

Accounting & Auditing Services, LLC

Financial Audits + Agreed Upon Procedures + Tax + Consulting

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association

Independent Accountant's Report on Applying Agreed-Upon Procedures

For the Fiscal Year Ending December 31, 2018

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
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Fiscal Year Ending December 31, 2018

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**El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
Official Roster
Fiscal Year Ending December 31, 2018**

Board of Directors

Todd Brown, President

Ann Murray, Vice President

Patricia Brown, Treasurer

Carol O'Keefe, Secretary

Peter Wlassak, Liaison

Administration

Ruth Center, Bookkeeper

Rudy Martinez, Water Operator

Ron C deBaca, Meter Reader

Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Directors

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association

Cerrillos, NM

and

Brian S. Colon, Esq., New Mexico State Auditor

Santa Fe, NM

I have performed the procedures enumerated below for the El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association (Association) for the year ended December 31, 2018, solely to assist in determining compliance with the provisions of the Audit Act for a Tier 4 entity per Section 12-6-3 B (4) NMSA 1978, Section 2.2.2.16 NMAC and Section 6-6-2 (A) NMSA 1978. The procedures were agreed to by the Association through the New Mexico Office of the State Auditor. The Association's management is responsible for its accounting records and the subject matter. This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings are as follows

1. Verify the local public body's revenue calculation and tier determination documented on the form provided at www.osanm.org under "Tiered System Reporting Main Page."

Based on a review of the Association's general ledger, total revenues for the fiscal year ending December 31, 2018 were \$74,890 and the Association did not receive a capital outlay appropriation. Based on this information, the Association was properly determined to be a Tier 4 entity for 2018 since their total revenues were between \$50,000 and \$250,000 and they did not receive or expend a capital outlay appropriation from the New Mexico State Legislature in 2018.

2. Cash

- a. Determine whether bank reconciliations are being performed in a timely manner and whether all bank and investment statements for the fiscal year are complete and on hand.

As of December 31, 2018, the Association had one checking account and one savings account at the Del Norte Credit Union. The Association did not have any investment accounts. All bank statements for the fiscal year were complete and on hand.

However, five monthly bank reconciliations were not performed in a timely manner. See Finding 2015-001 on p. 7.

- b. Test at least 30% of the bank reconciliations for accuracy. Also, trace ending balances to the general ledger, supporting documentation and the financial reports submitted to DFA-Local Government Division.

33% of the bank reconciliations were tested for accuracy. The selected bank reconciliations were accurate, and the ending balances on the bank reconciliations agreed with the Association's general ledger and supporting documentation. However, the cash balances on the bank reconciliations did not agree with three quarterly financial reports submitted to DFA-LGD. See Finding 2007-001 on p. 8.

- c. Determine whether the local public body's financial institutions have provided it with the 50% of pledged collateral on all uninsured deposits as required by Section 6-10-17 NMSA 1978, NM Public Money Act, if applicable.

The bank account balances of the Association were fully insured by the FDIC. Pledged collateral was not required since the Association's bank balances were well below \$250,000 during the fiscal year.

3. Capital Assets

- a. Verify that the local public body is performing a yearly inventory as required by Section 12-6-10 NMSA 1978.

At the end of the fiscal year, the Association performed an annual inventory but did not have any movable chattels and equipment that cost more than \$5,000. No capital asset purchases during the fiscal year were noted during the agreed-upon procedures.

4. Revenue

- a. Identify the nature and amount of revenue from sources by reviewing the budget, agreements, rate schedules, and underlying documentation. Perform an analytical review; test actual revenue compared to budgeted revenue for the year for each type of revenue.

The revenue sources of the Association consist of monthly water dues, water hauler fees, new membership fees, and interest income.

The actual revenue compared to budgeted revenue for each type of revenue was reviewed. According to the Association's general ledger, actual revenues were \$5,910 more than budgeted revenues in 2018. No significant or unusual variances were

noted. The variances between the actual amount of revenues in 2017 and 2018 were adequately explained by the Association's contract bookkeeper and the Treasurer.

- b. Select a sample of revenue equal to at least 30% of the total dollar amount and test the following attributes:
 - i. Amount recorded in the general ledger agrees to the supporting documentation and the bank statement.

