



# **Clifford, Ross & Cooper, CPA's LLC**

Certified Public Accountants

Serving Las Cruces and El Paso since 1976

## **ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION**

### **AGREED-UPON PROCEDURES**

**DECEMBER 31, 2019**

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**ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION**

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DECEMBER 31, 2019**

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**ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION**

**OFFICIAL ROSTER  
DECEMBER 31, 2019**

ELMO GOMEZ, PRESIDENT

JOHN BEVER, VICE PRESIDENT

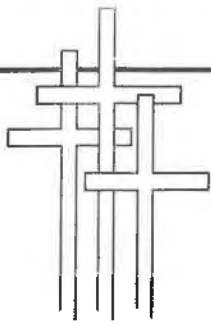
ALFREDO CORREA, SECRETARY

WALTER MITCHELL, BOARD MEMBER

BILL FRENCH, 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. Colón  
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, 2019. 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  
May 15, 2020

*Never Underestimate the Value of a CPA*

SERVING LAS CRUCES & EL PASO SINCE 1976

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**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](http://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, 2019: First New Mexico Bank of Silver City - Operating - \$7,373.69 and First New Mexico Bank of Silver City - Savings - \$213,772.99. 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 & Knutinen, 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 & Knutinen, 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, 2019 were reviewed for balances.  
**Finding:**  
 Bank account balances did not exceed the insured limits during the year ended December 31, 2019 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 & Knutinen, 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.

	<b>Budgeted Amount</b>	<b>Actual Amount</b>	<b>Variance</b>	<b>Percentage</b>
Water Sales	\$140,851	\$144,603	\$ 3,752	3%
Interest income	\$ 250	\$ 1,191	\$ 941	376%

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

<b>Receipts Date</b>	<b>Payer</b>	<b>Description</b>	<b>Amount</b>
3/4/2019	Client fees	Revenue-Water	\$ 3,439.81
3/13/2019	Client fees	Revenue-Water	\$ 2,588.50
3/20/2019	Client fees	Revenue-Water	\$ 6,058.00
3/26/2019	Client fees	Revenue-Water	\$ 1,457.58
5/4/2019	Client fees	Revenue-Water	\$ 2,822.34
5/16/2019	Client fees	Revenue-Water	\$ 2,744.18
5/24/2019	Client fees	Revenue-Water	\$ 1,832.63
5/31/2019	Client fees	Revenue-Water	\$ 2,847.57
7/2/2019	Client fees	Revenue-Water	\$ 2,103.65
7/8/2019	Client fees	Revenue-Water	\$ 2,398.90
7/12/2019	Client fees	Revenue-Water	\$ 2,467.03
7/25/2019	Client fees	Revenue-Water	\$ 2,536.58
7/30/2019	Client fees	Revenue-Water	\$ 4,203.00
9/3/2019	Client fees	Revenue-Water	\$ 4,020.29
9/11/2019	Client fees	Revenue-Water	\$ 3,824.15
9/16/2019	Client fees	Revenue-Water	\$ 2,449.47
9/26/2019	Client fees	Revenue-Water	\$ 2,902.48
9/30/2019	Client fees	Revenue-Water	\$ 1,645.24
11/5/2019	Client fees	Revenue-Water	\$ 2,008.96
11/8/2019	Client fees	Revenue-Water	\$ 2,293.37
11/14/2019	Client fees	Revenue-Water	\$ 1,585.20
11/25/2019	Client fees	Revenue-Water	\$ 1,794.77
11/29/2019	Client fees	Revenue-Water	\$ 1,166.17
12/3/2019	Client fees	Revenue-Water	\$ 1,520.48
12/9/2019	Client fees	Revenue-Water	\$ 2,005.82
12/19/2019	Client fees	Revenue-Water	\$ 3,408.58
12/26/2019	Client fees	Revenue-Water	\$ 1,214.94
12/31/2019	Client fees	Revenue-Water	\$ 1,382.92

