of New Mexico Gross Receipts Tax Revenue Bonds Series 2002 and to set aside pledged revenues deposited monthly into the Gross Receipts Tax Income Fund by the County Treasurer, and transferred by the County Treasurer to the Debt Service Fund and Capital Projects Fund. Authorization is by Chaves County Commission.

**STATE OF NEW MEXICO
CHAVES COUNTY
BALANCE SHEET - NONMAJOR DEBT SERVICE FUND
JUNE 30, 2020**

	<u>GRT Revenue Bond Debt Service</u>
ASSETS	
Cash and cash equivalents	\$ -
Cash and cash equivalents - restricted	-
Investments	3,590,148
Investments - restricted	-
Receivables	584,007
Inventory	-
Prepaid items	-
Interfund advances receivable	-
Total assets	<u><u>\$ 4,174,155</u></u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
LIABILITIES	
Accounts payable	\$ -
Accrued payroll	-
Unearned revenues	-
Interfund advances payable	150,000
Total liabilities	<u>150,000</u>
 DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues	<u>-</u>
 FUND BALANCES	
Nonspendable	-
Restricted	4,024,155
Committed	-
Unassigned	-
Total fund balances	<u>4,024,155</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u><u>\$ 4,174,155</u></u>

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDING JUNE 30, 2020**

	<u>GRT Revenue Bond Debt Service</u>
REVENUES	
Property taxes	\$ -
Gasoline and motor vehicles taxes	-
Gross receipts tax	2,954,499
State grants and contributions	-
Federal grants and contributions	-
Charges for services	-
Licenses and fees	-
Investment income	23,357
Other	-
Total revenues	<u>2,977,856</u>
EXPENDITURES	
Current	
General government	-
Public safety	-
Public works	-
Culture and recreation	-
Health and welfare	-
Capital outlay	-
Debt service	
Principal	600,000
Interest and fees	90,310
Total expenditures	<u>690,310</u>
Excess of revenues over expenditures	<u>2,287,546</u>
Other financing sources (uses)	
Transfers in	590,702
Transfers out	<u>(1,540,702)</u>
Total other financing sources (uses)	<u>(950,000)</u>
Change in fund balances	1,337,546
Fund balances, beginning of year	<u>2,686,609</u>
Fund balances, end of year	<u>\$ 4,024,155</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - GRT REVENUE BOND DEBT SERVICE
FUND FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	2,590,453	2,590,453	2,912,346	321,893
State grants and contributions	-	-	-	-
Federal grants and contributions	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	23,357	23,357
Other	-	-	-	-
Total revenues	<u>2,590,453</u>	<u>2,590,453</u>	<u>2,935,703</u>	<u>345,250</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	600,000	600,000	600,000	-
Interest and fees	97,157	97,157	90,310	6,847
Total expenditures	<u>697,157</u>	<u>697,157</u>	<u>690,310</u>	<u>6,847</u>
Other financing sources (uses)				
Transfers in	603,452	603,452	590,702	(12,750)
Transfers out	(1,703,452)	(1,873,452)	(1,540,702)	332,750
Total other financing sources (uses)	<u>\$ (1,100,000)</u>	<u>\$ (1,270,000)</u>	<u>(950,000)</u>	<u>\$ 320,000</u>
Change in fund balance - budgetary basis			1,295,393	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			42,153	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			<u>\$ 1,337,546</u>	

See Accompanying Notes.

**STATE OF NEW MEXICO
CHAVES COUNTY
NONMAJOR CAPITAL PROJECTS FUND DESCRIPTION
JUNE 30, 2020**

The following capital projects fund is maintained by the County:

Other Capital Projects. To account capital projects and purchases. (Ordinance #34, 7-1-91)

**STATE OF NEW MEXICO
CHAVES COUNTY
BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUND
JUNE 30, 2020**

	<u>Other Capital Projects</u>
ASSETS	
Cash and cash equivalents	\$ 203,763
Cash and cash equivalents - restricted	-
Investments	-
Investments - restricted	-
Receivables	27,863
Inventory	-
Prepaid items	-
Interfund advances receivable	<u>150,000</u>
Total assets	<u><u>\$ 381,626</u></u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
LIABILITIES	
Accounts payable	\$ 5,297
Accrued payroll	-
Unearned revenues	-
Interfund advances payable	<u>100,000</u>
Total liabilities	<u><u>105,297</u></u>
 DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues	<u>-</u>
 FUND BALANCES	
Nonspendable	-
Restricted	-
Committed	276,329
Unassigned	<u>-</u>
Total fund balances	<u><u>276,329</u></u>
 Total liabilities, deferred inflows of resources and fund balances	 <u><u>\$ 381,626</u></u>

**STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	Other Capital Projects
REVENUES	
Property taxes	\$ -
Gasoline and motor vehicles taxes	-
Gross receipts tax	-
State grants and contributions	-
Federal grants and contributions	42,244
Charges for services	-
Licenses and fees	-
Investment income	-
Other	-
Total revenues	42,244
EXPENDITURES	
Current	
General government	37,550
Public safety	-
Public works	-
Culture and recreation	-
Health and welfare	-
Capital outlay	1,350,104
Debt service	
Principal	-
Interest and fees	-
Total expenditures	1,387,654
Excess (deficiency) of revenues over (under) expenditures	(1,345,410)
Other financing sources	
Transfers in	1,300,000
Transfers out	-
Total other financing sources	1,300,000
Change in fund balances	(45,410)
Fund balances, beginning of year	321,739
Fund balances, end of year	\$ 276,329

STATE OF NEW MEXICO
CHAVES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - OTHER CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	-	-	-	-
Gross receipts taxes	-	-	-	-
State grants and contributions	-	-	-	-
Federal grants and contributions	-	-	42,244	42,244
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	42,244	42,244
EXPENDITURES				
Current				
General government	48,500	248,050	37,550	210,500
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	1,120,829	1,481,429	1,350,104	131,325
Debt service				
Principal	-	-	-	-
Interest and fees	-	-	-	-
Total expenditures	1,169,329	1,729,479	1,387,654	341,825
Other financing sources				
Transfers in	1,100,000	1,770,000	1,300,000	(470,000)
Transfers out	-	-	-	-
Total other financing sources	\$ 1,100,000	\$ 1,770,000	1,300,000	\$ (470,000)
Change in fund balance - budgetary basis			(45,410)	
Reconciliation to change in fund balance - GAAP Basis				
Unbudgeted revenue accruals			-	
Unbudgeted expenditure accruals			-	
Change in fund balance - GAAP Basis			\$ (45,410)	

OTHER SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
CHAVES COUNTY
AGENCY FUNDS DESCRIPTION
JUNE 30, 2020**

Treasurer's Fund. To account for collections and payment to the County and other recipient entities of property taxes, interest and penalties and other taxes billed and collected by the County on their behalf.

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS
AND LIABILITIES - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
ASSETS				
Cash and cash equivalents	\$ 552,383	\$ 34,208,074	\$ (34,203,403)	\$ 557,054
Property taxes receivable	<u>1,641,982</u>	<u>33,945,228</u>	<u>(33,847,212)</u>	<u>1,739,998</u>
Total assets	<u>\$ 2,194,365</u>	<u>\$ 68,153,302</u>	<u>\$ (68,050,615)</u>	<u>\$ 2,297,052</u>
LIABILITIES				
Deposits held for others	\$ 43,999	\$ 88,226	\$ (84,170)	\$ 48,055
Due to taxing entities	<u>2,150,366</u>	<u>33,807,662</u>	<u>(33,709,031)</u>	<u>2,248,997</u>
Total liabilities	<u>\$ 2,194,365</u>	<u>\$ 33,895,888</u>	<u>\$ (33,793,201)</u>	<u>\$ 2,297,052</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
JUNE 30, 2020**

Banking Institution	Account Type	Total Deposits and Investments	Reconciling Items	Reconciled Balance
Insight Investments (BNY Mellon)	Municipal Securities	\$ 424,993	\$ -	\$ 424,993
Insight Investments (BNY Mellon)	FHLB	9,990,000	-	9,990,000
Insight Investments (BNY Mellon)	FNMA	6,888,928	-	6,888,928
Insight Investments (BNY Mellon)	FHLMC	3,556,613	-	3,556,613
Insight Investments (BNY Mellon)	FFCB	10,871,718	-	10,871,718
Insight Investments (BNY Mellon)	Money Market	41,845	-	41,845
Insight Investments (BNY Mellon)	Corporate	19,634,770	-	19,634,770
Insight Investments (BNY Mellon)	Treasury Notes	16,470,473	-	16,470,473
NM State Investment Pool	State Treasurer LGIP	284,885	-	284,885
Pioneer Bank	Checking	249,631	(471,506)	(221,875)
Pioneer Bank	Checking	48,055	-	48,055
Pioneer Bank	Checking	298,450	(10,015)	288,435
Pioneer Bank	Commercial Checking	200,000	-	200,000
Pioneer Bank	Commercial Checking	78,174	(1,343)	76,831
Pioneer Bank	Commercial Checking	735,730	-	735,730
Pioneer Bank	Sweep	15,486,755	-	15,486,755
Washington Federal	Money Market	1,618	-	1,618
Wells Fargo/Advisors	Money Market	7,404	-	7,404
NMFA	NMFA Pooled Debt Service Account	491,220	-	491,220
		<u>\$ 85,761,262</u>	<u>\$ (482,864)</u>	85,278,398
			Petty cash	<u>750</u>
Cash and Investments (includes restricted) per Government-wide Financial Statements and Agency Funds				<u>\$ 85,279,148</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF COLLATERAL PLEDGED
JUNE 30, 2020**

	Pioneer Bank	Pioneer Bank - Sweep	Wells Fargo	Insight Investment	Washington Federal	Total		
Bank Accounts:								
Demand deposit accounts	\$ 1,610,040	\$ -	\$ -	\$ -	\$ -	\$ 1,610,040		
Time and savings accounts	-	-	7,404	41,845	1,618	50,867		
Repurchase Agreements	-	15,486,755	-	-	-	15,486,755		
Total amount of deposits	1,610,040	15,486,755	7,404	41,845	1,618	17,147,662		
FDIC coverage	(250,000)	-	(7,404)	(41,845)	(1,618)	(300,867)		
Total uninsured public funds	1,360,040	15,486,755	-	-	-	16,846,795		
Collateral requirements (per 6-10-10 & 6-10-17, NMSA 1978):								
50% of uninsured time and demand accounts	680,020	-	-	-	-	680,020		
102% of repurchase agreement	-	15,796,490	-	-	-	15,796,490		
Pledged collateral at fair market value:								
<u>Type</u>	<u>Description</u>	<u>Maturity</u>	<u>CUSIP Number</u>					
Note	FHLB 2.13% (2)	3/10/2023	313382AX1	-	3,332,732	-	-	3,332,732
Note	FHLB Repo 2.38% (2)	6/10/2022	3130A5P45	-	5,210,271	-	-	5,210,271
Note	FNMA 2.5%	3/1/2035	31418DMD1	-	5,038,201	-	-	5,038,201
Note	FNMA 3%	12/1/2031	3140X5JS3	-	2,370,569	-	-	2,370,569
Note	FFCB 1.81% (2)	12/13/2022	3133EC7C2	3,404,451	-	-	-	3,404,451
Note	FHLMC PC Gold 3% (2)	1/1/2032	3128MMVV2	1,739,692	-	-	-	1,739,692
	Total collateral			5,144,143	15,951,773	-	-	21,095,916
	Over secured			\$ 4,464,123	\$ 155,283	\$ -	\$ -	\$ 4,619,406
Custodial Credit Risk								
Insured	\$ 250,000	\$ -	\$ 7,404	\$ 41,845	\$ 1,618	\$ 300,867		
Collateralized with securities held by pledging financial institution's trust department	5,144,143	15,951,773	-	-	-	21,095,916		
Uninsured and uncollateralized	(3,784,103)	(465,018)	-	-	-	(4,249,121)		
Total deposits	\$ 1,610,040	\$ 15,486,755	\$ 7,404	\$ 41,845	\$ 1,618	\$ 17,147,662		