A sample of cash receipts and deposits was judgmentally selected and tested which amounted to approximately 31% of total revenues. The amount recorded in the general ledger agreed with the supporting documentation and the bank statement.

- ii. Proper recording of classification, amount, and period per review of supporting documentation and the general ledger. Perform this revenue work on the same accounting basis that the local public body keeps its accounting records on, cash, modified accrual or accrual basis.

The cash receipts tested were properly classified and recorded in the general ledger on the cash basis of accounting.

5. Expenditures

- a. Select a sample of cash disbursements equal to at least 30% of the total dollar amount and test the following attributes:
 - i. Determine that amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to vendor's invoice, purchase order, contract and canceled check, as appropriate.

A sample of cash disbursements were tested which amounted to approximately 51% of total expenses. The amounts recorded as disbursed agreed with the supporting documentation. The amount, payee, date and description of the purchase agreed with the vendor's invoice, contract and canceled check. The Association does not use purchase order forms.

- ii. Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.

The cash disbursements tested were properly authorized and approved in compliance with the budget and legal requirements and established policies and procedures.

- iii. Determine that the bid process (or request for proposal process if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code (Section 13-1-28 through 13-1-199 NMSA 1978), State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

None of the cash disbursements tested exceeded the amounts requiring sealed bids or requests for proposals. The cash disbursements tested were processed in accordance with applicable provisions of the State Procurement Code and the Per Diem and Mileage Act.

6. Journal Entries

- a. Test all non-routine journal entries, adjustments and reclassifications posted to the general ledger for the following attributes:
 - i. Journal entries appear reasonable and have supporting documentation.

According to the Association's accounts receivable ledger, six non-routine journal entries totaling \$722.04 were posted to the general ledger during the fiscal year to lower customer's accounts receivable balances for excessive billings caused by water leaks. Several adjusting journal entries totaling \$47,023.93 were posted to record depreciation expense for 2018. Another adjusting journal entry for \$1,497.47 was posted to correct the loan payable balance according to the loan statement from the New Mexico Environment Department. Also, adjusting journal entries totaling \$29,060.87 were posted to the sales tax payable account to correct erroneous account balances that have existed on the Association's balance sheet for several years. The journal entries appear necessary and reasonable, with supporting documentation.

- ii. The local public body has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed.

The Association has a procedure in place whereas non-routine journal entries posted to the general ledger by the Bookkeeper are reviewed and approved by the governing body during the monthly board meetings. However, there was no documentation showing that the adjustments to the depreciation, sales tax payable and loan payable accounts noted above were approved by the Association's Board of Directors. See Finding 2017-002 on p. 10.

7. Budget

- a. Obtain the original fiscal year budget and all budget amendments made throughout the fiscal year and perform the following test work:

- i. Verify, through a review of the minutes and correspondence, that the original budget and subsequent budget adjustments were approved by the local public body's governing body and DFA-LGD.

The Association's Board of Directors adopted a formal budget during a board meeting on January 18, 2018 (Resolution #2018-001) which was approved by DFA-LGD in a letter to the Association dated February 21, 2018. The Association did not have any budget adjustments in 2018.

- ii. Determine if the total actual expenditures exceeded the final budget at the legal level of budgetary control; if the answer is yes, report a compliance finding.

Total expenditures for 2018 exceeded the final approved budget. According to the Association's general ledger, actual expenditures for 2018 were \$7,165 more than budgeted expenditures. See Finding 2018-001 on p. 11.

- iii. From the original and final approved budgets and general ledger, prepare a schedule of revenues and expenditures – budget and actual on the budgetary basis used by the local public body (cash, modified accrual or accrual basis) for each individual fund.

Based on the Association's general ledger, the Schedule of Revenues and Expenditures was prepared on the cash basis of accounting. See Exhibit 1 on p. 13.

8. Other

- a. If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, such instances must be disclosed in the report as required by Section 12-6-6 NMSA 1978. The findings must include the required content per Section 2.2.2.10 (L) NMAC.

No other findings were noted during the performance of the Tier 4 agreed-upon procedures.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the subject matter. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and others with the Association, the New Mexico State Auditor, the New Mexico Department of Finance and Administration – Local Government Division, and the New Mexico State Legislature and is not intended to be and should not be used by anyone other than these specified parties.