**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>
1/1/2019	3411	Payroll check	Payroll	\$ 1,598.76
1/1/2019	3415	Core & Main	supplies	\$ 210.24
1/15/2019	3419	Town of Silver City	Water	\$ 4,921.74
1/15/2019	3421	NM 811	Annual membership	\$ 234.28
2/1/2019	3430	Payroll check	Payroll	\$ 458.75
2/15/2019	3437	NM Tax & Revenue	GRT Jan	\$ 796.77
2/15/2019	3438	Morones & Knutinen	Accounting	\$ 235.00
2/15/2019	3439	Mountain Ridge Ace	supplies	\$ 106.85
2/15/2019	3440	O'Reilly Auto Parts	Parts	\$ 60.31
3/1/2019	3443	Petty Cash	reimbursement	\$ 94.35
3/1/2019	3445	Staples	supplies	\$ 145.48
3/16/2019	3452	Town of Silver City	Water	\$ 3,848.93
3/19/2019	3457	Thane Thompson	repairs	\$ 75.00
4/1/2019	3466	Williams Brown	repairs	\$ 135.00
4/16/2019	3470	Town of Silver City	Water	\$ 3,724.64
4/16/2019	3472	U.S. Treasury	1st Quarter payroll taxes	\$ 1,718.94
4/16/2019	3476	Postmaster	Annual box rental	\$ 148.00
4/29/2019	3479	Tom Fleming	reimbursement	\$ 348.45
5/1/2019	3485	American Business Software	supplies	\$ 156.60
5/1/2019	3487	Hans Kruse	refund	\$ 1,850.00
5/10/2019	ACH	NM Sec of State	Annual Corp report	\$ 10.00
5/16/2019	3491	RWA	transfer to savings	\$ 2,000.00
6/1/2019	3496	Postmaster	Stamps	\$ 180.00
6/14/2019	3498	Town of Silver City	Water	\$ 3,888.18
6/14/2019	3500	Clifford, Ross & Cooper	AUP	\$ 4,332.50
6/13/2019	3504	Holiday Inn Express	Annual Meeting room rental	\$ 100.00
6/14/2019	3505	Rubert Jasso	Taps removal	\$ 357.04
7/8/2019	3513	Philadelphia Ins	Insurance	\$ 1,500.00
7/15/2019	3519	NM Tax & Revenue	GRT Jun	\$ 593.48
7/15/2019	3520	NM Workforce Solutions	payroll taxes	\$ 24.65
7/15/2019	3521	Morones & Knutinen	Accounting	\$ 85.00

**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**

<b>5) EXPENDITURES (continued)</b>						
	7/15/2019	3523	Mountain Ridge Acres	supplies		\$ 10.79
	8/1/2019	3525	Payroll check	payroll		\$ 1,598.76
	8/1/2019	3529	Liberty Mutual Insurance	workers comp		\$ 1,074.00
	8/15/2019	3540	O'Reillys	parts		\$ 32.38
	8/20/2019	3543	Hajoca	parts		\$ 504.18
	9/2/2019	3547	TWN Corp	Phone & internet 1/2		\$ 63.15
	9/2/2019	3549	RWA	transfer to savings		\$ 2,000.00
	9/16/2019	3551	NM Taxation & Revenue	Grt Aug		\$ 573.40
	9/16/2019	3555	Postmaster	Stamps		\$ 160.00
	10/1/2019	3530	Payroll check	Payroll		\$ 458.75
	10/1/2019	3562	TWN Corp	Phone & internet 1/2		\$ 63.15
	10/2/2019	3566	Grant Co. Convention	board mtg		\$ 4,647.00
	10/15/2019	3567	Town of Silver City	4326.13		\$ 1,718.94
	10/15/2019	3570	Monores & Knuttinen	Accounting		\$ 285.00
	11/1/2019	3576	Payroll check	payroll		\$ 1,598.76
	11/1/2019	3579	TWN Corp	Phone & internet 1/2		\$ 63.15
	11/16/2019	3586	Town of Silver City	Water		\$ 3,729.61
	11/16/2019	3589	New Mexico Rural Water	Annual Dues		\$ 219.00
	11/16/2019	3591	Thaoe Thompson	repairs		\$ 40.00
	12/1/2019	3597	Petty cash	reimbursement		\$ 76.56
	12/1/2019	3599	Staples	supplies		\$ 118.24
	12/16/2019	3601	Town of Silver City	water		\$ 4,086.15
	12/16/2019	3603	Morones & Knuttinen	Accounting		\$ 235.00
	12/16/2019	3604	RWA	transfer to savings		\$ 2,000.00

