

ROSEDALE MUTUAL DOMESTIC WATER
CONSUMERS ASSOCIATION
AGREED-UPON PROCEDURES
DECEMBER 31, 2018

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

**TABLE OF CONTENTS
DECEMBER 31, 2018**

Table of Contents..... 1

Official Roster..... 2

Independent Accountant's Report on Applying Agreed-Upon Procedures..... 3

Exhibit A-Scope of Work and Related Results..... 4-8

Exhibit B - Statement of Revenues and Expenditures -
Budget and Actual- Budgetary Basis - General Operating Fund..... 9

Exhibit C - Statement of Budget vs. Actual (approved by DFA)
(submitted online)..... 10-11

Exhibit D - Copy of Year-End Financial Report Submitted to Board..... 12-13

Schedule of Findings and Responses..... 14

Schedule of Summary of Prior Findings and Responses..... 15

Exit Conference 16

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

**OFFICIAL ROSTER
DECEMBER 31, 2018**

JOHN BEVER, PRESIDENT

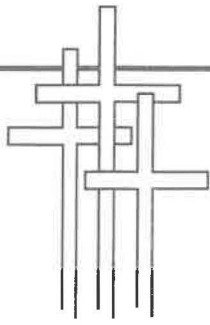
ALFREDO CORREA, SECRETARY

CLARA BUSTILLOS, BOARD MEMBER

WALTER MITCHELL, BOARD MEMBER

Association Official

Tom Fleming, Manager



Clifford, Ross & Cooper, CPAs, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Timothy P. Clifford, CPA • Rodney I. Ross, CPA • Denise S. Cooper, CPA, CFE

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors and New Mexico State Auditor
Brian S. Colon
Rosedale Mutual Domestic Water Consumers Association
Silver City, New Mexico

We have performed the procedures shown in Exhibit A, attached to this report. The procedures were agreed to by Rosedale Mutual Domestic Water Consumers Association through the Office of the State Auditor, solely to assist you with respect to the compliance of the Tier 4 of the Audit Act – Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC of Rosedale Mutual Domestic Water Consumers Association as of December 31, 2018. Rosedale Mutual Domestic Water Consumers Association's management is responsible for the company's accounting records. The sufficiency of these procedures is solely the responsibility of those parties specified in the 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 can be found on Exhibit A, attached to this report.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 on the accounting records. 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 Rosedale Mutual Domestic Water Consumers Association, the Department of Finance and Administration-Local Government Division, the NM State Legislature and New Mexico Office of the State Auditor and is not intended to be and should not be used by anyone other than those specified parties.

Clifford, Ross & Cooper, CPAs, LLC
Las Cruces, New Mexico
April 29, 2019

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION
EXHIBIT A- SCOPE OF WORK
AGREED UPON PROCEDURES

Tier 4 of the Audit Act - Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC

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".

Finding: No discrepancies noted.

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.

Procedure:

Obtained copies of all bank reconciliations and bank statements for the year.

Verified that the banks were reconciled each month, reviewed the bank reconciliations.

Finding:

We determined that bank reconciliations are performed in a timely manner and that all bank statements for the fiscal year are complete and on hand. The following are the Association's bank accounts and related reconciled cash balance at December 31, 2018: First New Mexico Bank of Silver City - Operating - \$8,505.32 and First New Mexico Bank of Silver City - Savings - \$179,581.06. All bank reconciliations are performed on a timely basis and all were complete and on-hand.

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

Procedure:

Six months of bank reconciliations were recomputed to determine accuracy. The monthly bookkeeping is done by Morones & Knuttinen, LLC. Books are kept on Ledger sheets and reconciliation manually.

We compared the cash balances per bank reconciliations to the respective general ledger account balances

Monthly financial statements are presented to the Board of Directors by Morones & Knuttinen, LLC

for approval. Noted the outside CPA firm provides monthly financials to DFA upon request.

Noted year end financials provided to DFA.

Finding:

All bank reconciliations tested revealed no exceptions.

c) Determine whether the local public body's financial institutions have provided it with 50% pledged collateral on all uninsured deposits as required by Section 6-10-7 NMSA 1978, NM Public Money Act, if applicable

Procedure:

The bank statements for the entire fiscal year ending December 31, 2018 were reviewed for balances.

Finding:

Bank account balances did not exceed the insured limits during the year ended December 31, 2018 and, therefore, pledged collateral was not required for any bank account.