Accounting & Auditing Services, LLC

Accounting & Auditing Services, LLC

Santa Fe, New Mexico

May 29, 2019

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
Schedule of Findings and Responses
Fiscal Year Ending December 31, 2018

Status of Prior Year Findings

Finding 2010-006. Revenue and Expenditure Transactions Not Properly Classified and Recorded – Resolved.

Finding 2015-001. Untimely Bank Account Reconciliations – Revised and Repeated.

Finding 2017-001. Incomplete Quarterly Financial Reports to DFA-LGD – Revised and Repeated.

Finding 2017-002. No Documentation for Adjusting Journal Entries – Revised and Repeated.

Current Year Findings

Finding 2015-001. Untimely Bank Account Reconciliations

Condition

For the checking account, the bank account reconciliations for the months of January, February, March, October and November 2018 weren't performed until 5/19/18, 5/19/18, 5/19/18, 1/15/19, and 1/15/19 respectively. For the savings account, the bank account reconciliations for the months of January, February, March, October and November 2018 weren't performed until 5/18/18, 5/18/18, 5/18/18, 12/2/18, and 1/15/19 respectively. Management of the Association did not take sufficient corrective action in 2016, 2017 and 2018 to resolve this finding.

Criteria

It is a prudent business practice to obtain complete bank statements and perform timely bank accounts reconciliations to verify that all monetary transactions are accurately recorded and accounted for by the bank and the Association.

Effect

If bank reconciliations are not performed in a timely manner, recording errors or irregularities will not be detected and corrected as soon as possible.

Cause

The bookkeeper stated that the bank reconciliation weren't performed in a timely manner because she experienced a death in the family in January, was missing information for July and her computer was in the shop to repair a virus. The bookkeeper also has a full-time job with another company and may not have had the time to perform the bank reconciliations in a timely manner.

Recommendation

The Board of Directors should strictly require its bookkeeper to perform and document the monthly bank account reconciliation shortly after the bank statements are received but no later than the end of the following month. The Association's Treasurer should monitor the bookkeeper's

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
Schedule of Findings and Responses
Fiscal Year Ending December 31, 2018

performance to ensure that the bank reconciliations are performed in a timely and accurate manner.

Management's Response

Starting with the bank statements for May 2019, the Board of Directors will require the bookkeeper to submit the bank reconciliations after the bank statement is received and before the end of the following month. The Board Treasurer will review the reconciliation and bring it to the board for approval at the monthly board meeting.

Finding 2017-001. Inaccurate Quarterly Financial Reports to DFA-LGD

Condition

The 2018 loan principal and interest expenditures of \$7,238 were not included on the quarterly reports to DFA-LGD. Also, the cash balances reported on the quarterly financial reports to DFA-LGD did not agree with the cash balances according to the Association's general ledger as follows:

<u>Quarter Ending</u>	<u>Per General Ledger</u>	<u>Per Report to DFA-LGD</u>	<u>Difference</u>
3/31/2018	\$ 152,842	\$ 160,963	\$ 8,121
6/30/2018	\$ 156,347	\$ 164,784	\$ 8,437
9/30/2018	\$ 164,568	\$ 160,576	\$ 3,922

Regarding the corrective action taken in 2018 to resolve this prior-year finding, the bookkeeper entered cash balances in the quarterly reports to DFA-LGD; however, the amounts in the quarterly reports did not agree with the Association's general ledger as noted above. Therefore, management of the Association did not take sufficient corrective action in 2018 to resolve this prior-year finding.

Also, the revenues and expenditure totals on the Association's profit and loss statement for the fiscal year ending December 31, 2018 did not agree with the revenue and expenditure totals on the quarterly report to DFA-LGD for the fiscal year ending December 31, 2018 as follows:

	<u>Total Per Profit and Loss Statement</u>	<u>Total Per Report to DFA-LGD</u>	<u>Difference</u>
Revenues	\$ 74,890	\$ 72,581	\$ (2,309)
Expenditures	<u>(68,149)</u>	<u>(66,651)</u>	<u>1,498</u>
Net Income	<u>\$ 6,741</u>	<u>\$ 5,930</u>	<u>\$ (811)</u>

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
Schedule of Findings and Responses
Fiscal Year Ending December 31, 2018

Criteria

As required by Section 6-6-2.F NMSA 1978 and DFA-LGD notices, the Association should submit complete and accurate quarterly financial reports to DFA-LGD on the prescribed form.