Location of collateral:

- (1) The Independent Bankers Bank, Irving, TX
- (2) Federal Home Loan Bank, Dallas, TX
- (3) Federal Home Loan Bank, Des Moines, IA

STATE OF NEW MEXICO
 CHAVES COUNTY
 TAX ROLL RECONCILIATION OF CHANGES IN THE COUNTY
 TREASURER'S PROPERTY TAX RECEIVABLE
 FOR THE YEAR ENDED JUNE 30, 2020

Property taxes receivable, beginning of year	\$ 2,331,815
Changes to Tax Roll:	
Net taxes charged to Treasurer for fiscal year	34,208,074
Adjustments:	
Increases in taxes receivable	(258,227)
Subtraction of 2009 Taxes Outstanding (7-38-81.1.C NMSA 1978)	<u>(4,620)</u>
Total receivables prior to collections	36,277,042
Collections for fiscal year ended June 30, 2020	<u>(33,807,662)</u>
Property taxes receivable, end of year	<u><u>\$ 2,469,380</u></u>

Property taxes receivable as of year-end, by year:

	2010	\$ 3,877
	2011	4,790
	2012	29,334
	2013	11,135
	2014	19,207
	2015	67,027
	2016	98,780
	2017	192,148
	2018	568,399
	2019	<u>1,474,683</u>
Total taxes receivable, net		<u><u>\$ 2,469,380</u></u>

**STATE OF NEW MEXICO
CHAVES COUNTY
PROPERTY TAX SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	County Receivable at Year End
Chaves County:						
County Operational Non-Res.						
2010-2019	\$ 44,426,829	\$ 17,361	\$ 44,264,541	\$ 53,601	\$ 44,252,750	\$ 162,278
2020	<u>5,557,381</u>	<u>5,397,647</u>	<u>5,397,647</u>	<u>5,357,318</u>	<u>5,336,350</u>	<u>159,734</u>
Total	<u>49,984,210</u>	<u>5,415,008</u>	<u>49,662,188</u>	<u>5,410,919</u>	<u>49,589,100</u>	<u>322,012</u>
County Operational Res.						
2010-2019	32,228,234	183,478	32,124,956	225,684	32,098,112	103,217
2020	<u>3,814,156</u>	<u>3,612,852</u>	<u>3,612,852</u>	<u>3,559,665</u>	<u>3,530,062</u>	<u>201,304</u>
Total	<u>36,042,390</u>	<u>3,796,330</u>	<u>35,737,808</u>	<u>3,785,349</u>	<u>35,628,174</u>	<u>304,521</u>
County Debt Service						
2010-2019	-	-	-	-	-	-
2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Flood Control						
2010-2019	11,856,003	63,693	11,821,729	79,082	11,812,953	34,275
2020	<u>1,517,750</u>	<u>1,449,176</u>	<u>1,449,176</u>	<u>1,430,531</u>	<u>1,420,973</u>	<u>68,574</u>
Total	<u>13,373,753</u>	<u>1,512,869</u>	<u>13,270,905</u>	<u>1,509,613</u>	<u>13,233,926</u>	<u>102,849</u>
Total Chaves County	<u>99,400,353</u>	<u>10,724,207</u>	<u>98,670,901</u>	<u>10,705,881</u>	<u>98,451,200</u>	<u>729,382</u>
State of New Mexico:						
State Debt						
2010-2019	13,532,031	49,103	13,483,692	64,733	13,475,283	48,324
2020	<u>1,687,833</u>	<u>1,616,304</u>	<u>1,616,304</u>	<u>1,597,652</u>	<u>1,587,464</u>	<u>71,529</u>
Total	<u>15,219,864</u>	<u>1,665,407</u>	<u>15,099,996</u>	<u>1,662,385</u>	<u>15,062,747</u>	<u>119,853</u>
Cattle						
2010-2019	662,469	514	655,644	699	655,607	6,825
2020	<u>72,369</u>	<u>70,823</u>	<u>70,823</u>	<u>70,027</u>	<u>70,004</u>	<u>1,546</u>
Total	<u>734,838</u>	<u>71,337</u>	<u>726,467</u>	<u>70,726</u>	<u>725,611</u>	<u>8,371</u>
Horse						
2010-2019	16,097	240	15,779	273	15,779	318
2020	<u>2,417</u>	<u>2,167</u>	<u>2,167</u>	<u>2,071</u>	<u>2,049</u>	<u>250</u>
Total	<u>18,514</u>	<u>2,407</u>	<u>17,946</u>	<u>2,344</u>	<u>17,828</u>	<u>568</u>
Dairy						
2010-2019	1,434,602	213	1,408,493	213	1,408,493	26,109
2020	<u>155,618</u>	<u>149,850</u>	<u>149,850</u>	<u>149,850</u>	<u>149,850</u>	<u>5,768</u>
Total	<u>1,590,220</u>	<u>150,063</u>	<u>1,558,343</u>	<u>150,063</u>	<u>1,558,343</u>	<u>31,877</u>
Sheep and Goats						
2010-2019	19,047	70	18,637	70	18,637	411
2020	<u>2,267</u>	<u>1,814</u>	<u>1,814</u>	<u>1,741</u>	<u>1,741</u>	<u>452</u>
Total	<u>21,314</u>	<u>1,884</u>	<u>20,451</u>	<u>1,811</u>	<u>20,378</u>	<u>863</u>
Bison						
2010-2019	198	27	198	16	187	-
2020	<u>16</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16</u>
Total	<u>214</u>	<u>27</u>	<u>198</u>	<u>16</u>	<u>187</u>	<u>16</u>
Ratites						
2010-2019	21	-	21	-	21	-
2020	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>-</u>
Total	<u>23</u>	<u>2</u>	<u>23</u>	<u>1</u>	<u>22</u>	<u>-</u>
Llamas						
2010-2019	89	3	89	3	89	-
2020	<u>7</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>5</u>	<u>1</u>
Total	<u>96</u>	<u>9</u>	<u>95</u>	<u>8</u>	<u>94</u>	<u>1</u>
Total State of New Mexico	<u>17,585,083</u>	<u>1,891,136</u>	<u>17,423,519</u>	<u>1,887,354</u>	<u>17,385,210</u>	<u>161,549</u>
Municipalities:						
City of Roswell Non-Res.						
2010-2019	15,930,537	55,399	15,889,602	70,874	15,884,077	40,928
2020	<u>1,921,041</u>	<u>1,853,305</u>	<u>1,853,305</u>	<u>1,833,932</u>	<u>1,827,156</u>	<u>67,736</u>
Total	<u>17,851,578</u>	<u>1,908,704</u>	<u>17,742,907</u>	<u>1,904,806</u>	<u>17,711,233</u>	<u>108,664</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
PROPERTY TAX SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	County Receivable at Year End
City of Roswell Res.						
2010-2019	26,944,358	174,242	26,850,601	206,163	26,822,158	93,749
2020	3,469,610	3,280,663	3,280,663	3,235,900	3,209,570	188,948
Total	30,413,968	3,454,905	30,131,264	3,442,063	30,031,728	282,697
City of Roswell Debt Service						
2010-2019	5,132,377	18,401	5,121,332	22,129	5,118,585	11,042
2020	400,590	381,311	381,311	376,515	374,011	19,279
Total	5,532,967	399,712	5,502,643	398,644	5,492,596	30,321
Town of Lake Arthur Non-Res.						
2010-2019	10,446	19	10,422	24	10,422	24
2020	1,881	1,834	1,834	1,816	1,804	47
Total	12,327	1,853	12,256	1,840	12,226	71
Town of Lake Arthur Res.						
2010-2019	24,124	223	23,714	375	23,702	399
2020	3,446	3,098	3,098	3,024	2,978	349
Total	27,570	3,321	26,812	3,399	26,680	748
Town of Hagerman Non-Res.						
2010-2019	40,726	304	40,571	525	40,570	155
2020	5,278	5,078	5,078	5,071	5,040	200
Total	46,004	5,382	45,649	5,596	45,610	355
Town of Hagerman Res.						
2010-2019	65,625	1,124	65,098	1,197	64,978	527
2020	8,583	7,764	7,764	7,638	7,566	820
Total	74,208	8,888	72,862	8,835	72,544	1,347
Town of Dexter Non-Res.						
2010-2019	49,181	502	48,936	544	48,934	245
2020	6,517	5,785	5,785	5,649	5,103	732
Total	55,698	6,287	54,721	6,193	54,037	977
Town of Dexter Res.						
2010-2019	75,856	365	75,647	474	75,593	209
2020	9,976	9,614	9,614	9,296	9,268	361
Total	85,832	9,979	85,261	9,770	84,861	570
Total Municipalities	54,100,152	5,799,031	53,674,375	5,781,146	53,531,515	425,750
School Districts:						
ENMU Non-Res.						
2010-2019	4,335,350	2,264	4,318,944	5,897	4,317,754	16,405
2020	522,941	507,556	507,556	503,670	501,646	15,385
Total	4,858,291	509,820	4,826,500	509,567	4,819,400	31,790
ENMU Res.						
2010-2019	4,709,566	29,749	4,692,925	36,595	4,688,563	16,632
2020	618,210	585,500	585,500	576,854	572,034	32,710
Total	5,327,776	615,249	5,278,425	613,449	5,260,597	49,342
ENMU Debt Service						
2010-2019	5,823,844	479	5,821,146	523	5,821,113	2,691
2020	-	-	-	-	-	-
Total	5,823,844	479	5,821,146	523	5,821,113	2,691
NM Jr. College Non-Res.						
2010-2019	16,601	-	16,601	-	16,601	-
2020	115	115	115	115	115	-
Total	16,716	115	16,716	115	16,716	-
NM Jr. College Res.						
2010-2019	1,184	-	1,184	-	1,184	-
2020	151	151	151	151	151	-
Total	1,335	151	1,335	151	1,335	-

**STATE OF NEW MEXICO
CHAVES COUNTY
PROPERTY TAX SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	County Receivable at Year End
Roswell Ind. Schools Non-Res.						
2010-2019	1,789,460	1,506	1,785,325	3,026	1,784,834	4,134
2020	214,373	208,373	208,373	206,755	206,202	6,001
Total	2,003,833	209,879	1,993,698	209,781	1,991,036	10,135
Roswell Ind. Schools Res.						
2010-2019	1,347,770	8,182	1,343,374	9,998	1,342,152	4,396
2020	174,771	165,804	165,804	163,459	162,152	8,967
Total	1,522,541	173,986	1,509,178	173,457	1,504,304	13,363
Roswell Ind. Schools Debt Service						
2010-2019	65,431,497	257,138	65,242,731	332,281	65,200,223	188,736
2020	8,267,884	7,919,976	7,919,976	7,828,262	7,782,466	347,908
Total	73,699,381	8,177,114	73,162,707	8,160,543	72,982,689	536,644
Artesia Public Schools Non-Res.						
2010-2019	33,301	11	33,286	15	33,286	15
2020	4,346	4,328	4,328	4,322	4,322	18
Total	37,647	4,339	37,614	4,337	37,608	33
Artesia Public Schools Res.						
2010-2019	7,045	9	7,041	9	7,041	5
2020	890	869	869	864	864	21
Total	7,935	878	7,910	873	7,905	26
Artesia Public Schools Debt Service						
2010-2019	590,246	314	589,946	374	589,946	300
2020	77,458	76,809	76,809	76,632	76,632	649
Total	667,704	77,123	666,755	77,006	666,578	949
Lake Arthur Muni. Schools Non-Res.						
2010-2019	74,047	(205)	73,988	(178)	73,988	59
2020	10,112	10,050	10,050	10,031	10,018	63
Total	84,159	9,845	84,038	9,853	84,006	122
Lake Arthur Muni. Schools Res.						
2010-2019	9,408	48	9,248	121	9,246	158
2020	1,303	1,192	1,192	1,161	1,150	110
Total	10,711	1,240	10,440	1,282	10,396	268
Lake Arthur Muni. Schools Debt Service						
2010-2019	1,765,485	(2,860)	1,758,342	717	1,758,260	7,065
2020	274,872	269,606	269,606	268,095	267,438	5,265
Total	2,040,357	266,746	2,027,948	268,812	2,025,698	12,330
Elida Muni. Schools #27 Non-Res.						
2010-2019	10,287	(106)	10,283	(105)	10,283	4
2020	1,055	1,054	1,054	1,054	1,053	2
Total	11,342	948	11,337	949	11,336	6
Elida Muni. Schools #27 Res.						
2010-2019	891	-	891	-	891	-
2020	131	131	131	131	131	-
Total	1,022	131	1,022	131	1,022	-
Elida Muni. Schools #27 Debt Service.						
2010-2019	80,081	(483)	80,061	(481)	80,091	19
2020	5,191	5,184	5,184	5,184	5,181	7
Total	85,272	4,701	85,245	4,703	85,272	26
Elida Muni. Schools #28 Non-Res.						
2010-2019	8,282	2	8,277	3	8,277	5
2020	1,388	1,384	1,384	1,384	1,384	4
Total	9,670	1,386	9,661	1,387	9,661	9
Elida Muni. Schools #28 Res.						
2010-2019	982	1	982	1	982	-
2020	159	152	152	152	152	7
Total	1,141	153	1,134	153	1,134	7