**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 2019-3, 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(D)(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, 2019**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget Positive/(Negative)
<b>OPERATING REVENUES</b>				
Water sales, net of refunds	\$ 42,500	\$ 42,500	\$ 39,878	\$ (2,622)
Membership and meter sales	93,251	93,251	97,768	4,517
Late fees and penalties	5,100	\$ 5,100	\$ 6,956	1,856
Total revenues	<u>140,851</u>	<u>140,851</u>	<u>144,602</u>	<u>3,751</u>
<b>EXPENDITURES</b>				
Salaries and Wages	31,000	31,000	29,880	1,120
Other Utilities - Gas, Water, Sewer, Telephone	1,000	1,000	701	299
System Parts and Supplies	4,000	4,000	2,021	1,979
System Repairs and Maintenance	6,500	6,500	1,190	5,310
Vehicle Expense	3,000	3,000	1,167	1,833
Office and Administrative Expenses	3,000	3,000	3,126	(126)
Professional Services - Accounting, Engineering & Legal	70,000	70,000	56,734	13,266
Insurance	7,500	7,500	5,838	1,662
Dues, Fees, Permits and Licenses	1,000	1,000	464	536
Taxes - Gross Receipts Tax, Water Conservation Fee	11,000	11,000	10,890	110
Training	1,000	1,000	395	605
Miscellaneous	500	500	-	500
Total expenditures	<u>139,500</u>	<u>139,500</u>	<u>112,406</u>	<u>27,094</u>
Excess (deficiency) of revenues over expenditures	<u>1,351</u>	<u>1,351</u>	<u>32,196</u>	<u>30,845</u>
<b>NONOPERATING REVENUES AND EXPENDITURES</b>				
Capital grant expenditures	-	-	-	-
Interest income	250	250	1,191	941
Total nonoperating revenues & expenditures	<u>250</u>	<u>250</u>	<u>1,191</u>	<u>941</u>
<b>Change in fund net assets</b>	<u>\$ 1,601</u>	<u>\$ 1,601</u>	<u>\$ 33,387</u>	<u>\$ 31,786</u>

EXHIBIT C

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

Rosedale Water Association  
 P.O.Box 5206, Silver City, NM. 88062  
 rosedale@roswca.net  
 (575)510-8877

