



Clifford, Ross & Cooper, CPA's LLC

Certified Public Accountants

Serving Las Cruces and El Paso since 1976

SAN PABLO MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

AGREED-UPON PROCEDURES

DECEMBER 31, 2019

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SAN PABLO MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

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SAN PABLO MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

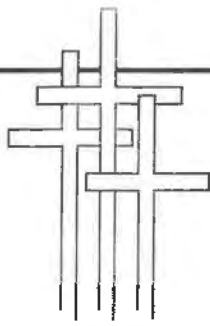
**OFFICIAL ROSTER
DECEMBER 31, 2019**

JAIMÉ VILLASENOR, PRESIDENT

ISELA WENDLER, SECRETARY/TREASURER

MANUEL ALVIDREZ, DIRECTOR

JESUS CASTANEDA, DIRECTOR



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
San Pablo Mutual Domestic Water Consumers Association
Las Cruces, New Mexico

We have performed the procedures shown in Exhibit A, attached to this report. The procedures were agreed to by San Pablo 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 San Pablo Mutual Domestic Water Consumers Association as of December 31, 2019. San Pablo 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 San Pablo 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 7, 2020

Never Underestimate the Value of a CPA

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SAN PABLO 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, 2019: Citizens Bank - Operating - 575,449.59; Citizens Bank - Construction - \$104,535.70; Charles Schwab - \$100,556.41. All bank reconciliations are performed on a timely basis and all were complete and on-hand. |
| | b) | Test a 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 Mesilla Valley Accounting. Books are kept on QuickBooks and reconciled through QuickBooks. 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 Mesilla Valley Accounting for approval. Noted Mesilla Valley Accounting 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 insured deposits as required by Section 6-10-17 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 uninsured 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 Mesilla Valley Accounting
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 all 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. |

SAN PABLO 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 lower water usage.

	Budgeted Amount	Actual Amount	Variance	Percentage
Water Usage Fees	\$ 83,000	\$ 77,497	\$ (5,503)	-7%
Connection Fees	\$ 2,400	\$ 3,910	\$ 1,510	63%
Membership Fees	\$ 1,000	\$ 7,849	\$ 6,849	685%
Delinquency Charges	\$ 6,000	\$ 6,180	\$ 180	3%
Other oper. Revenues	\$ 645,700	\$ 289,150	\$ (356,550)	-55%

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

Receipts Date	Payer	Description	Amount
2/6/2019	Client fees	Revenue-Water	\$ 4,836.85
2/13/2019	Client fees	Revenue-Water	\$ 2,166.74
2/22/2019	Client fees	Revenue-Water	\$ 2,056.23
2/27/2019	Client fees	Revenue-Water	\$ 5,306.80
3/6/2019	Client fees	Revenue-Water	\$ 7,583.55
4/4/2019	Client fees	Revenue-Water	\$ 1,245.57
4/15/2019	Client fees	Revenue-Water	\$ 10,654.74
4/22/2019	Client fees	Revenue-Water	\$ 3,832.06
4/26/2019	Client fees	Revenue-Water	\$ 3,890.19
5/6/2019	Client fees	Revenue-Water	\$ 5,470.26
5/30/2019	Client fees	Revenue-Water	\$ 7,759.58
6/6/2019	Client fees	Revenue-Water	\$ 4,060.68
6/12/2019	Client fees	Revenue-Water	\$ 1,184.83
6/19/2019	Client fees	Revenue-Water	\$ 1,083.74
6/27/2019	Client fees	Revenue-Water	\$ 7,892.51
8/7/2019	Client fees	Revenue-Water	\$ 8,297.51
8/16/2019	Client fees	Revenue-Water	\$ 3,213.85
8/23/2019	Client fees	Revenue-Water	\$ 4,313.74
8/30/2019	Client fees	Revenue-Water	\$ 5,450.69
9/6/2019	Client fees	Revenue-Water	\$ 6,398.26
10/4/2019	Client fees	Revenue-Water	\$ 4,716.59
10/11/2019	Client fees	Revenue-Water	\$ 3,714.04
10/22/2019	Client fees	Revenue-Water	\$ 4,827.16
10/29/2019	Client fees	Revenue-Water	\$ 6,322.70
12/5/2019	Client fees	Revenue-Water	\$ 4,815.30
12/11/2019	Client fees	Revenue-Water	\$ 1,862.35
12/19/2019	Client fees	Revenue-Water	\$ 4,090.05
12/30/2019	Client fees	Revenue-Water	\$ 4,337.27