**STATE OF NEW MEXICO
CHAVES COUNTY
PROPERTY TAX SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	County Receivable at Year End
Elida Muni. Schools #28 Debt Service.						
2010-2019	63,913	11	63,888	16	63,888	24
2020	6,764	6,714	6,714	6,714	6,712	51
Total	70,677	6,725	70,602	6,730	70,600	75
Hagerman Muni. Schools Non-Res.						
2010-2019	98,786	(472)	98,339	(293)	98,277	447
2020	11,830	11,455	11,455	11,381	11,346	375
Total	110,616	10,983	109,794	11,088	109,623	822
Hagerman Muni. Schools Res.						
2010-2019	29,706	374	29,445	445	29,420	260
2020	4,045	3,659	3,659	3,580	3,350	386
Total	33,751	4,033	33,104	4,025	32,770	646
Hagerman Muni. Schools Debt Service						
2010-2019	2,163,255	1,958	2,150,747	6,196	2,149,269	12,498
2020	266,029	251,459	251,459	248,517	247,306	14,570
Total	2,429,284	253,417	2,402,206	254,713	2,396,575	27,068
Dexter Cons. Schools Non-Res.						
2010-2019	196,410	284	193,193	369	193,155	3,217
2020	25,155	23,901	23,901	23,668	23,257	1,254
Total	221,565	24,185	217,094	24,037	216,412	4,471
Dexter Cons. Schools Res.						
2010-2019	43,675	340	43,461	444	43,406	213
2020	5,870	5,487	5,488	5,353	5,264	382
Total	49,545	5,827	48,949	5,797	48,670	595
Dexter Cons. Schools Debt Service						
2010-2019	7,610,172	27,747	7,509,266	36,278	7,504,950	100,895
2020	951,891	899,150	899,150	885,588	870,430	52,741
Total	8,562,063	926,897	8,408,416	921,866	8,375,380	153,636
Tatum Muni. Schools Non-Res.						
2010-2019	1,660	-	1,660	-	1,660	-
2020	12	12	12	12	12	-
Total	1,672	12	1,672	12	1,672	-
Tatum Muni. Schools Res.						
2010-2019	78	-	78	-	78	-
2020	10	10	10	10	10	-
Total	88	10	88	10	88	-
Tatum Muni. Schools Debt Service						
2010-2019	22,250	-	22,250	-	22,250	-
2020	435	435	435	435	435	-
Total	22,685	435	22,685	435	22,685	-
Total School Districts	107,712,623	11,286,807	106,867,419	11,265,785	106,612,281	845,054
Special Districts:						
Pecos Valley Conservancy District						
2010-2019	23,933,046	172,661	23,833,328	211,458	23,808,317	99,664
2020	3,832,835	3,645,010	3,645,010	3,597,946	3,571,512	187,826
Total	27,765,881	3,817,671	27,478,338	3,809,404	27,379,829	287,490
Chaves County S&W Conservancy Non-Res.						
2010-2019	612,992	2,636	611,284	3,048	610,998	1,708
2020	71,586	68,810	68,810	68,191	67,907	2,777
Total	684,578	71,446	680,094	71,239	678,905	4,485
Chaves County S&W Conservancy Res.						
2010-2019	1,032,351	4,765	1,030,498	6,636	1,030,088	1,852
2020	142,464	136,860	136,860	134,848	133,740	5,604
Total	1,174,815	141,625	1,167,358	141,484	1,163,828	7,456

**STATE OF NEW MEXICO
CHAVES COUNTY
PROPERTY TAX SCHEDULE (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	County Receivable at Year End
Upper Hondo S&W Conservancy Non-Res.						
2010-2019	92	5	92	5	92	-
2020	<u>10</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>
Total	<u>102</u>	<u>5</u>	<u>92</u>	<u>5</u>	<u>92</u>	<u>10</u>
Upper Hondo S&W Conservancy Res.						
2010-2019	4	-	4	-	4	-
2020	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>
Total	<u>12</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>	<u>8</u>
Hagerman-Dexter S&W Conservancy Non-Res.						
2010-2019	169,749	1,217	169,076	1,677	168,900	673
2020	<u>18,964</u>	<u>17,960</u>	<u>17,960</u>	<u>17,486</u>	<u>17,305</u>	<u>1,005</u>
Total	<u>188,713</u>	<u>19,177</u>	<u>187,036</u>	<u>19,163</u>	<u>186,205</u>	<u>1,678</u>
Hagerman-Dexter S&W Conservancy Res.						
2010-2019	114,144	1,068	113,562	1,594	113,530	582
2020	<u>16,150</u>	<u>15,256</u>	<u>15,256</u>	<u>14,953</u>	<u>14,817</u>	<u>894</u>
Total	<u>130,294</u>	<u>16,324</u>	<u>128,818</u>	<u>16,547</u>	<u>128,347</u>	<u>1,476</u>
Penasco S&W Conservancy						
2010-2019	31,564	10	31,545	11	31,545	19
2020	<u>4,223</u>	<u>4,164</u>	<u>4,164</u>	<u>4,138</u>	<u>4,138</u>	<u>59</u>
Total	<u>35,787</u>	<u>4,174</u>	<u>35,709</u>	<u>4,149</u>	<u>35,683</u>	<u>78</u>
Central Valley S&W Conservancy Non-Res.						
2010-2019	17,011	33	16,965	43	16,965	46
2020	<u>1,364</u>	<u>1,325</u>	<u>1,325</u>	<u>1,321</u>	<u>1,317</u>	<u>39</u>
Total	<u>18,375</u>	<u>1,358</u>	<u>18,290</u>	<u>1,364</u>	<u>18,282</u>	<u>85</u>
Central Valley S&W Conservancy Res.						
2010-2019	4,861	3	4,799	49	4,799	62
2020	<u>587</u>	<u>522</u>	<u>522</u>	<u>509</u>	<u>505</u>	<u>64</u>
Total	<u>5,448</u>	<u>525</u>	<u>5,321</u>	<u>558</u>	<u>5,304</u>	<u>126</u>
Border S&W Conservancy						
2010-2019	-	-	-	-	-	-
2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cottonwood-Walnut Creek S&W Conservancy						
2010-2019	97,889	-	97,556	33	97,556	333
2020	<u>10,363</u>	<u>10,016</u>	<u>10,016</u>	<u>10,016</u>	<u>9,989</u>	<u>346</u>
Total	<u>108,252</u>	<u>10,016</u>	<u>107,572</u>	<u>10,049</u>	<u>107,545</u>	<u>679</u>
Predator Control						
2010-2019	216,199	302	213,647	354	213,636	2,545
2020	<u>25,389</u>	<u>23,859</u>	<u>23,859</u>	<u>23,448</u>	<u>23,441</u>	<u>1,529</u>
Total	<u>241,588</u>	<u>24,161</u>	<u>237,506</u>	<u>23,802</u>	<u>237,077</u>	<u>4,074</u>
Total Special Districts	<u>30,353,845</u>	<u>4,106,482</u>	<u>30,046,138</u>	<u>4,097,764</u>	<u>29,941,101</u>	<u>307,645</u>
Grand Total	<u>\$ 309,152,056</u>	<u>\$ 33,807,663</u>	<u>\$ 306,682,352</u>	<u>\$ 33,737,930</u>	<u>\$ 305,921,307</u>	<u>\$ 2,469,380</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF EXPENDITURES OF STATE APPROPRIATIONS
FOR THE YEAR ENDED JUNE 30, 2020**

Appropriation Purpose	Original Appropriation Amount	Appropriation Period	Reversion Date	Legislative Authority	Expenditures to Date	Remaining Balance
Hobson Rd Improvements Menominee/US 285	\$ 167,428	3/10/2016	6/30/2020	House Bill 219 Ch 81, Sec 24, Par 14	\$ 167,428	\$ -
Sheriff Body Armor	100,000	7/30/2019	6/30/2020	Senate Bill 536 Page 7 Sect. 8 I	100,000	-
Sheriff's Office Vehicles	147,000	7/30/2019	6/30/2020	Senate Bill 536 Page 7 Sect. 8 J	147,000	-
Chaves Co. Lake Arthur JOY Ctr. Meals Equipment	1,343	4/15/2019	6/30/2020	Senate Bill 280 Page 17 Sect. 66	1,343	-
Chaves Co. Hagerman JOY Ctr. Meals Equipment	6,333	4/15/2019	6/30/2020	Senate Bill 280 Page 17 Sect. 66	6,333	-
Chaves Co. JOY Center Program Funding	90,000	4/15/2019	6/30/2020	House Bill 548 Page 42 Sect. 51-2	90,000	-
Chaves Co. JOY Center Program Funding	25,000	4/15/2019	6/30/2020	House Bill 548 Page 13 Sect. 16-1	25,000	-
Chaves Co. Sierra VFD Water Tanker Truck	400,000	4/15/2019	6/30/2021	Senate Bill 280 Page 182 Sect. 140	26,446	373,554
Chaves Co. Accessible Vans Purchase	100,000	4/15/2019	6/30/2021	Senate Bill 280 Page 182 Sect. 147	98,040	1,960
Chaves County Courthouse Elevator	246,800	9/28/2018	6/30/2022	House Bill 306 Page 100 Section 26	25,803	220,997
Chaves County Digital Trunk Radio System	220,000	9/28/2018	6/30/2022	House Bill 306 Page 100 Section 26	125,324	94,676
Hobson Rd Improvements, Roswell	205,512	8/28/2018	6/30/2022	80/Sec. 32, par 20	21,077	184,435
Chaves Co. Sheriff's Vehicles	235,000	3/17/2020	6/30/2022	HB349/a Page 99 Sect. 158	-	235,000
Chaves Co. Hobson Rd. Detention Pond	569,000	4/15/2019	6/30/2023	Senate Bill 280 Page 240 Sect. 44	48,259	520,741
Chaves Co. Courthouse Window Replace.	450,000	4/15/2019	6/30/2023	Senate Bill 280 Page 181 Sect. 138	39,611	410,389
Chaves Co. Complex Trail Construction	150,000	4/15/2019	6/30/2023	Senate Bill 280 Page 181 Sect. 139	16,930	133,070
Chaves Co. Red Bridge Rd. Bridges Improv	250,000	4/15/2019	6/30/2023	Senate Bill 280 Page	233,535	16,465
Chaves Co. Walking Trail Complex	200,000	3/11/2020	6/30/2024	HB349/a Page 98 Sect. 148	-	200,000
Chaves Co. Courthouse Cooling System Improve.	75,000	3/12/2020	6/30/2024	HB349/a Page 98 Sect. 149	-	75,000
Chaves Co. Industrial Site & Infra-Structure Improve.	5,000,000	3/13/2020	6/30/2024	HB349/a Page 98 Sect. 150	-	5,000,000
Chaves Co. Courthouse Security Improvements	80,000	3/14/2020	6/30/2024	HB349/a Page 98 Sect. 151	-	80,000
Chaves Co. Admin. Center Cooling System Improve.	125,000	3/15/2020	6/30/2024	HB349/a Page 99 Sect. 156	-	125,000
Chaves Co. Courthouse Security Improvements	400,000	3/16/2020	6/30/2024	HB349/a Page 99 Sect. 157	-	400,000
Total	\$ 9,243,416				\$ 1,172,129	\$ 8,071,287