3) **CAPITAL ASSETS**

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

Procedure:

Reviewed depreciation listing for assets prepared by Morones & Knuttinen, LLC.

Noted additions to assets each year. Noted inventory was performed and certified by Board Member.

Finding:

Yearly inventory was performed and certified. No discrepancies noted.

4) **REVENUE**

Identify the nature and amount of revenue from sources by reviewing the budget, agreements, rate schedules, and underlying documentation

a) Perform an analytical review; test actual revenue compared to budgeted revenue for the year for each type of revenue.

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

EXHIBIT A- SCOPE OF WORK

AGREED UPON PROCEDURES

Tier 4 of the Audit Act - Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC

4) REVENUE (continued)

Select a sample of revenue equal to at least 30% of the total dollar amount and test the following attributes:

- b)** Amount recorded in the general ledger agrees to the supporting documentation and the bank statement.
- c)** 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 basis, modified accrual basis, or accrual basis.

Results of Procedures:

- a)** Analytical review and test of actual revenue compared to budgeted revenue for the year for each type of revenue showed an under budget of total revenues at the end of the year as a result of less water usage and an underbudget for interest income.

	Budgeted Amount	Actual Amount	Variance	Percentage
Water Sales	\$ 140,851	\$ 139,427	\$ (1,424)	-1%
Interest income	\$ 250	\$ 783	\$ 533	213%

The following items were selected for procedures 3(b)-3(c):

Receipts Date	Payer	Description	Amount
2/6/2018	Client fees	Revenue-Water	\$ 3,948.45
2/12/2018	Client fees	Revenue-Water	\$ 2,177.39
2/21/2018	Client fees	Revenue-Water	\$ 2,371.43
2/28/2018	Client fees	Revenue-Water	\$ 1,493.71
4/5/2018	Client fees	Revenue-Water	\$ 2,879.82
4/12/2018	Client fees	Revenue-Water	\$ 3,382.62
4/24/2018	Client fees	Revenue-Water	\$ 2,507.05
4/30/2018	Client fees	Revenue-Water	\$ 1,776.33
6/7/2018	Client fees	Revenue-Water	\$ 3,740.23
6/11/2018	Client fees	Revenue-Water	\$ 2,560.87
6/19/2018	Client fees	Revenue-Water	\$ 1,089.69
6/25/2018	Client fees	Revenue-Water	\$ 2,575.86
6/29/2018	Client fees	Revenue-Water	\$ 1,105.49
8/3/2018	Client fees	Revenue-Water	\$ 2,581.41
8/7/2018	Client fees	Revenue-Water	\$ 2,525.22
8/13/2018	Client fees	Revenue-Water	\$ 2,324.01
8/20/2018	Client fees	Revenue-Water	\$ 1,315.02
8/24/2018	Client fees	Revenue-Water	\$ 2,262.82
8/30/2018	Client fees	Revenue-Water	\$ 2,934.17
10/5/2018	Client fees	Revenue-Water	\$ 3,063.34
10/11/2018	Client fees	Revenue-Water	\$ 2,939.48
10/15/2018	Client fees	Revenue-Water	\$ 1,985.02
10/23/2018	Client fees	Revenue-Water	\$ 1,929.04
10/30/2018	Client fees	Revenue-Water	\$ 2,836.31
12/6/2018	Client fees	Revenue-Water	\$ 3,289.17
12/11/2018	Client fees	Revenue-Water	\$ 2,416.81
12/20/2018	Client fees	Revenue-Water	\$ 1,725.90
12/27/2018	Client fees	Revenue-Water	\$ 2,077.03

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

EXHIBIT A- SCOPE OF WORK

AGREED UPON PROCEDURES

Tier 4 of the Audit Act - Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC

4) REVENUE (continued)

Finding:

- b) Amounts recorded in the general ledger agreed with supporting documentation and the bank statements.
- c) Amounts were properly recorded on a cash basis as to classification, amount and period per review of supporting documentation.

5) EXPENDITURES

Select a sample of cash disbursements equal to at least 30% of the total dollar amount and test the following attributes:

- a) Determine that amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to the vendor's invoice, purchase order, contract and cancelled check, as appropriate.
- b) Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.
- c) 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) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

Note: The sample must be representative of the population.