Section 6-6-3 NMSA 1978 provides that every local public body shall keep all the books, records and accounts in their respective offices in a form prescribed by the local government division.

Effect

Inaccurate quarterly reports are misleading to oversight agencies and other users of the financial information.

Cause

The bookkeeper didn't clearly know how to prepare the quarterly reports to DFA-LGD and did not ensure that the correct account balances were reported on the quarterly reports. Also, the Treasurer did not review them for completeness and accuracy before they were submitted to DFA-LGD.

Regarding the total revenue and expenditure differences, adjusting journal entries were posted to the general ledger after the quarterly reports were submitted to DFA.

Recommendation

The bookkeeper should ensure that the correct account balances are entered in the quarterly reports to DFA-LGD, including the actual principal and interest expenditures. If adjusting journal entries are needed, the bookkeeper should post the adjustments to the general ledger before the quarterly reports are prepared and submitted to DFA-LGD. Any differences between the balances in the general ledger and the quarterly reports should be reconciled and explained in the quarterly reports to DFA-LGD.

The bookkeeper should receive training on how to accurately prepare the quarterly reports or the Association should hire a qualified accountant to prepare the reports in the manner prescribed by DFA-LGD.

The Board Treasurer should verify that the account balances reported on the quarterly reports to DFA-LGD agree with the Association's general ledger and bank account reconciliations before they are approved and submitted to DFA-LGD.

Management's Response

The bookkeeper will receive training by August 1, 2019 on how to accurately prepare the quarterly reports to DFA-LGD. Starting with the financial report for the quarter ending June 30, 2019, the bookkeeper will post any adjusting journal entries to the general ledger before the quarterly report is prepared and reconcile any differences in the report. The bookkeeper and the Board Treasurer

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
Schedule of Findings and Responses
Fiscal Year Ending December 31, 2018

will verify that the account balances on the quarterly reports agree with the general ledger & bank reconciliations. The Treasurer will bring the report to the Board for approval at the monthly meeting before being submitted to DFA-LGD by the due date.

Finding 2017-002. Unapproved Adjusting Journal Entries

Condition

In April 2019, the Association's bookkeeper made the following adjusting journal entries to the general ledger: 1) Adjustments totaling \$47,023.93 were posted to record depreciation expense for 2018; 2) An adjustment of \$1,497.47 was posted to correct the loan payable balance according to the loan statement from the New Mexico Environment Department; 3) Adjusting journal entries totaling \$29,060.87 were posted to the sales tax payable account to correct erroneous account balances that have existed on the Association's balance sheet for several years.

However, as of May 22, 2019, none of these adjusting journal entries were reviewed and approved by the Association's Board of Directors.

Management made some progress towards correcting this prior year finding since the Board of Directors approved adjustments to the members accounts receivable balances for water leaks during 2018.

Criteria

For proper internal control over the account balances, assets and financial statements of the Association, all adjusting journal entries made by the bookkeeper should be approved by the governing body.

Effect

The financial statements of the Association could be misstated. Without the review and approval of adjusting journal entries, inaccurate or unauthorized adjustments to the general ledger could go undetected by management. Potential fraud schemes could also go undetected.

Cause

Management of the Association neglected to follow their policy and have the bookkeeper present the adjusting journal entries to the Board of Directors for review and approval.

Recommendation

The Association's Board of Directors should adopt a written policy and procedure requiring its bookkeeper and Treasurer to maintain written documentation and explanations to support and justify all adjusting journal entries posted to the general ledger, subsidiary ledgers and financial statements of the Association. The documentation should include a record showing that all

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
Schedule of Findings and Responses
Fiscal Year Ending December 31, 2018

adjusting journal entries were reviewed and approved by the Board of Directors during an official board meeting.

Management's Response

At a monthly board meeting before August 1, the Board of Directors will write and adopt a policy and procedure requiring the bookkeeper and Board Treasurer to maintain written documentation to support all adjusting journal entries posted to the General Ledger, subsidiary ledgers and financial statements. The Board of Directors will review the proposed adjusting journal entries and supporting documentation for approval during the next monthly board meeting.