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
JUNE 30, 2020**

Agreement Number	Participants	Parties Responsible for Operations	Description	Beginning and Ending Dates
	New Mexico Counties	NM Association of Counties	Creation and operation of a worker's compensation fund	7/01/87 - indefinite
	New Mexico Counties	NM Association of Counties	To provide a multi-line fund for property and casualty insurance	7/01/87 - indefinite
A-84-83	Chaves County and Otero County	Chaves County and Otero County	Construction and maintenance of County roads	10/19/84 - indefinite
A-90-15	Chaves County and City of Roswell	Chaves County and City of Roswell	Coordinating control of all disasters within their respective jurisdictions	4/12/90 - indefinite
A-95-77	NM State Highway Department; SNMEDD; SEPRO	NM State Highway Department	Data collection requirements of the Intermodal Surface Transportation	10/17/95 - indefinite
A-98-90	NM State Highway Department and Chaves County	Chaves County	Energy and maintenance of warning flashers at the intersection of the Relief	11/24/98 - indefinite
A-01-24	NMPRC Insurance Division; Fire Marshal's Office and Chaves County (WIPP Grant)	Chaves County	Develop and implement a county-wide hazardous materials emergency response training program	4/09/01 - indefinite
A-02-165	NM State Highway Department and Chaves County	Chaves County	To provide electrical energy and maintenance of lighting at the intersection of US 285 and the Roswell Relief Route	1/24/03 - indefinite
A-02-172	Chaves County and State of New Mexico Department of Corrections	Chaves County	To establish the rights and responsibilities of the parties as to the operation of the Chaves County District 8 Fire Station	12/13/02 - indefinite
A-04-91	NM Energy, Minerals and Natural Resources, Chaves County	Chaves County	The control of timber, grass and woodland fires in and adjacent to developed areas	9/13/04 - indefinite
A-05-15 Amend #1	City of Roswell and Chaves County	Pecos Valley Regional Communication Center District	Operating, administering and maintaining a joint enhanced 911 Regional Emergency	7/19/05 - indefinite 12/21/17-indefinite
A-05-045	Chaves County and the Town of Dexter	Chaves County and the Town of Dexter	To provide for protection of life and property by enforcement codes and	N/A
A-06-014	Chaves County and Flood Control	Chaves County and Flood Control	To establish Flood Control as a Chaves County department	4/06/06 - indefinite

**STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
JUNE 30, 2020**

Total Estimated Amount of the Project and Portion Applicable to the	Amount of Agency Contribution in the Current Fiscal Year	Audit Responsibility	Name of Government Agency where Revenues and Expenditures are Reported	Fiscal Agent (if applicable)
N/A	N/A	NM Association of Counties	NM Association of Counties	NM Association of Counties
N/A	N/A	NM Association of Counties	NM Association of Counties	NM Association of Counties
N/A	N/A	Chaves County and Otero County	N/A	Chaves County and Otero County
N/A	N/A	Chaves County and City of Roswell	Chaves County and City of Roswell	Chaves County and City of Roswell
N/A	N/A	SNMEDD		SNMEDD
N/A	N/A	Chaves County	N/A	Chaves County
N/A	N/A	Chaves County	N/A	Chaves County
N/A	N/A	Chaves County	N/A	Chaves County
N/A	N/A	Chaves County	N/A	Chaves County
N/A	N/A	Chaves County	N/A	Chaves County
\$500,000	\$579,190	Pecos Valley Regional Communication Center	N/A	Pecos Valley Regional Communication Center
N/A	N/A	Chaves County	N/A	Chaves County
N/A	N/A	Chaves County	N/A	Chaves County

STATISTICAL SECTION

**STATE OF NEW MEXICO
CHAVES COUNTY
STATISTICAL SECTION DESCRIPTIONS
JUNE 30, 2020**

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the County's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the County's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the County's current levels of outstanding debt as well as assess the County's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the County's financial activities take place and to help make comparisons with other municipalities.

Operating Information

These schedules contain information about the County's operations and various resources to help the reader draw conclusions as to how the County's financial information relates to the services provided by the County.

**STATE OF NEW MEXICO
CHAVES COUNTY
NET POSITION BY COMPONENT
LAST 10 FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net Position					
Net investment in capital assets	\$ 108,374,981	\$ 108,399,061	\$ 106,855,738	\$ 105,441,719	\$ 105,759,730
Restricted	72,788,942	68,174,705	67,419,604	65,792,872	64,183,013
Unrestricted (deficit)	(19,878,531)	(20,809,077)	(23,395,642)	(10,959,240)	(6,995,002)
Total net position	<u>\$ 161,285,392</u>	<u>\$ 155,764,689</u>	<u>\$ 150,879,700</u>	<u>\$ 160,275,351</u>	<u>\$ 162,947,741</u>
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Net Position					
Net investment in capital assets	\$ 104,316,888	\$ 93,963,305	\$ 92,643,379	\$ 116,611,132	\$ 151,171,973
Restricted	64,172,880	69,146,304	74,179,207	70,373,339	70,667,370
Unrestricted (deficit)	(6,985,709)	13,029,574	8,662,048	15,141,356	15,677,905
Total net position	<u>\$ 161,504,059</u>	<u>\$ 176,139,183</u>	<u>\$ 175,484,634</u>	<u>\$ 202,125,827</u>	<u>\$ 237,517,248</u>

Note: During the fiscal year ended June 30, 2015, the County implemented GASB 68. The portion of unrestricted (deficit) net position directly related to GASB 68 was \$(21,873,195), \$(18,757,299), and \$(17,049,786) for the years ended June 30, 2020, 2019, and 2018, respectively.

Note: During the fiscal year ended June 30, 2018, the County implemented GASB 75. The portion of unrestricted (deficit) net position directly related to GASB 75 was \$(11,973,928), \$(12,839,961), and \$(13,093,564) for the years ended June 30, 2020, 2019, and 2018, respectively.

Source: The source of this information is the County's financial records.

**STATE OF NEW MEXICO
CHAVES COUNTY
EXPENSES, PROGRAM REVENUES AND NET (EXPENSE) REVENUE (CONTINUED)
LAST 10 FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Expenses					
General government	\$ 8,075,881	\$ 7,864,657	\$ 7,937,326	\$ 7,417,325	\$ 7,847,105
Public safety	15,790,030	14,615,250	14,597,822	15,915,084	12,986,788
Public works	8,669,904	8,104,384	8,025,120	8,512,710	7,737,892
Culture and recreation	81,936	129,079	104,773	110,727	83,037
Health and welfare	4,959,181	4,651,334	4,299,935	4,312,294	4,362,604
Interest on long-term debt	416,755	239,526	312,530	226,078	356,958
Total governmental activities expenses	<u>37,993,687</u>	<u>35,604,230</u>	<u>35,277,506</u>	<u>36,494,218</u>	<u>33,374,384</u>
Program Revenues					
Charges for services:					
General government	1,769,901	2,218,529	2,502,540	1,961,657	1,642,378
Public safety	666,489	109,642	117,322	178,479	111,893
Public works	224,807	80,530	60,894	120,151	39,181
Health and welfare	1,589	-	-	-	-
Operating grants and contributions	2,386,552	3,743,551	2,876,608	2,394,814	2,866,897
Capital grants and contributions	1,664,804	927,041	915,313	956,137	1,064,629
Total program revenues	<u>6,714,142</u>	<u>7,079,293</u>	<u>6,472,677</u>	<u>5,611,238</u>	<u>5,724,978</u>
Net Expense	<u>\$ (31,279,545)</u>	<u>\$ (28,524,937)</u>	<u>\$ (28,804,829)</u>	<u>\$ (30,882,980)</u>	<u>\$ (27,649,406)</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
EXPENSES, PROGRAM REVENUES AND NET (EXPENSE) REVENUE (CONTINUED)
LAST 10 FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Expenses					
General government	\$ 8,202,300	\$ 8,290,451	\$ 8,179,487	\$ 11,772,859	\$ 9,064,603
Public safety	11,802,943	10,996,637	11,524,608	11,515,590	10,917,930
Public works	6,559,759	7,075,627	6,963,017	6,964,010	4,005,389
Culture and recreation	127,301	133,051	134,673	122,896	108,600
Health and welfare	3,873,800	3,181,442	3,551,116	6,333,835	7,893,800
Interest on long-term debt	339,722	385,090	301,387	307,958	341,481
Total governmental activities expenses	<u>30,905,825</u>	<u>30,062,298</u>	<u>30,654,288</u>	<u>37,017,148</u>	<u>32,331,803</u>
Program Revenues					
Charges for services					
General government	1,331,631	1,389,299	1,569,190	1,339,252	1,212,970
Public safety	113,992	102,098	173,333	169,477	7,193
Public works	96,341	38,676	144,274	84,122	59,677
Health and welfare	-	-	-	-	-
Operating grants and contributions	2,118,192	2,252,093	2,409,845	3,770,794	9,103,069
Capital grants and contributions	2,193,546	933,006	472,944	1,186,305	2,667,906
Total program revenues	<u>5,853,702</u>	<u>4,715,172</u>	<u>4,769,586</u>	<u>6,549,950</u>	<u>13,050,815</u>
Net Expense	<u>\$ (25,052,123)</u>	<u>\$ (25,347,126)</u>	<u>\$ (25,884,702)</u>	<u>\$ (30,467,198)</u>	<u>\$ (19,280,988)</u>

Source: The source of this information is the County's financial records.

**STATE OF NEW MEXICO
CHAVES COUNTY
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST 10 FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net Expense	\$ (31,279,545)	\$ (28,524,937)	\$ (28,804,829)	\$ (30,882,980)	\$ (27,649,406)
General Revenues					
Taxes					
Property taxes, levied for general purposes	9,540,521	9,758,379	9,844,911	8,762,252	8,393,175
Property taxes, levied for capital purposes	1,517,033	1,458,866	1,429,581	1,394,140	1,362,304
Gross receipts taxes	17,284,732	15,239,492	14,740,064	11,734,763	11,865,673
Gasoline and motor vehicle taxes	1,703,519	1,820,820	1,561,917	1,505,996	1,706,243
Other taxes *	-	-	-	1,066,133	1,163,063
Unrestricted federal aid	3,905,285	3,747,288	3,683,677	3,636,563	3,370,740
Licenses and fees	-	-	-	-	-
Investment income	2,849,158	1,385,081	1,013,633	110,743	1,231,890
Contributions	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Loss on disposal of capital assets	-	-	-	-	-
Total general revenues	<u>36,800,248</u>	<u>33,409,926</u>	<u>32,273,783</u>	<u>28,210,590</u>	<u>29,093,088</u>
Changes in Net Position	<u>\$ 5,520,703</u>	<u>\$ 4,884,989</u>	<u>\$ 3,468,954</u>	<u>\$ (2,672,390)</u>	<u>\$ 1,443,682</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION (CONTINUED)
LAST 10 FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Net Expense	\$ (25,052,123)	\$ (25,347,126)	\$ (25,884,702)	\$ (30,467,198)	\$ (19,280,988)
General Revenues					
Taxes					
Property taxes, levied for general purposes	9,090,957	8,840,619	8,687,211	8,391,027	7,902,236
Property taxes, levied for capital purposes	1,317,706	1,255,573	1,221,224	1,208,012	1,191,958
Gross receipts taxes	7,935,051	8,052,325	7,410,816	7,576,240	7,424,494
Gasoline and motor vehicle taxes	2,073,656	2,349,996	2,382,243	2,550,998	2,195,484
Other taxes *	1,083,664	1,188,656	989,386	894,645	1,218,259
Unrestricted federal aid	2,817,940	3,067,778	2,860,983	2,928,777	2,865,630
Licenses and fees	-	-	-	-	-
Investment income	1,080,615	1,246,728	27,223	1,243,760	873,486
Contributions	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Loss on disposal of capital assets	-	-	-	-	-
Total general revenues	<u>25,399,589</u>	<u>26,001,675</u>	<u>23,579,086</u>	<u>24,793,459</u>	<u>23,671,547</u>
Changes in Net Position	<u>\$ 347,466</u>	<u>\$ 654,549</u>	<u>\$ (2,305,616)</u>	<u>\$ (5,673,739)</u>	<u>\$ 4,390,559</u>

Source: The source of this information is the County's financial records.