The following cash disbursements were selected and the procedures described in 4(a) - 4(c) above were performed:

<u>Check Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Description</u>	<u>Check Amount</u>
1/1/2018	3216	Payroll check	Payroll	\$ 1,598.76
1/1/2018	3219	TWN Corp	Phone & internet	\$ 51.15
1/18/2018	3223	Barncastle Law Firm	Legal Council	\$ 517.23
1/18/2018	3225	Morones & Knuttinen	Accounting	\$ 410.00
2/1/2018	3238	Silver City Daily Press	Ad	\$ 8.85
2/16/2018	3239	Town of Silver City	Water	\$ 4,280.67
2/16/2018	3240	NM Tax & Revenue	GRT Jan	\$ 778.49
2/16/2018	3241	Morones & Knuttinen	Accounting	\$ 235.00
2/16/2018	3243	RWA	transfer to savings	\$ 2,000.00
3/1/2018	3247	Payroll check	Payroll	\$ 458.75
3/15/2018	3253	Town of Silver City	Water	\$ 4,339.55
3/15/2018	3257	Mountain Ridge Ace	supplies	\$ 42.49
4/1/2018	3263	NM One Call	Dues	\$ 67.66
4/1/2018	3265	Hajoca Corp	repairs	\$ 260.82
4/15/2018	3267	Town of Silver City	Water	\$ 3,750.81
4/15/2018	3268	U.S. Treasury	1st Quarter payroll taxes	\$ 1,718.94
4/15/2018	3272	Postmaster	Annual box rental	\$ 134.00
4/15/2018	3275	Mountain Ridge Ace	Parts	\$ 84.55
5/1/2018	3281	Hajoca Corp	Parts	\$ 54.36
5/16/2018	3285	Morones & Knuttinen	Accounting	\$ 235.00
5/16/2018	3286	NM Tax & Revenue	April GRT	\$ 675.66
5/11/2018	ACH	NM Sec of State	Annual Corp report	\$ 10.00
6/1/2018	3291	American Business Software	Billing phone support	\$ 37.25
6/1/2018	3293	Moltzen Corben	Road project	\$ 6,043.84
6/19/2018	3296	Clifford, Ross & Cooper	AUP	\$ 4,332.60
6/19/2018	3302	Thane Thompson	Annual Meeting room rental	\$ 108.00
6/19/2018	3304	Jamie McIntyre	Snacks/Annual mtg.	\$ 37.70
7/15/2018	3311	Town of Silver City	Water	\$ 5,255.87
7/15/2018	3317	Barncastle Law Firm	Legal Council	\$ 406.17
7/15/2018	3318	Staples	supplies	\$ 61.72
7/15/2018	3321	Construction Product Mktg	leak detection	\$ 1,907.62

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

EXHIBIT A- SCOPE OF WORK

AGREED UPON PROCEDURES

Tier 4 of the Audit Act - Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC

5) EXPENDITURES (continued)						
	7/18/2018	3323	Philadelphia Insurance	Insurance		\$ 743.00
	8/1/2018	3327	Jamie McIntyre	petty cash		\$ 70.00
	8/1/2018	3332	Philadelphia Insurance	D&O Ins		\$ 1,420.00
	8/15/2018	3334	Town of Silver City	water		\$ 5,555.75
	8/15/2018	3341	American Business Software	billing statements		\$ 149.95
	9/1/2018	3348	Fowlers Brothers	gravel		\$ 369.24
	9/1/2018	3350	RWA	transfer to savings		\$ 1,000.00
	9/18/2018	3352	NM Taxation & Revenue	Aug GRT		\$ 878.47
	9/18/2018	3353	Philadelphia Insurance	Workman's Comp Ins		\$ 743.00
	10/1/2018	3359	Payroll check	Payroll		\$ 1,598.76
	10/1/2018	3361	Jamie McIntyre	replenish petty cash		\$ 84.05
	10/15/2018	3364	Town of Silver City	water		\$ 4,647.00
	10/15/2018	3366	Dept of the Treasury	payroll taxes		\$ 1,718.94
	10/15/2018	3369	Monores & Knuttinen	Accounting		\$ 285.00
	11/1/2018	3376	Payroll check	payroll		\$ 458.75
	11/1/2018	3377	TWN Corp	Phone & internet 1/2		\$ 48.54
	11/19/2018	3380	Town of Silver City	Water		\$ 4,849.78
	11/19/2018	3383	Barncastle Law Firm	Legal Council		\$ 81.23
	11/19/2018	3387	Tom Fleming	Reimbursement		\$ 217.27
	12/1/2018	3396	Postmaster	stamps		\$ 205.00
	12/1/2018	3398	Walter Mitchell	repairs		\$ 110.00
	12/1/2018	3399	Thane Thompson	repairs		\$ 125.00
	12/16/2018	3404	NM Rural Water Assn	Annual Dues		\$ 208.00
	12/16/2018	3408	Cruz Bustillos	repairs		\$ 25.00