**Calendar Year**  
**2019**

	<b>APPROVED BUDGET</b>	<b>1st QR: Jan - Mar</b>	<b>2nd QR: Apr - Jun</b>	<b>3rd QR: Jul - Sept</b>	<b>4th QR: Oct -Dec</b>	<b>Year to Date(YTD) Totals</b>	<b>YTD (over/under BUDGET)</b>	<b>% of Budget</b>
<b>Beginning balances:</b>								
<b>Cash</b>	8,302							
<b>Savings</b>	179,582							
<b>CDs</b>								
<b>Investments</b>								
<b>Beginning Balance TOTAL</b>	<b>\$ 187,884</b>							
<b>REVENUES</b>								
Water Sales (Water Use Fees)	42,500	9,335	9,627	11,704	9,212	39,878	2,622	94%
Connection/Reconnection Charges	0					0	0	-
Membership and Meter Sales (Utility Service Fees)	84,751	26,697	17,610	25,456	19,701	89,464	(4,713)	106%
Late Fees and Penalties (Other Fines and Forfeits)	5,100	1,331	1,305	1,503	2,818	6,956	(1,856)	136%
Gross Receipts Tax (Other State shared taxes)	8,500	2,365	1,787	2,439	1,713	8,304	196	98%
Other Operating Revenue (miscellaneous - other)	250	225	305	321	340	1,191	(941)	476%
<b>TOTAL</b>	<b>\$ 141,101</b>	<b>39,953</b>	<b>30,634</b>	<b>41,422</b>	<b>33,785</b>	<b>145,794</b>	<b>(4,693)</b>	<b>103%</b>
<b>EXPENDITURES</b>								
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	147	179	185	190	701	299	70%
System Parts and Supplies	4,000	476	851	654	38	2,021	1,979	51%
System Repairs and Maintenance	6,500	310	400	270	210	1,190	5,310	18%
Vehicle Expenses	3,000	470	220	271	206	1,167	1,833	39%
Office and Administrative Expenses	3,000	944	1,375	279	528	3,126	(126)	104%
Professional Services - Accounting, Engineering, Legal	70,000	14,284	16,602	12,952	12,897	56,734	13,266	81%
Insurance	7,500	506	0	4,601	731	5,838	1,662	78%
Dues, Fees, Permits and Licenses	1,000	234	10	0	219	464	536	46%
Taxes - Gross Receipts Tax, Water Conservation Fee	11,000	2,440	3,012	2,707	2,730	10,890	110	99%
Training	1,000	47	348	0	0	395	605	40%
Miscellaneous	500					0	500	0%
Annual debt service - Loan 1						0	0	-
Annual debt service - Loan 2						0	0	-
<b>TOTAL</b>	<b>\$ 138,500</b>	<b>27,330</b>	<b>30,468</b>	<b>28,390</b>	<b>25,219</b>	<b>112,407</b>	<b>27,093</b>	<b>81%</b>
<b>Ending Balance</b>	<b>189,485</b>					<b>221,271</b>		
<b>LESS: Operating Reserve</b>								
<b>Emergency Reserve</b>	<b>50,000</b>							
<b>Capital Improvement Reserve</b>	<b>100,000</b>							
<b>Debt Reserve</b>								
<b>Ending Available Cash Balance</b>	<b>\$ 39,485</b>					<b>\$ 221,271</b>		

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 1/23/20

State of New Mexico  
Rosedale Mutual Domestic Water Consumers Association  
Resolution No. 01-2020

Calendar 2019 Final Quarter Financial Report  
Year Ending December, 31, 2019

WHEREAS, the Governing Board in and for the Rosedale Mutual Domestic Water Consumers Association, State of New Mexico has developed a budget for Calendar Year 2019; and

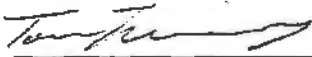
WHEREAS, the final quarterly report has been reviewed and approved to ensure the accuracy of the beginning balances used on the next Calendar Year budget; and

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 2019

NOW THEREFORE, BE IT HEREBY RESOLVED the Board of the Rosedale Mutual Domestic Water Consumers Association, State of New Mexico hereby approves the final quarterly report for Calendar Year 2019 and respectfully requests approval from the Local Government Division of the Department of Finance and Administration.

RESOLVED: in the Governing Board Session this 23day, of January, 2020.

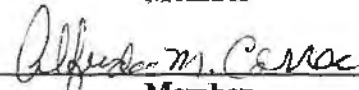
Attest:

  
\_\_\_\_\_  
Clerk

Rosedale MDWCA Board

  
\_\_\_\_\_  
Chair/President

Member

  
\_\_\_\_\_  
Member

Member

  
\_\_\_\_\_  
Member

Member

  
\_\_\_\_\_  
Member

Member

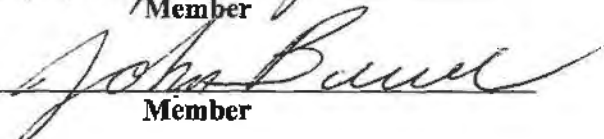
  
\_\_\_\_\_  
Member



EXHIBIT D  
**Rosedale Mutual Water Consumer**  
**Statement of Assets, Liabilities, & Net Assets**  
**Tax Basis**  
**December 31, 2019**