* In fiscal year 2018, revenues in this line item were reclassified into gross receipts tax revenues and charges for services.

**STATE OF NEW MEXICO
CHAVES COUNTY
FUND BALANCES - GOVERNMENTAL FUNDS
LAST 10 FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund					
Nonspendable	\$ 189,147	\$ 170,495	\$ 167,551	\$ 157,257	\$ 170,101
Restricted	-	-	-	-	-
Unassigned	<u>10,860,809</u>	<u>8,053,050</u>	<u>6,962,160</u>	<u>3,728,649</u>	<u>5,515,570</u>
Total general fund	<u>\$ 11,049,956</u>	<u>\$ 8,223,545</u>	<u>\$ 7,129,711</u>	<u>\$ 3,885,906</u>	<u>\$ 5,685,671</u>
All Other Governmental Funds					
Nonspendable	\$ 50,793,715	\$ 50,689,971	\$ 50,838,123	\$ 50,978,996	\$ 50,893,636
Restricted	22,788,942	18,174,705	14,636,687	14,262,073	14,098,871
Committed	2,251,013	2,013,013	1,782,917	1,494,819	1,317,314
Unassigned	-	-	-	-	(637,586)
Total all other governmental funds	<u>\$ 75,833,670</u>	<u>\$ 70,877,689</u>	<u>\$ 67,257,727</u>	<u>\$ 66,735,888</u>	<u>\$ 65,672,235</u>

**STATE OF NEW MEXICO
CHAVES COUNTY
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
LAST 10 FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund					
Nonspendable	\$ 155,354	\$ 143,514	\$ 140,735	\$ 146,367	\$ -
Restricted	-	-	-	-	1,000,000
Unassigned	<u>8,293,265</u>	<u>13,753,900</u>	<u>13,624,949</u>	<u>15,343,784</u>	<u>16,090,847</u>
Total general fund	<u>\$ 8,448,619</u>	<u>\$ 13,897,414</u>	<u>\$ 13,765,684</u>	<u>\$ 15,490,151</u>	<u>\$ 17,090,847</u>
All Other Governmental Funds					
Nonspendable	\$ 50,997,647	\$ 51,046,536	\$ 51,126,690	\$ 51,237,673	\$ 51,330,469
Restricted	14,108,135	16,563,688	21,500,493	16,412,270	14,881,390
Committed	1,642,179	1,476,458	1,562,731	2,632,162	3,373,014
Unassigned	<u>(3,592,252)</u>	<u>(26,554)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 63,155,709</u>	<u>\$ 69,060,128</u>	<u>\$ 74,189,914</u>	<u>\$ 70,282,105</u>	<u>\$ 69,584,873</u>

Source: The source of this information is the County's financial records.

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54 were adopted in fiscal year 2011. The standard replaces the previous reserved and unreserved fund balance categories with the following five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned fund balance.

**STATE OF NEW MEXICO
CHAVES COUNTY
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND DEBT SERVICE RATIO (CONTINUED)
LAST 10 FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
REVENUES					
Property taxes	\$ 11,040,243	\$ 11,126,089	\$ 11,195,705	\$ 10,153,338	\$ 9,730,802
Gasoline and motor vehicle taxes	1,703,519	1,820,820	1,583,955	1,505,996	1,730,243
Gross receipts taxes	17,284,732	15,239,492	14,740,064	11,734,763	11,865,673
Other taxes *	-	-	-	1,066,133	1,163,063
State grants and contributions	3,551,658	4,535,267	3,731,809	3,151,360	3,675,397
Federal grants and contributions	4,404,983	3,882,613	3,743,789	3,705,218	3,496,864
Charges for services	960,527	1,037,983	1,136,171	756,220	557,207
Licenses and fees	697,550	535,582	680,778	612,065	525,505
Investment income	2,849,158	1,385,081	1,013,633	110,743	1,231,890
Contributions	-	-	-	-	-
Other	1,004,709	835,136	863,807	939,727	835,861
Total revenues	<u>43,497,079</u>	<u>40,398,063</u>	<u>38,689,711</u>	<u>33,735,563</u>	<u>34,812,505</u>
EXPENDITURES					
Current					
General government	6,494,216	6,540,417	6,289,364	6,478,195	5,986,719
Public safety	13,360,847	12,787,832	12,423,633	12,936,146	11,294,155
Public works	6,229,612	5,684,893	5,642,896	5,532,210	5,937,097
Culture and recreation	62,654	116,274	92,703	99,911	85,066
Health and welfare	4,926,110	4,628,579	4,283,540	4,294,735	4,365,628
Capital outlay	3,033,762	3,611,574	3,877,139	3,104,874	5,261,387
Debt service					
Principal	1,210,227	1,802,455	1,721,679	1,678,293	1,572,412
Interest and fees	510,262	362,588	435,468	347,311	477,105
Loan issuance costs	-	-	-	-	-
Total expenditures	<u>35,827,690</u>	<u>35,534,612</u>	<u>34,766,422</u>	<u>34,471,675</u>	<u>34,979,569</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 7,669,389</u>	<u>\$ 4,863,451</u>	<u>\$ 3,923,289</u>	<u>\$ (736,112)</u>	<u>\$ (167,064)</u>
Expenditures for capitalized assets	\$ 2,560,577	\$ 3,645,780	\$ 3,433,116	\$ 2,462,571	\$ 3,583,641
Debt service as a percentage of noncapital expenditures	5%	7%	7%	6%	7%

**STATE OF NEW MEXICO
CHAVES COUNTY
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND DEBT SERVICE RATIO (CONTINUED)
LAST 10 FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
REVENUES					
Property taxes	\$ 10,270,397	\$ 10,136,414	\$ 10,059,276	\$ 9,599,477	\$ 9,391,293
Gasoline and motor vehicle taxes	2,027,618	2,349,996	2,382,243	2,550,998	2,195,484
Gross receipts taxes	7,935,051	8,052,325	7,410,816	7,576,240	7,424,494
Other taxes *	1,151,316	1,121,004	1,059,511	928,987	1,113,792
State grants and contributions	3,942,704	2,986,212	2,635,334	3,085,795	4,137,740
Federal grants and contributions	3,056,140	3,144,345	2,983,987	3,579,053	4,011,068
Charges for services	413,983	477,078	477,894	449,843	328,652
Licenses and fees	464,447	439,370	509,199	505,024	468,452
Investment income	1,080,615	1,246,728	27,223	1,243,760	873,486
Contributions	-	-	-	1,000,000	5,000,000
Other	788,537	735,401	982,867	859,012	1,970,533
Total revenues	<u>31,130,808</u>	<u>30,688,873</u>	<u>28,528,350</u>	<u>31,378,189</u>	<u>36,914,994</u>
EXPENDITURES					
Current					
General government	6,210,418	5,701,591	5,800,146	5,920,816	6,691,393
Public safety	10,405,168	9,116,461	9,019,160	8,788,680	9,209,946
Public works	5,004,346	4,503,655	5,050,679	5,145,110	5,079,694
Culture and recreation	137,208	126,378	134,004	123,494	108,798
Health and welfare	3,881,935	3,184,580	3,549,717	6,332,563	7,893,914
Capital outlay	15,157,798	11,702,176	6,709,123	4,823,408	4,440,825
Debt service					
Principal	1,433,924	1,356,028	917,643	864,441	837,895
Interest and fees	435,504	500,393	337,806	343,505	379,082
Loan issuance costs	2,003	4,613	35,437	-	-
Total expenditures	<u>42,668,304</u>	<u>36,195,875</u>	<u>31,553,715</u>	<u>32,342,017</u>	<u>34,641,547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (11,537,496)</u>	<u>\$ (5,507,002)</u>	<u>\$ (3,025,365)</u>	<u>\$ (963,828)</u>	<u>\$ 2,273,447</u>
Expenditures for capitalized assets	\$ 13,270,027	\$ 7,960,675	\$ 3,759,776	\$ 1,122,321	\$ 5,031,921
Debt service as a percentage of noncapital expenditures	6%	7%	5%	4%	4%

Source: The source of this information is the County's financial records.

* In fiscal year 2018, revenues in this line item were reclassified into gross receipts tax revenues and charges for services.

**STATE OF NEW MEXICO
CHAVES COUNTY
OTHER FINANCING SOURCES (USES) AND NET CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST 10 FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 7,669,389	\$ 4,863,451	\$ 3,923,289	\$ (736,112)	\$ (167,064)
Other financing sources (uses)					
Loan proceeds	-	-	-	-	-
Premium on loan issuance	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-
Transfers in	5,195,702	6,850,000	8,007,113	9,546,466	7,675,000
Transfers out	(5,195,702)	(6,850,000)	(8,007,113)	(9,546,466)	(7,675,000)
Total other financing sources	-	-	-	-	-
Changes in fund balances	\$ 7,669,389	\$ 4,863,451	\$ 3,923,289	\$ (736,112)	\$ (167,064)
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (11,537,496)	\$ (5,507,002)	\$ (3,025,365)	\$ (963,828)	\$ 2,273,447
Other financing sources (uses)					
Premium on loan issuance	-	-	783,083	-	-
Loan proceeds	267,003	619,613	4,725,000	-	126,785
Gain/(Loss) on investments	-	-	-	-	-
Sale of property	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-
Transfers in	12,165,550	5,302,282	5,963,800	5,900,000	8,047,300
Transfers out	(12,165,550)	(5,302,282)	(5,963,800)	(5,900,000)	(8,047,300)
Total other financing sources	267,003	619,613	5,508,083	-	126,785
Changes in fund balances	\$ (11,270,493)	\$ (4,887,389)	\$ 2,482,718	\$ (963,828)	\$ 2,400,232

Source: The source of this information is the County's financial records.