Results of Procedures 4(a) - 4(c):

- a) Tested 60 out of 195 (47%) total population of cash disbursements from the operating account. The amounts recorded as disbursed agreed to supporting documentation: amount paid, payee, date and description agreed with the vendor's invoice, purchase invoice, purchase order, contract and cancelled check, as appropriate.
- b) Traced authorization to established policies and procedures and was approved and authorized in compliance with the budget, legal requirements.
- c) The bid process (or request for proposal process, if applicable), purchase order, contracts and agreements were processed in accordance with the New Mexico Procurement Code (Section 13-1-28 through 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations governing the Per Diem and Mileage Act (2.42.2 NMAC). None noted.

Finding:
No discrepancies were noted.

6) JOURNAL ENTRIES

Test all non-routine journal entries, adjustments, and reclassifications posted to the general ledger for the following attributes:

- a) Journal entries appear reasonable and have supporting documentation.
- b) The local public body has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed

Finding:
The financial records of Rosedale Mutual Domestic Water Consumers Association indicated that no journal entries were posted to the general ledger except monthly depreciation expense: therefore, we did not perform any test in this area.

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

EXHIBIT A- SCOPE OF WORK

AGREED UPON PROCEDURES

Tier 4 of the Audit Act - Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC

7)

BUDGET

Obtain the original fiscal year budget and all budget adjustments made throughout the fiscal year and perform the following:

- a) 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.
- b) 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.
- c) 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, accrual or modified accrual basis) for each individual fund.

Results of Procedures 4(a) - 4(c):

- a) Obtained copy of overall budget for the local public body.
Obtained Minutes of the Board and reviewed for approval of budget and budget adjustments.
Noted the overall budget was approved by the Board.
- b) Total actual expenditures did not exceed the final budget approved for the Association
Budget was sent to DFA, noted approval letter from DFA
- c) A schedule of revenues and expenditures - budget and actual on the budgetary basis used by Rosedale Mutual Domestic Water Consumers Association for the general operating fund was prepared. (See page 10).

Finding:

No discrepancies noted. Verified that Exhibit D which was approved by the board, Resolution 2019-2, was used in submitting the final report to DFA.

OTHER

If information comes to the Contractor'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(I)(3)(C) NMAC.

Finding:

No indication of any fraud, illegal acts, noncompliance, or any internal control deficiencies were noted during the agreed-upon procedures test work.

**STATE OF NEW MEXICO
ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION
EXHIBIT B
GENERAL OPERATING FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET FUND ASSETS
BUDGETARY BASIS AND ACTUAL
For the Year Ended December 31, 2018**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive/(Negative)
	Original	Final		
OPERATING REVENUES				
Water sales, net of refunds	\$ 135,751	\$ 135,751	\$ 134,585	\$ (1,166)
Connection/Reconnection Charges	5,100	5,100	4,843	(257)
Total revenues	140,851	140,851	139,428	(1,423)
EXPENDITURES				
Salaries and Wages	31,000	31,000	29,880	1,120
Other Utilities - Gas, Water, Sewer, Telephone	1,000	1,000	609	391
System Parts and Supplies	4,000	4,000	1,629	2,371
System Repairs and Maintenance	7,000	7,000	5,108	1,892
Vehicle Expense	3,000	3,000	901	2,099
Office and Administrative Expenses	2,500	2,500	1,859	641
Professional Services - Accounting, Engineering & Legal	70,000	70,000	72,944	(2,944)
Insurance	7,500	7,500	5,117	2,383
Dues, Fees, Permits and Licenses	1,000	1,000	650	350
Taxes - Gross Receipts Tax, Water Conservation Fee	11,000	11,000	10,683	317
Training	1,000	1,000	217	783
Miscellaneous	500	500	-	500
Total expenditures	139,500	139,500	129,597	9,903
Excess (deficiency) of revenues over expenditures	1,351	1,351	9,831	8,480
NONOPERATING REVENUES AND EXPENDITURES				
Capital grant expenditures	-	-	-	-
Interest income	250	250	783	533
Total nonoperating revenues & expenditures	250	250	783	533
Change in fund net assets	\$ 1,601	\$ 1,601	\$ 10,614	\$ 9,013