Finding 2018-001 - Actual Expenses Exceeded the Approved Budget

Condition

For the fiscal year ending December 31, 2018, the Association's actual expenditures exceeded the approved budget by \$7,165.

Criteria

According to state law, Section 6-6-6 NMSA 1978, "When any budget for a local public body has been approved and received by a local public body, it is binding upon all officials and governing authorities, and no governing authority or official shall allow or approve claims in excess thereof, and no official shall pay any check or warrant in excess thereof, and the allowances or claims or checks or warrants so allowed or paid shall be a liability against the officials so allowing or paying those claims or warrants, and recovery for the excess amounts so allowed or paid may be had against the bondsmen of those officials."

Effect

Excessive spending can create financial problems for the Association. Claims against the officials of the Association could occur for future non-compliance with Section 6-6-6 NMSA 1978.

Cause

Management of the Association did not adequately monitor its budget and process a budget adjustment request to ensure that total expenditures did not exceed budgeted expenditures for 2018. The bookkeeper did not include \$7,238 of loan principal and interest expenditures in the quarterly reports to DFA-LGD. Management thought that a budget adjustment request was not necessary since total revenues exceeded total expenditures.

Recommendation

The Board of Directors should implement a monitoring procedure to ensure that total expenditures do not exceed budgeted expenditures during the fiscal year. If it is forecasted that total expenditures will exceed the approved budget, the accounts manager should submit a budget

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
Schedule of Findings and Responses
Fiscal Year Ending December 31, 2018

adjustment request to the Board of Directors and DFA-LGD for approval before the end of the fiscal year.

Management's Response

Beginning with the period ending June 30, 2019, the Board of Directors will review the quarterly budget reports before the submission date. If actual expenditures are expected to exceed budgeted amounts, the Board of Directors will amend its budget and submit a BAR (budget adjustment request) to DFA-LGD for approval before the end of the year.

El Vadito De Los Cerrillos MDWCA
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP Cash Basis)
For the Fiscal Year Ending December 31, 2018

Exhibit 1

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Metered and Hauler Income	\$ 66,000	\$ 66,000	\$ 73,978	\$ 7,978
Token Income	1,650	1,650	-	(1,650)
New Membership Fees	1,000	1,000	-	(1,000)
Interest	130	130	210	80
Penalties and Fees	100	100	-	(100)
Miscellaneous	100	100	702	602
Total Revenues	<u>\$ 68,980</u>	<u>\$ 68,980</u>	<u>\$ 74,890</u>	<u>\$ 5,910</u>
Expenditures:				
Current:				
Equipment	\$ 3,000	\$ 3,000	\$ 9,634	\$ (6,634)
Other Maintenance & Repairs	-	-	1,444	(1,444)
Office Supplies	1,000	1,000	511	489
Insurance	5,000	5,000	4,576	424
Postage & Delivery	1,200	1,200	855	345
Dues and Subscriptions	235	235	681	(446)
Electricity	700	700	707	(7)
Contract Labor Cost	3,000	3,000	3,474	(474)
Bookkeeper/Water Operator/Meter Reader	33,000	33,000	28,424	4,576
Professional Services - Other	3,600	3,600	6,146	(2,546)
AUP or Audit	3,000	3,000	3,008	(8)
Bank Charges	180	180	50	130
Mileage Reimbursement	3,100	3,100	3,425	(325)
Water Sampling	600	600	1,697	(1,097)
Administrative Costs	400	400	628	(228)
Water Conservation Fees	150	150	130	20
Corporate Taxes	50	50	50	-
Operating Cost - Other	700	700	10	690
Software + Readers	750	750	-	750
Miscellaneous	100	100	1,202	(1,102)
Debt Service - Principal	6,294	6,294	6,958	(664)
Debt Service - Interest	666	666	280	386
Total Expenditures	<u>\$ 66,725</u>	<u>\$ 66,725</u>	<u>\$ 73,890</u>	<u>\$ (7,165)</u>

Copy of Year-End Financial Report Submitted to DFA-LGD

MDWCA: El Vadito Water Association
Mailing Address: PO Box 6 Carrillas, NM 87010
Email address: P. Brown <brownp62@yahoo.com>
Phone number: 505-438-3008