**STATE OF NEW MEXICO
CHAVES COUNTY
GROSS RECEIPTS TAX REVENUE BY SOURCE
LAST 10 FISCAL YEARS**

	Fiscal Year Ended June 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Utilities	\$ 796,150	\$ 853,252	\$ 802,153	\$ 801,872	\$ 783,810	\$ 517,005	\$ 499,272	\$ 444,333	\$ 439,997	\$ 427,008
Construction	2,107,506	1,635,380	1,525,017	1,436,423	1,356,531	838,233	984,104	780,926	850,754	694,846
Manufacturing	270,545	257,650	181,781	142,414	143,843	90,193	76,932	78,320	78,050	91,188
Wholesale trade	394,358	360,289	331,550	334,053	343,247	186,356	158,411	140,321	149,607	128,401
Retail trade	4,074,983	4,162,042	3,811,995	2,882,691	2,945,321	2,087,213	1,909,143	1,870,302	1,808,937	2,023,897
Information and cultural industries	541,552	505,423	465,366	475,456	491,195	291,860	305,540	321,689	319,725	419,209
Real estate, rental and leasing	260,292	183,631	153,004	130,907	131,533	88,008	70,487	79,701	81,040	85,282
Professional, scientific and technical	1,062,258	649,425	598,872	577,296	620,813	454,361	364,118	332,563	319,467	332,507
Healthcare and social assistance	1,164,965	1,132,046	884,977	759,306	694,463	379,225	331,900	262,296	349,011	391,138
Accommodation and food services	1,138,215	1,120,900	990,497	906,273	944,354	548,912	500,175	462,986	416,113	391,266
Other services (except public admin.)	1,232,593	1,245,381	1,201,340	1,216,747	476,127	831,449	911,234	946,527	872,213	813,845
Unclassified establishments	63,728	58,638	34,047	54,194	62,911	40,351	52,745	17,344	4,350	5,373
State food distribution	723,189	12,897	94,661	310,276	339,758	359,053	467,162	495,962	526,429	469,118
State medical distribution	118,446	3,382	26,584	652,682	600,148	88,002	111,102	93,005	106,059	80,478
Other business activity	816,786	886,559	741,854	538,428	1,253,211	414,692	463,036	486,739	470,189	548,260
Internet Sales Appropriation House Bill 6	239,094	-	-	-	-	-	-	-	-	-
Total	\$ 15,004,659	\$ 13,066,896	\$ 11,843,698	\$ 11,219,018	\$ 11,187,265	\$ 7,214,913	\$ 7,205,361	\$ 6,813,014	\$ 6,791,941	\$ 6,901,816

- Notes:** 1) Other business activity are industries that generate less than 7% of gross receipts tax individually. Those industries include the following business classifications using the North American Industry Classification System (NAICS): Finance and Insurance; Transportation and Warehousing; Administration and Support, Waste Management and Remediation; Educational Services; Arts, Entertainment and Recreation; Management of Companies and Enterprises; Agriculture, Forestry, Fishing and Hunting; Public Administration; Mining and Oil and Gas Extraction.
- 2) Intercepts of gross receipts taxes by the New Mexico Finance Authority (NMFA) for the payment of outstanding loans are excluded from the above data.
- 3) Increase of 3/8ths to the County's Gross Receipt Tax Rate implemented July 2015.
- 4) State of New Mexico started collecting State Tax on online business sales July 1, 2019. They appropriated \$24 Million to Counties and Municipalities by population. Chaves County received \$.23,90 starting August of 2019.

**STATE OF NEW MEXICO
CHAVES COUNTY
GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST 10 FISCAL YEARS**

Fiscal Year	Property Taxes	Gross Receipts Taxes	Motor Vehicle Taxes	Gas Tax	Oil Tax	Other Taxes	Total
2020	\$ 10,961,422	\$ 15,022,824	\$ 864,671	\$ 363,481	\$ 471,201	\$ 129,337	\$ 27,812,935
2019	11,073,386	13,604,866	978,054	376,231	457,977	116,421	26,606,937
2018	10,373,585	12,265,370	741,904	348,038	421,626	119,288	24,269,811
2017	10,055,746	11,733,603	861,365	365,109	384,857	106,589	23,507,269
2016	9,669,250	10,787,779	902,515	356,123	501,647	89,865	22,307,178
2015	10,360,596	7,716,705	830,500	356,532	902,060	89,383	20,255,776
2014	10,136,414	8,052,325	688,972	350,802	1,310,222	1,121,004	21,659,739
2013	10,059,276	7,410,816	809,384	358,260	1,237,456	1,036,654	20,911,846
2012	9,599,477	7,576,240	809,109	344,933	1,434,011	891,932	20,655,702
2011	9,391,293	7,424,494	752,254	352,302	1,306,042	898,678	20,125,063

Source: The source of this information is the County's financial records.

**STATE OF NEW MEXICO
CHAVES COUNTY
GROSS RECEIPTS TAX RATES
LAST 10 FISCAL YEARS**

Governmental Entitiy	Location Code	Fiscal Year Ended June 30,									
		2020		2019		2018		2017		2016	
		Jul-Dec 2019	Jan-Jun 2020	Jul-Dec 2018	Jan-Jun 2019	Jul-Dec 2017	Jan-Jun 2018	Jul-Dec 2016	Jan-Jun 2017	Jul-Dec 2015	Jan-Jun 2016
Dexter	04-201	7.3958%	7.3958%	7.3958%	7.3958%	7.3125%	7.3958%	7.3125%	7.3125%	7.3125%	7.3125%
Hagerman	04-300	7.5833%	7.5833%	7.5833%	7.5833%	7.5000%	7.5833%	7.5000%	7.5000%	7.5000%	7.5000%
Lake Arthur	04-400	6.8958%	6.8958%	6.8958%	6.8958%	6.8125%	6.8958%	6.8125%	6.8125%	6.8125%	6.8125%
Roswell	04-101	7.8333%	7.8333%	7.8333%	7.8333%	7.6875%	7.8333%	7.5000%	7.5000%	7.5000%	7.5000%
Remainder of County	04-004	6.5208%	6.5208%	6.5208%	6.5208%	6.4375%	6.5208%	6.4375%	6.4375%	6.4375%	6.4375%

Governmental Entitiy	Location Code	Fiscal Year Ended June 30,									
		2015		2014		2013		2012		2011	
		Jul-Dec 2014	Jan-Jun 2015	Jul-Dec 2013	Jan-Jun 2014	Jul-Dec 2012	Jan-Jun 2013	Jul-Dec 2011	Jan-Jun 2012	Jul-Dec 2010	Jan-Jun 2011
Dexter	04-201	6.9375%	7.3125%	6.9375%	6.9375%	6.9375%	6.9375%	6.9375%	6.9375%	6.9375%	6.9375%
Hagerman	04-300	7.1250%	7.5000%	7.1250%	7.1250%	7.1250%	7.1250%	7.1250%	7.1250%	7.1250%	7.1250%
Lake Arthur	04-400	6.4375%	6.8125%	6.4375%	6.4375%	6.4375%	6.4375%	6.4375%	6.4375%	6.4375%	6.4375%
Roswell	04-101	7.1250%	7.5000%	7.1250%	7.1250%	7.1250%	7.1250%	7.1250%	7.1250%	7.1250%	7.1250%
Remainder of County	04-004	6.0625%	6.4375%	6.0625%	6.0625%	6.0625%	6.0625%	6.0625%	6.0625%	6.0625%	6.0625%

Source: State of New Mexico, Taxation and Revenue Department.

**STATE OF NEW MEXICO
CHAVES COUNTY
PROPERTY TAX LEVIES AND COLLECTIONS
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30,	Tax Roll Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2020	2019	\$ 9,371,537	\$ 9,010,500	96.15 %	\$ -	\$ 9,010,500	96.15 %
2019	2018	9,315,428	8,978,366	96.38	73,096	8,978,366	95.95
2018	2017	8,801,893	8,442,230	95.95	213,992	8,656,222	95.95
2017	2016	8,381,927	8,054,420	96.09	274,872	8,329,292	99.37
2016	2015	8,245,498	7,836,733	95.04	381,116	8,217,848	99.66
2015	2014	8,879,326	8,570,453	96.52	301,272	8,871,725	99.91
2014	2013	8,587,477	8,304,022	96.70	279,304	8,583,326	99.95
2013	2012	8,355,638	8,059,708	96.46	284,408	8,344,116	99.86
2012	2011	8,173,741	7,859,291	96.15	312,678	8,171,969	99.98
2011	2010	8,037,280	7,707,147	95.89	328,648	8,035,795	99.98

Source: The source of this information is the County Treasurer's records.

- Notes:**
- 1) Amounts collected are on a cash basis.
 - 2) Unsecured personal property taxes are not included in this schedule because the dates of the monthly rolls vary each year. On the average, 95% of unsecured property taxes are collected within 90 days after the due
 - 3) Taxes Levied for the Fiscal Year are updated to reflect all Tax Roll corrections for the full reported periods.

**STATE OF NEW MEXICO
CHAVES COUNTY
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY BY CLASS
LAST 10 FISCAL YEARS**

<u>Tax Year</u>	<u>Land</u>	<u>Improvements</u>	<u>Personal Property</u>	<u>Manufactured Homes</u>	<u>State Assessed Property</u>	<u>Livestock</u>	<u>Exemptions</u>	<u>Total Taxable Value</u>	<u>Full Value (3 x Taxable Value)</u>
2019	\$ 172,796,774	\$ 924,136,878	\$ 42,492,552	\$ 27,489,416	\$ 189,385,966	\$ 38,902,134	\$ (152,497,223)	\$ 1,242,706,497	\$ 3,728,119,491
2018	162,348,998	864,841,178	40,573,812	25,975,415	211,573,735	43,463,287	(117,514,128)	1,231,262,297	3,693,786,891
2017	156,686,614	830,728,271	41,271,173	25,677,407	179,671,239	49,832,289	(97,068,334)	1,186,798,659	3,560,395,977
2016	150,378,654	818,978,104	36,661,326	24,787,629	191,645,152	62,677,407	(98,140,681)	1,186,987,591	3,560,962,773
2015	145,883,611	795,211,992	38,476,661	22,611,107	175,845,575	48,697,044	(94,717,340)	1,132,008,650	3,396,025,950
2014	145,882,357	795,197,826	38,471,478	22,611,107	175,845,575	48,696,209	(94,794,780)	1,131,909,772	3,395,729,316
2013	142,627,555	772,885,121	39,048,348	21,654,953	149,003,956	37,218,731	(95,411,236)	1,067,027,428	3,201,082,284
2012	140,006,933	759,204,574	38,935,395	20,729,635	134,437,373	38,651,921	(105,367,053)	1,026,598,778	3,079,796,334
2011	136,857,509	717,171,928	41,088,150	19,504,587	131,936,925	33,402,353	(90,575,905)	989,385,547	2,968,156,641
2010	132,944,804	688,378,228	41,350,060	18,705,455	131,370,778	29,288,464	(62,192,846)	979,844,943	2,939,534,829

Source: County Assessor's Records.