EXHIBIT C

MDWCA Name:
Mailing Address:
Email Address:
Phone number:

Rosedale Water Association
P.O.Box 5208, Silver City, NM. 88062
Rosedale@poweerc.net
(575)519-8977

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 balances:								
Cash	9,504							
Savings	167,766							
CDs								
Investments								
Beginning Balance TOTAL	\$ 177,270							
REVENUES								
Water Sales (Water Use Fees)	42,500	9,559	11,055	13,578	9,701	43,893	(1,393)	103%
Connection/Reconnection Charges	0					0	0	-
Membership and Meter Sales (Utility Service Fees)	84,751	21,300	20,297	21,179	19,628	82,403	2,348	97%
Late Fees and Penalties (Other Fines and Forfeits)	5,100	1,082	1,061	1,576	1,124	4,843	257	95%
Gross Receipts Tax (Other State shared taxes)	8,500	2,025	2,057	2,281	1,925	8,288	212	98%
Other Operating Revenue (miscellaneous - other)	250	121	217	221	224	783	(533)	313%
TOTAL	\$ 141,101	34,088	34,688	38,834	32,601	140,211	890	99%
EXPENDITURES								
Salaries - Operator, Bookkeeper, etc.	31,000	7,470	7,470	7,470	7,470	29,880	1,120	96%
Employee Benefits and Expenses	-					0	0	-
Electricity	-					0	0	-
Other Utilities - Gas, Water, Sewer, Telephone	1,000	154	154	154	148	609	391	61%
System Parts and Supplies	4,000	2,049	(976)	482	73	1,629	2,371	41%
System Repairs and Maintenance	7,000	180	1,862	2,416	650	5,108	1,892	73%
Vehicle Expenses	3,000	201	209	249	242	901	2,099	30%
Office and Administrative Expenses	2,500	583	499	436	340	1,859	641	74%
Professional Services - Accounting, Engineering, Legal	70,000	14,654	24,478	17,231	16,581	72,944	(2,944)	104%
Insurance	7,500			4,874	243	5,117	2,383	68%
Dues, Fees, Permits and Licenses	1,000	198	126	59	267	650	350	65%
Taxes - Gross Receipts Tax, Water Conservation Fee	11,000	2,500	2,703	2,947	2,532	10,683	317	97%
Training	1,000				217	217	783	22%
Miscellaneous	500					0	500	0%
Loans								
Annual debt service - Loan 1						0	0	-
Annual debt service - Loan 2						0	0	-
TOTAL	\$ 139,500	27,989	36,525	36,318	28,765	129,597	9,903	93%
Ending Balance	178,871					178,884		
LESS: Operating Reserve								
Emergency Reserve	50,000							
Capital Improvement Reserve	100,000							
Debt Reserve								
Ending Available Cash Balance	\$ 28,871					\$ 187,884		

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.

President/Chairperson

Date

EXHIBIT C

**State of New Mexico
Rosedale Mutual Domestic Water Consumers Association
Resolution No. 01-2019**

**Calendar Year 2019 Final Quarter, Year-to-date Financial Report
Calendar Year Ending December 31, 2018**

WHEREAS, the Governing Board in and for **Rosedale Mutual Domestic Water Consumers Association**

State of New Mexico, has developed a budget for **Calendar Year 2019**; and

WHEREAS, the final quarterly report has been reviewed and approved to ensure the accuracy of the beginning balances used on the **Calendar Year 2019** budget; and

WHEREAS, it is hereby certified that the contents in this report are true and correct to the best of our knowledge and that this report depicts all funds for the **Calendar Year 2018**,

NOW THEREFORE, BE IT HEREBY RESOLVED the Board of **Rosedale Mutual Domestic Water Consumers Association**

State of New Mexico, hereby approves the final quarterly report for **Calendar Year 2018** and respectfully requests approval from the Local Government Division of the Department of Finance and Administration.

RESOLVED: in the Governing Board Session this 25, day of January, 2019.