**ASSETS**

<b>Current Assets</b>		
Cash on Hand	\$	100.00
Checking First NM Bank		7,398.34
Savings First NM Bank		<u>213,772.99</u>
<b>Total Current Assets</b>		<b>221,271.33</b>
<b>Fixed Assets</b>		
Equipment Prior Years		607,051.39
Accum. Depreciation		<u>(557,836.12)</u>
<b>Total Fixed Assets</b>		<b>49,215.27</b>
<b>Other Assets</b>		
<b>Total Other Assets</b>		<u>0.00</u>
<b>Total Assets</b>	\$	<u><u>270,486.60</u></u>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>		
Payroll Taxes Payable	\$	1,341.78
Sales Tax Payable		<u>449.68</u>
<b>Total Current Liabilities</b>		<b>1,791.46</b>
<b>Long-Term Liabilities</b>		
<b>Total Long-Term Liabilities</b>		<u>0.00</u>
<b>Total Liabilities</b>		<b>1,791.46</b>
<b>Net Assets</b>		
Net Assets, Beginning		247,018.58
Changes in Net Assets		<u>21,676.56</u>
<b>Total Net Assets</b>		<u>268,695.14</u>
<b>Total Liabilities &amp; Net Assets</b>	\$	<u><u>270,486.60</u></u>

## EXHIBIT D

**Rosedale Mutual Water Consumer**  
**Statements of Changes in Net Assets - Tax Basis**  
**For the One Month and the Twelve Months Ended December 31, 2019**

	Current Month	Year to Date
<b>Revenues</b>		
Water sales	\$ 2,915.51	\$ 39,878.47
Maintenance Fees	6,077.73	81,571.18
Sales Tax	449.66	8,303.76
Service Charges/Credits	158.22	6,956.43
Other Income	0.00	7,893.02
Interest Income-1st NM Bank	340.37	1,191.03
<b>Total Revenues</b>	<u>9,941.49</u>	<u>145,793.89</u>
<b>Cost of Goods Sold</b>		
Purchases - Water	4,086.15	48,786.93
<b>Total Cost of Goods Sold</b>	<u>4,086.15</u>	<u>48,786.93</u>
<b>Gross Profit</b>	<u>5,855.34</u>	<u>97,006.96</u>
<b>Expenses</b>		
Advertising	0.00	57.82
Depreciation Expense	742.93	12,010.78
Dues & Publications	0.00	463.52
Insurance Liability	0.00	4,420.00
Insurance Workers Comp	0.00	1,418.10
Accounting Fees	235.00	3,615.00
Audit Expense	0.00	4,332.50
Office Expense	124.72	2,158.90
Meeting Expense	0.00	302.46
Member Reimbursements	0.00	607.04
Repairs & Maintenance Expense	0.00	1,190.00
Sales Tax Expense	449.66	8,303.76
Backhoe Expense	0.00	355.58
Fuel Expense	70.08	811.22
Training Expense	0.00	395.10
Supplies/(Parts & Materials)	0.00	2,021.25
Payroll Tax Expense	190.49	2,285.88
Utilities & Telephone	63.58	701.49
Wages Expense	2,490.00	29,880.00
<b>Total Expenses</b>	<u>4,366.46</u>	<u>75,330.40</u>
<b>Changes in Net Assets</b>	<u>\$ 1,488.88</u>	<u>\$ 21,676.56</u>

**ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION**

**SCHEDULE OF SUMMARY OF FINDINGS AND RESPONSES  
DECEMBER 31, 2019**

**CURRENT YEAR FINDINGS:**

None

**ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION**

**SCHEDULE OF SUMMARY OF PRIOR-YEAR FINDINGS  
DECEMBER 31, 2019**

**PRIOR-YEAR FINDINGS:**

**None**



**ROSEDALE MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION**

**EXIT CONFERENCE  
DECEMBER 31, 2019**

**Exit Conference:**

The exit conferences were held on May 15, 2020 with the following persons:

Tom Fleming, Water system manager

Elmo Gomez, 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.