Calendar Year
2018

	APPROVED BUDGET	1st QR: Jan - Mar	2nd QR: Apr - Jun	3rd QR: Jul - Sept	4th QR: Oct - Dec	Year to Date(YTD) Totals	YTD (over/under BUDGET)	% of Budget
Beginning Cash balance	\$ 180,447.00	180,447	152842	164784	160,575.84			
REVENUES (General Fund)								
Metered & Hauler Income	68,000	13,252	16,692	24,492	15,940	\$ 70,375.94	\$ (4,375.94)	107%
Token Income	1,850	55	308	639	241	\$ 1,243.20	\$ 408.80	75%
New Membership Fees	1,000					\$ -	\$ 1,000.00	0%
Interest Income	130	50	53	53	53	\$ 209.56	\$ (79.56)	161%
Penalties and Fees	100					\$ -	\$ 100.00	0%
Miscellaneous	100		694	34	25	\$ 752.31	\$ (652.31)	752%
REVENUE TOTALS	\$ 68,980	\$ 13,357	\$ 17,746	\$ 25,218	\$ 16,260	\$ 72,581	\$ (3,801)	105%
EXPENDITURES (General Fund)								
Administrative Cost	400		454	102	72	\$ 628	\$ (228)	157%
Electricity	700	177	175	180	175	\$ 707	\$ (7)	101%
Bookkeeping, Water Operator, Meter Reader	33,000	7,765	6,910	6,769	7,477	\$ 28,821	\$ 4,179	87%
Water Sampling	600	162	162	380	992	\$ 1,695	\$ (1,095)	283%
Insurance	5,000			4,576		\$ 4,576	\$ 424	92%
Postage & Delivery	1,200	10	291	554		\$ 855	\$ 345	71%
Office Supplies	1,000	82	77	284	86	\$ 509	\$ 491	51%
Taxes	50		60			\$ 80	\$ (10)	120%
Operator Cost	700	317	339			\$ 656	\$ 44	94%
Water Conservation Fees	150	24	31	47	28	\$ 130	\$ 20	87%
Equipment	3,000	473	607	965	8,554	\$ 10,599	\$ (7,599)	353%
Labor Cost	3,000	2,909		189		\$ 3,078	\$ (78)	103%
Software + Readers	750					\$ -	\$ 750	0%
PS - Attorney Accountant	3,600		481		5,885	\$ 6,148	\$ (2,548)	171%
AUP or Audit	3,000		3,008			\$ 3,008	\$ (8)	100%
Bank Charges	180			50		\$ 50	\$ 130	28%
Milage	3,100	724	760	953	988	\$ 3,425	\$ (325)	110%
Subscriptions & Dues	235	198			483	\$ 681	\$ (446)	290%
Miscellaneous	100		185	722	118	\$ 1,025	\$ (925)	1025%
						\$ -	\$ -	-
TOTAL EXPENDITURES	\$ 59,765	\$ 12,841	\$ 13,421	\$ 15,731	\$ 24,859	\$ 66,651	\$ (8,888)	112%
TOTAL GENERAL FUND to include Beginning cash	\$ 180,662							

Revenues (non-operating)								
SAP, Appropriation Capital outlay	\$ -							
State Grants	\$ -							
Federal Grants	\$ -							
Other	\$ -							
Other	\$ -							
Total Revenues (non-operating)	\$ -							
Expenditures (non-operating)								
Capital Outlay	\$ -							
Payments	\$ 6,204							
Interest	\$ 866							
Other	\$ -							
Total Expenditure (non-operating)	\$ 6,960							
Total (Non-operating)	\$ (6,960)							
Estimated Ending Cash Balance on Dec 31, 2018	\$ 182,702.00							

I HEREBY CERTIFY THE CONTENTS IN THIS REPORT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND THAT THIS REPORT DEPICTS ALL FUNDS

Pat Brown Treasurer
 President/Chairperson

15-Jan-19
 Date

**El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association
Exit Conference
Fiscal Year Ending December 31, 2018**

On May 29, 2019, the following officials held an exit conference and discussed the results of the agreed upon procedures and the contents of this report:

El Vadito De Los Cerrillos Mutual Domestic Water Consumers Association

Todd Brown, President
Ann Murray, Vice-President
Patricia Brown, Treasurer
Ruth Center, Bookkeeper

Accounting & Auditing Services, LLC

Steve B. Archibeque, CPA, Audit Manager