**STATE OF NEW MEXICO
CHAVES COUNTY
PROPERTY TAX RATES (MIL RATES) - DIRECT AND OVERLAPPING
LAST 10 FISCAL YEARS**

Tax Year		Direct Rates		Overlapping Rates													
				Municipalities						School Districts						Special District	
		State of New Mexico	Chaves County	City of Roswell	Town of Hagerman	Town of Dexter	Town of Lake Arthur	Roswell School District	Dexter School District	Hagerman School District	Lake Arthur School District	ENMUR	Artesia School District	Elida School District	Tatum School District	NMJC College	SWCD
2020	Residential	1.3600	5.417	7.323	1.721	1.144	2.073	7.899	12.21	7.472	11.663	0.8820	7.375	2.152	6.9730	3.6230	1.0000
	Non-Residential	1.3600	10.3500	8.1760	2.2250	2.2250	1.8940	8.1320	12.5200	7.6710	11.8510	1.0000	7.5000	2.4620	7.2340	5.0000	1.0000
2019	Residential	1.3600	5.4160	7.3290	1.7230	1.1370	2.0680	7.8470	12.2360	7.3210	11.6850	0.8820	7.3190	2.1610	6.8400	3.5880	1.0000
	Non-Residential	1.3600	10.1580	8.2040	2.2250	2.2250	1.8350	8.1390	12.4980	7.6570	11.8570	1.0000	7.5000	2.3930	7.2240	5.0000	1.0000
2018	Residential	1.3600	5.3260	7.2170	1.6840	1.1250	2.0150	7.8050	12.2290	7.3060	13.5560	0.8670	6.9800	2.1940	7.2480	3.5240	1.0000
	Non-Residential	1.3600	9.6160	8.2040	2.2250	2.2250	2.0400	8.1320	12.5100	7.6870	13.7170	1.0000	7.5000	2.4010	7.6650	5.0000	1.0000
2017	Residential	1.3600	5.3050	7.1540	1.6940	1.1240	2.0110	7.7960	13.3940	7.2580	16.7880	0.8510	7.1600	2.2650	7.7950	3.5400	1.0000
	Non-Residential	1.3600	9.0440	8.1960	2.1660	2.1740	2.0040	8.0990	13.5960	7.4380	16.8500	0.9690	7.4650	2.2330	8.4010	5.0000	1.0000
2016	Residential	1.3600	5.4330	7.2950	1.7630	1.1550	2.0590	7.8480	12.1910	7.4240	9.5440	0.8710	7.2780	2.4210	5.5340	3.6280	1.0000
	Non-Residential	1.3600	9.2850	8.1820	2.1560	2.1850	2.0660	8.1360	12.3190	7.6290	9.7020	0.9950	7.5000	2.4380	5.8890	5.0000	1.0000
2015	Residential	1.3600	6.5260	7.3980	1.7820	1.1770	2.0700	7.8780	12.2220	7.3960	9.5730	1.9190	7.3280	2.3960	5.4310	3.7290	1.0000
	Non-Residential	1.3600	10.3500	8.1900	2.2250	2.2160	2.1210	8.1350	12.5960	7.6340	9.7560	2.0350	7.4570	2.4180	5.7390	5.0000	1.0000
2014	Residential	7.3980	1.3600	6.5260	1.7820	1.1770	2.0700	7.8790	12.2210	7.3960	9.5730	1.9190	7.3280	2.3950	5.4310	3.7290	1.0000
	Non-Residential	8.1900	1.3600	10.3500	2.2250	2.2160	2.1210	8.1350	12.5960	7.6340	9.7560	2.0350	7.4570	2.4180	5.7390	5.0000	1.0000
2013	Residential	8.1500	1.3600	6.6210	1.8350	1.2010	2.0970	7.9540	12.2480	7.4170	8.6220	1.9320	7.3900	2.4340	5.5240	3.8620	1.0000
	Non-Residential	8.8720	1.3600	10.3500	2.2030	2.1810	2.1190	8.1800	12.5560	7.5910	8.7670	2.0350	7.4640	2.4560	5.7700	5.0000	1.0000
2012	Residential	8.3180	1.3600	6.7290	1.8410	1.2210	2.1080	7.9060	12.3130	7.7160	4.5270	1.9470	7.4190	6.2700	5.1760	3.9410	1.0000
	Non-Residential	8.9220	1.3600	10.3500	2.2250	2.2250	2.2230	8.1410	12.5920	7.8870	4.5820	2.0350	7.5000	6.2960	5.4680	5.0000	1.0000
2011	Residential	8.1600	1.3620	6.5650	1.7980	1.1880	2.0360	7.8320	12.6020	7.1800	4.1690	2.2600	7.3100	6.8790	5.1240	3.9410	1.0000
	Non-Residential	8.9350	1.3620	10.3500	2.1480	2.2250	2.2250	8.1230	12.9010	7.3990	4.3170	2.3710	7.5000	6.9500	5.4150	5.0000	1.0000

Source: State of New Mexico, Taxation and Revenue Department, Certified by Chaves County.

**STATE OF NEW MEXICO
CHAVES COUNTY
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND NINE YEARS PRIOR**

Taxpayer	2020		2011	
	Primary Assessed Valuation	Percentage of County's Net Assessed Valuation	Primary Assessed Valuation	Percentage of County's Net Assessed Valuation
BURLINGTON NORTHERN THE & ; SANTA FE RAILWAY CO	\$ 34,177,957	2.74 %	\$ 14,586,109	1.49 %
MID AMERICA PIPELINE COMPANY	23,352,860	1.87	10,972,493	1.12
S W P S	16,369,504	1.31	8,445,184	0.86
CENTRAL VALLEY ELECTRIC	12,939,136	1.04	-	0.00
S W P S	11,732,728	0.94	7,224,987	0.74
CORTEZ PIPELINE COMPANY	9,492,570	0.76	8,844,299	0.90
ROSWELL HOSPITAL CORPORATION	8,256,058	0.66	11,236,786	1.15
NEW MEXICO GAS COMPANY	6,556,686	0.53	-	0.00
EL PASO NATURAL GAS CO	6,541,332	0.52	10,180,219	1.04
TRANSWESTERN PIPELINE CO ; PROPERTY TAX DEPARTMENT	5,249,138	0.42	20,167,674	2.06
AGAVE ENERGY COMPANY ; C/O INDUSTRIAL VALUATION SERVICE	-	0.00	9,199,568	0.94
QWEST CORPORATION	-	0.00	6,955,511	0.71
Total	\$ 134,667,969	10.79 %	\$ 107,812,830	11.00 %
County's Total Assessed Valuation	\$ 1,247,851,339		\$ 979,844,743	

Source: The source of this information is the County Assessor's tax records.

**STATE OF NEW MEXICO
CHAVES COUNTY
OUTSTANDING DEBT BY TYPE
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30,	Governmental Activities				Total Outstanding Debt				
	General Obligation Bonds	NMFA Loans	Refunding Revenue Bonds	Total	Taxable Value of Property	Percentage of Assessed Property Value	Percentage of Personal Income	Total Population	Ratio of Total Debt Per Capita
2020	\$ -	\$ 2,454,008	\$ -	\$ 2,454,008	\$1,247,851,339	0.20 %	0.09 %	65,459	37.49
2019	-	3,501,240	612,300	4,113,540	1,231,262,297	0.33	0.16	64,689	63.59
2018	-	4,043,233	1,837,167	5,880,400	1,186,798,659	0.50	0.22	64,866	90.65
2017	-	4,663,220	3,040,149	7,703,369	1,186,987,591	0.65	0.33	65,282	118.00
2016	-	5,279,821	4,203,131	9,482,952	1,132,008,650	0.84	0.41	65,764	144.20
2015	-	5,870,541	5,286,113	11,156,654	1,131,909,772	0.99	0.58	65,878	169.35
2014	-	6,160,770	6,264,095	12,424,865	1,067,027,428	1.16	0.58	66,041	188.14
2013	-	6,085,547	7,172,077	13,257,624	1,026,598,778	1.29	0.63	65,823	201.41
2012	-	625,693	7,895,000	8,520,693	989,385,547	0.86	0.44	65,784	129.53
2011	-	675,134	8,710,000	9,385,134	979,844,943	0.96	0.52	65,890	142.44

Source: The source of this information is the County's financial records.

**STATE OF NEW MEXICO
CHAVES COUNTY
LEGAL DEBT MARGIN INFORMATION
LAST 10 FISCAL YEARS**

	Fiscal Year Ended June 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Debt Limit	\$ 49,708,260	\$ 49,250,492	\$ 47,471,946	\$ 47,479,504	\$ 45,280,346	\$ 45,276,391	\$ 42,681,097	\$ 41,063,951	\$ 39,575,422	\$ 39,193,798
Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 49,708,260</u>	<u>\$ 49,250,492</u>	<u>\$ 47,471,946</u>	<u>\$ 47,479,504</u>	<u>\$ 45,280,346</u>	<u>\$ 45,276,391</u>	<u>\$ 42,681,097</u>	<u>\$ 41,063,951</u>	<u>\$ 39,575,422</u>	<u>\$ 39,193,798</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed Value	\$ 1,242,706,497
Debt Limit (4% of total assessed value)	49,708,260
Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>\$ 49,708,260</u>

Source: The source of this information is the County's financial records.

**STATE OF NEW MEXICO
CHAVES COUNTY
PLEDGED REVENUE COVERAGE
LAST 10 FISCAL YEARS**

General Obligation & Refunding Bonds					
Fiscal Year Ended June 30,	Gross Receipt Tax Revenues	Debt Service			Coverage
		Principal	Interest	Total	
2020	\$ 2,912,346	\$ 600,000	\$ 12,300	\$ 612,300	476%
2019	2,599,350	1,215,000	49,204	1,264,204	206%
2018	2,450,516	1,180,000	97,113	1,277,113	192%
2017	2,387,693	1,140,000	142,648	1,282,648	186%
2016	2,323,132	1,060,000	185,415	1,245,415	187%
2015	2,488,215	955,000	224,336	1,179,336	211%
2014	2,456,373	885,000	259,535	1,144,535	215%
2013	2,300,360	860,000	292,475	1,152,475	200%
2012	2,312,998	815,000	323,678	1,138,678	203%
2011	2,295,575	790,000	353,183	1,143,183	201%

Source: The source of this information is the County's financial records.

**STATE OF NEW MEXICO
CHAVES COUNTY
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2020**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to County</u>	<u>Estimated Amount Applicable to County</u>
DIRECT:			
Chaves County	\$ 2,454,008	100.00%	\$ 2,454,008
OVERLAPPING DEBT:			
State of New Mexico	2,644,607,000	2%	52,892,140
Municipalities:			
City of Roswell	29,783,000	100.00%	29,783,000
Town of Dexter	413,147	100.00%	413,147
Town of Hagerman	204,812	100.00%	204,812
Town of Lake Arthur	84,756	100.00%	84,756
School Districts:			
Roswell Independent School Dist.	39,135,000	100.00%	39,135,000
Dexter Schools	5,124,089	100.00%	5,124,089
Hagerman Schools	750,000	100.00%	750,000
Lake Arthur Schools	3,610,000	100.00%	3,610,000
Eastern NM University Roswell	43,478,071	100.00%	43,478,071
NM Junior College	-	0.00%	-
		Subtotal, Overlapping Debt	<u>175,475,015</u>
		Total Direct and Overlapping Debt	<u>\$ 177,929,023</u>

Ratios:

Ratio of Total Direct & Overlapping Debt to 2015 Assessed Valuation: 14.32%

Ratio of Chaves County's Outstanding General Obligation Debt to 2020 Estimated Actual Valuation 4.77%

Per Capita Direct & Overlapping Debt: \$ -

Net Taxable Valuation: \$ 1,242,706,497

Total Estimated Actual Valuation: \$ 3,728,119,491

Total Population - Estimated: 65,459

Note: Percentage applicable to Chaves County is derived by taking the Valuation for the Entity within Chaves County divided by the total valuation of the entity for all counties it is a portion of.

Sources: Chaves County Financial Records
State of New Mexico, Dept. of Finance & Admin., Budget & Finance Bureau
State of New Mexico, Office of the State Auditor
Individual Financial Reports of Overlapping Entities for Debt Outstanding

**STATE OF NEW MEXICO
CHAVES COUNTY
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST 10 CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (millions)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Births</u>	<u>Deaths</u>	<u>School Enrollment</u>
2020	65,459 *	2,608	40,322	8.30%	N/A	N/A	12,133
2019	64,689	2,629	40,537	4.90%	800	664	11,892
2018	64,866	2,629	40,537	6.40%	860	695	11,850
2017	65,282	2,357	36,108	7.10%	890	684	11,865
2016	65,764	2,398	36,466	6.20%	931	614	11,823
2015	65,878	2,330	35,377	6.00%	913	645	11,993
2014	65,823	2,116	32,147	7.50%	936	677	11,827
2013	65,784	2,142	32,566	7.60%	948	612	11,771
2012	65,890	2,110	30,319	7.90%	929	670	11,491
2011	65,778	1,947	29,010	8.30%	986	612	11,389

Sources: The source of the "Population" information is: U.S. Census Bureau, Census of Populations Births and Deaths sources: New Mexico Health Department.

The source of the "Unemployment Rate " information is: U.S. Bureau of Labor Statistics, Labor force data by county, 2020 annual averages.

Births and deaths numbers for 2020 not yet published. Other data received from Bureau of Economic Analysis.

School Enrollment was obtained through NM Public Education Department.

* The population is based on U.S. Census Bureau estimation prior to the actual count of 2020.