Attest:

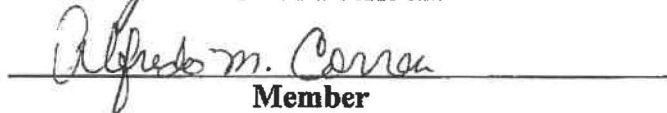
Rosedale Mutual Domestic Water Consumers Association



Clerk



Chair/President



Member



Member

Member



(Seal)

EXHIBIT D
 Rosedale Mutual Water Consumer
 Statement of Assets, Liabilities, & Net Assets
 Income Tax Basis
 December 31, 2018

ASSETS

Current Assets	
Cash on Hand	\$ 100.00
Checking First NM Bank	8,202.32
Savings First NM Bank	<u>179,581.96</u>
Total Current Assets	187,884.28
Fixed Assets	
Equipment Prior Years	607,051.39
Accum. Depreciation	<u>(545,825.34)</u>
Total Fixed Assets	61,226.05
Other Assets	
Total Other Assets	<u>0.00</u>
Total Assets	\$ <u><u>249,110.33</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Payroll Taxes Payable	\$ 1,518.39
Sales Tax Payable	<u>573.36</u>
Total Current Liabilities	2,091.75
Long-Term Liabilities	
Total Long-Term Liabilities	<u>0.00</u>
Total Liabilities	2,091.75
Net Assets	
Net Assets, Beginning	248,958.77
Changes in Net Assets	<u>(1,940.19)</u>
Total Net Assets	<u>247,018.58</u>
Total Liabilities & Net Assets	\$ <u><u>249,110.33</u></u>

EXHIBIT D
 Rosedale Mutual Water Consumer
 Statements of Changes in Net Assets - Income Tax Basis
 For the One Month and the Twelve Months Ended December 31, 2018

	Current Month	Year to Date
Revenues		
Water sales	\$ 2,595.17	\$ 43,893.33
Maintenance Fees	6,141.51	82,403.26
Sales Tax	573.34	8,288.23
Service Charges/Credits	198.89	4,842.88
Interest Income-1st NM Bank	224.04	783.43
	<hr/>	<hr/>
Total Revenues	9,732.95	140,211.13
	<hr/>	<hr/>
Cost of Goods Sold		
Purchases - Water	5,111.44	56,391.93
	<hr/>	<hr/>
Total Cost of Goods Sold	5,111.44	56,391.93
	<hr/>	<hr/>
Gross Profit	4,621.51	83,819.20
	<hr/>	<hr/>
Expenses		
Advertising	0.00	76.90
Depreciation Expense	1,313.24	12,662.93
Dues & Publications	208.00	649.64
Insurance Liability	0.00	4,387.00
Insurance Workers Comp	0.00	729.90
Accounting Fees	235.00	3,615.00
Audit Expense	0.00	4,332.50
Legal	351.08	8,604.57
Office Expense	205.00	1,528.39
Meeting Expense	0.00	253.70
Repairs & Maintenance Expense	430.00	5,108.27
Sales Tax Expense	573.34	8,288.23
Backhoe Expense	0.00	71.24
Fuel Expense	70.00	829.88
Training Expense	0.00	217.27
Supplies/(Parts & Materials)	0.00	1,628.63
Payroll Tax Expense	190.49	2,285.88
Utilities & Telephone	48.54	609.46
Wages Expense	2,490.00	29,880.00
	<hr/>	<hr/>
Total Expenses	6,114.69	85,759.39
	<hr/>	<hr/>
Changes in Net Assets	\$ (1,493.18)	\$ (1,940.19)
	<hr/> <hr/>	<hr/> <hr/>

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

**SCHEDULE OF SUMMARY OF FINDINGS AND RESPONSES
DECEMBER 31, 2018**

CURRENT YEAR FINDINGS:

None

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

**SCHEDULE OF SUMMARY OF PRIOR-YEAR FINDINGS
DECEMBER 31, 2018**

PRIOR-YEAR FINDINGS:

None

ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

**EXIT CONFERENCE
DECEMBER 31, 2018**

Exit Conference:

The exit conferences were held on April 29, 2019 with the following persons:

Tom Fleming, Water system manager

John Bever, President

Denise S. Cooper, Partner, Clifford, Ross & Cooper, CPAs, LLC

These agreed-upon procedures were prepared by Clifford, Ross & Cooper, CPAs, LLC from the books and records of Rosedale Mutual Domestic Water Consumers Association with the assistance of management.