**STATE OF NEW MEXICO
CHAVES COUNTY
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND NINE YEARS PRIOR**

Employer	Industry	2020			2011		
		Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Roswell Independent School Districts	Education	1,183	1	5.56	760	1	3.55 %
Leprino Foods	Manufacturing	572	2	2.69	480	4	2.24
City of Roswell	Government	514	3	2.41	514	3	2.40
Eastern New Mexico Medical Center	Health Care	445	4	2.09	650	2	3.04
Krumland Auto Group	Commercial	300	5	1.41	N/A		-
New Mexico Military Institute	Education	300	5	1.41	270	5	1.26
Aersale	Aviation	300	5	1.41	N/A		-
Walmart	Commercial	280	8	1.31	260	6	1.21
Chaves County	Government	260	9	1.22	250	7	1.17
Albertson's Market (2 stores)	Commercial	255	10	1.20	N/A		-
Tabosa Development	Health Care	203	11	0.95	N/A		-
Farmers Country Market (3 stores)	Commercial	201	12	0.94	N/A		-
Cattle Barron Restaurants, Inc.	Restaurant	200	13	0.94	N/A		-
Eastern New Mexico University-Roswell	Education	181	14	0.85	232	8	1.08
Christmas by Krebs (Seasonal)	Manufacturing	160	15	0.75	160	9	0.75
Sams Club	Commercial	140	16	0.66	N/A		-
Mission Arch Care	Health Care	120	17	0.56	120	10	0.56
Casa Maria Healthcare Center	Health Care	100	18	0.47	115	11	0.54
Dean Baldwin Painting	Aviation	82	19	0.39 %	112	12	0.52
Pioneer Bank	Financial	79	20	0.37	N/A		-
Total		5,875		22.03 %	3,923		14.77 %
Total employment		21,295			21,409		

Source: The source of the information is from Chaves County Economic Development Center and BLS.gov

**STATE OF NEW MEXICO
CHAVES COUNTY
FULL-TIME-EQUIVALENT EMPLOYEES
BY COUNTY DEPARTMENT/DIVISION OR ELECTED OFFICE
LAST 10 FISCAL YEARS**

	Full-time Equivalent Employees as of June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Government					
County Commissioners	5	5	5	5	5
County Manager & Legal	1	1	1	1	1
Human Resources	2	2	2	2	3
Safety	1	1	1	0	0
Fire & Emergency	0	0	0	0	1
General Services					
Public Works	2	2	2	2	2
Information Technology	3	3	3	3	3
Data Processing	0	0	0	0	0
Planning & Zoning	4	3	4	4	4
Purchasing	1	1	1	2	2
Finance					
Finance Admin	4	4	4	4	4
Community Development	2	2	2	2	2
Hospital Indigent Claims	2	2	2	2	2
Detention Facilities					
Detention Administration	11	9	8	10	10
Adult Detention	66	39	57	56	67
Juvenile CCJD	0	15	15	14	17
Facility Maintenance					
Facility Maintenance	9	7	8	9	8
Courthouse Maintenance	1	1	3	3	3
Record & Filing (Clerk)					
Clerk Administration	6	5	6	6	5
Clerk Bureau Election	3	3	3	3	4
Probate Judge	1	1	1	1	1
Property Assessments (Assessor)					
Assessor's	7	6	7	7	7
Re-Appraisal Dept.	5	5	5	5	5
Collections (Treasurer)					
Treasurer's Administration	5	5	5	5	5
Law Enforcement					
Sheriff Administration	16	15	14	10	11
Sheriff Patroll & Investigations	25	21	23	27	30
Court Security	7	3	5	7	7
Other Funds/Departments					
Road Administration	5	5	5	4	3
Road Shop	7	7	7	7	6
Road Construction & Maintenance	30	26	29	30	34
DWI	2	2	1	1	3
Flood Control	11	9	11	11	11
Court Services	4	4	3	4	2
Total	<u>248</u>	<u>214</u>	<u>243</u>	<u>247</u>	<u>268</u>

STATE OF NEW MEXICO
CHAVES COUNTY
FULL-TIME-EQUIVALENT EMPLOYEES
BY COUNTY DEPARTMENT/DIVISION OR ELECTED OFFICE (CONTINUED)
LAST 10 FISCAL YEARS

	Full-time Equivalent Employees as of June 30,				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Government					
County Commissioners	5	5	5	5	5
County Manager & Legal	1	2	2	2	2
Human Resources	2	1	1	1	1
Safety	1	0	0	0	0
Fire & Emergency	0	0	1	1	1
General Services					
Public Works	4	3	3	3	2
Information Technology	3	3	3	3	3
Data Processing	0	0	0	0	1
Planning & Zoning	4	4	4	4	3
Purchasing	2	2	2	2	2
Finance					
Finance	4	4	4	4	4
Community Development	2	3	2	3	3
Hospital Indigent Claims	2	2	2	4	4
Detention Facilities					
Detention Administration	10	10	8	8	8
Adult Detention	64	58	59	57	49
Juvenile CCJD	18	17	18	17	19
Facility Maintenance					
Facility Maintenance	9	9	10	11	12
Courthouse Maintenance	3	3	3	3	3
Record & Filing (Clerk)					
Clerk Administration	5	5	6	4	5
Clerk Bureau Election	3	3	3	4	4
Probate Judge	1	1	1	1	1
Property Assessments (Assessor)					
Assessor's	7	7	7	6	7
Re-Appraisal Dept.	5	3	4	4	5
Collections (Treasurer)					
Treasurer's Administration	5	5	5	5	5
Law Enforcement					
Sheriff Administration	11	10	11	12	12
Sheriff Patroll & Investigations	29	29	32	30	30
Court Security	6	6	6	7	7
Other Funds/Departments					
Road Administration	3	4	4	3	3
Road Shop	7	7	6	7	7
Road Construction & Maintenance	31	33	30	30	34
DWI	2	2	2	2	2
Flood Control	10	9	9	9	9
Court Services	4	3	4	5	7
Total	<u>263</u>	<u>253</u>	<u>257</u>	<u>257</u>	<u>260</u>

Source: The source of this information is from the County's financial records.

**STATE OF NEW MEXICO
CHAVES COUNTY
CAPITAL ASSETS INFORMATION
LAST 10 FISCAL YEARS**

	Fiscal Year Ended June 30,									
<u>Function/Program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Gov't										
Buildings	3	3	3	2	2	2	2	2	2	2
Buidling Sites	31	24	24	24	24	26	24	24	24	23
Right of Way	3	3	3	3	3	3	3	3	3	3
Recreation	10	10	10	10	10	10	10	10	10	10
Admin										
Parking	4	4	4	4	4	4	4	4	4	4
Vehicles	129	115	132	136	142	134	140	128	118	109
Jails	2									
Equipment	27	25	29	29	30	30	33	33	30	30
Other	102	86	99	106	112	137	183	178	174	170
Clerk Recording & Filing										
Vehicles	1	1	1	1	1	1	1	1	1	1
Equipment	5	4	4	4	4	4	4	1	1	1
Other	3	3	3	3	2	2	1	1	1	1
Courthouse										
Parking	1	1	1	1	1	1	1	1	1	1
Other	1	1	1	1	1	1	1	1	1	1
DWI										
Vehicles	2	1	1	1	1	1	1			
Other	4	4	3	3	3	2	2	2	1	1
Fire Departments										
Stations	16	16	16	16	15	14	14	14	14	14
Vehicles	62	62	58	58	45	44	43	40	38	36
Pumpers	28	27	27	28	22	22	20	19	18	18
Tankers	17	17	17	15	13	13	12	11	9	8
Equipment	5	5	5	5	6	6	6	6	6	6
Other	37	28	28	32	29	27	14	11	9	9

**STATE OF NEW MEXICO
CHAVES COUNTY
CAPITAL ASSETS INFORMATION (CONTINUED)
LAST 10 FISCAL YEARS**

	Fiscal Year Ended June 30,									
<u>Function/Program</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Flood Department										
Buidling Sites	1									
Vehicles	33	33	33	33	35	34	33	31	29	28
Other	5	5	5	5	5	4	4	4	4	4
Law Enforcement										
Other	2	2	2	2	2	2	2	2	2	2
Other Grants & Contract										
Buidling Sites	1									
Vehicles	15	14	3	3	3	3	3	3	3	3
Equipment	0	0	1	1	1	1	1			
Other	12	7	6	6	3	3	3	1	1	1
Property Valuation										
Vehicles	5	5	5	5	5	5	5	5	5	5
Road Dept.										
Buildings	3	4	4	4	4	4	4	4	4	4
Bridges	22	22	22	22	22	22	22	22	22	22
Vehicles	140	129	137	137	135	141	132	125	121	118
Tanker	1									
Equipment	2	1	1	1	1	5	1	1	1	1
Other	32	32	25	25	23	3	15	13	10	10

Source: The source of this information is the County's records.

**STATE OF NEW MEXICO
CHAVES COUNTY
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST 10 FISCAL YEARS**

Function/Program	Fiscal Year Ended June 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Works (4)										
Street Resurfacing (miles) (1)	95	70	29	63	81	64	69	41	43	62
Traffic Sign (2)	410	503	437	465	449	2,903	772	1,135	1,023	1,454
Streets (miles)	1,415	1,415	1,423	1,400	1,409	1,407	1,407	1,413	1,419	1,426
Streetlights (3)	42	42	42	33	33	33	33	33	33	33
Law Enforcement										
Traffic Citations	1,592	1,821	1,698	1,889	2,095	1,598	934	1,162	1,078	1,184
911 Calls Answered (5) (6)	52,370	47,056	46,251	52,049	58,912	86,555	79,261	76,595	75,843	74,665
Zoning, Building, and Planning										
Residential Building Permits	20	13	52	18	18	11	12	14	29	11
Commercial Building Permits	8	7	5	13	5	2	4	2	3	4
Detention Center										
Total Bookings	3,562	3,915	4,206	4,643	4,668	4,754	4,543	4,705	4,674	4,879
Fire Departments										
Number of Calls Answered (6)	2,109	4,127	633	414	313	311	407	303	548	331

Source: Various County departments.

Notes: 1. Miles of chip sealed roads. Chaves County does not have any streets.

2. This is the number of signs repaired or replaced annually.

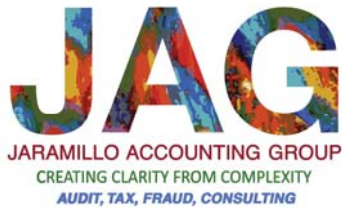
3. This is the total certified mileage for Chaves County and includes, paved roads, chip sealed roads and dirt/gravel roads.

4. Only the Road Department and Detention Center reports their information by fiscal year (June 30). The rest of the departments are on calendar year.

5. Data excludes calls made for traffic stops and alarms.

6. Number of calls answered in 2019 include medical calls fire departments responded to.

COMPLIANCE SECTION



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

County Commissioners of
Chaves County
Roswell, New Mexico and
Mr. Brian Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and the major special revenue funds of Chaves County (the County) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements as listed in the Table of Contents and have issued our report thereon dated November 30, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered County’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of County’s internal control. Accordingly, we do not express an opinion on the effectiveness of County’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

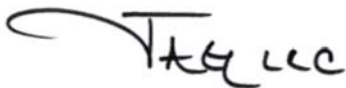
County Commissioners of
Chaves County and
Mr. Brian Colón, Esq.
New Mexico State Auditor

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "JAG LLC". The signature is stylized with a large, sweeping initial letter.

Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 30, 2020

**STATE OF NEW MEXICO
CHAVES COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020**

NONE

STATE OF NEW MEXICO
CHAVES COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified not considered to be material weakness(es)? No
- Non-compliance material to financial statements noted? No

**STATE OF NEW MEXICO
CHAVES COUNTY
EXIT CONFERENCE
JUNE 30, 2020**

The contents of this report were discussed, in a closed session, on November 30, 2020. The following individuals were in attendance:

Chaves County

William E. Cavin, Commissioner
T. Calder Ezzell, Jr., Commissioner
Stanton L. Riggs, County Manager
Joe Sedillo, CFO
Anabel Barraza, Assistant Finance Director
William B. Williams, Public Services Director

Jaramillo Accounting Group LLC (JAG)

Audrey J. Jaramillo, CPA, CFE, Managing Partner
Scott Eliason, CPA, Partner
Shawn Mortensen, CPA, Manager

Jaramillo Accounting Group LLC (JAG) assisted in the preparation of the financial statements presented in this report. The County's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.