SAN PABLO 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 for 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:

Check Date	Check Number	Payee	Description	Check Amount
1/8/2019	3450	City of Las Cruces	Water	\$ 2,891.96
1/8/2019	3451	Pure Operations	Operations & Maintenance	\$ 2,232.32
1/8/2019	6023	Granite Mountain Accounting	Accounting services	\$ 2,333.63
2/12/2019	3455	BluWater Specialties, Inc.	Operations & Maintenance	\$ 1,567.62
2/12/2019	3457	Watson Smith, LLC	Legal	\$ 1,080.49
2/12/2019	ACH	El Paso Electric	Utilities	\$ 397.55
3/12/2019	3462	Sierra Irrigations	Operations & Maintenance	\$ 523.60
3/26/2019	ACH	Centurylink	Telephone	\$ 57.95
4/9/2019	3468	Scott Northam, CPA	AUP	\$ 2,439.84
4/9/2019	3470	Pure Operations	Operations & Maintenance	\$ 2,112.64
4/9/2019	3471	Pure Operations	Operations & Maintenance	\$ 2,036.91
4/9/2019	ACH	El Paso Electric	Utilities	\$ 274.62
4/20/2019	ACH	CoBank	Interest	\$ 290.06
5/14/2019	3477	Pat Campbell Insurance	Insurance	\$ 5,333.00
5/14/2019	3478	Aqseptence Group, Inc.	Operations & Maintenance	\$ 2,499.88
5/14/2019	3479	City of Las Cruces	Water	\$ 3,454.65
5/14/2019	ACH	NM Taxation & Revenue	Gross receipts tax	\$ 751.43
6/11/2019	3480	Pure Operations	Operations & Maintenance	\$ 2,677.68
6/11/2019	3482	Barboa, Justine	Refund	\$ 41.96
6/11/2019	3484	BluWater Specialties, Inc.	Operations & Maintenance	\$ 3,367.91
6/11/2019	3485	Granite Mountain Accounting	Accounting services	\$ 2,332.81
7/9/2019	1007	Smith Engineering Co., Inc.	Engineering	\$ 3,775.63
7/9/2019	3489	City of Las Cruces	Operations & Maintenance	\$ 3,880.75
7/9/2019	3490	BluWater Specialties, Inc.	Operations & Maintenance	\$ 2,107.55
8/13/2019	ACH	El Paso Electric	Utilities	\$ 591.38
8/13/2019	3493	City of Las Cruces	Water	\$ 4,217.94
8/13/2019	3495	BluWater Specialties, Inc.	Operations & Maintenance	\$ 2,107.55
9/10/2019	ACH	NM Taxation & Revenue	Gross receipts tax	\$ 829.82
9/10/2019	3498	Pure Operations	Operations & Maintenance	\$ 3,506.03
9/10/2019	3500	Granite Mountain Accounting	Accounting services	\$ 2,393.74
9/10/2019	3501	Johnston's True Value Hardware	Operations & Maintenance	\$ 98.95

SAN PABLO 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)					
	10/8/2019	3504	City of Las Cruces	Water	\$ 3,859.45
	10/11/2019	1012	Smith Engineering Co., Inc.	Engineering	\$ 2,869.48
	10/11/2019	ACH	CoBank	Payoff loan	\$ 75,336.42
	11/1/2019	ACH	El Paso Electric	Utilities	\$ 23.05
	11/10/2019	ACH	USDA/Rural Development	Loan payment	\$ 479.00
	11/12/2019	3512	Dona Ana County Treasurer	Property taxes	\$ 318.92
	12/10/2019	3519	Pure Operations, LLC	Operation & Maintenance	\$ 5,796.19
	12/10/2019	1014	Watson Smith, LLC	Legal	\$ 511.35
	12/10/2019	1013	Dona Ana Title Co.	Closing fees	\$ 897.00

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

- a) Tested 40 out of 131 (31%) 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. The total of \$152,298.71 transactions out of a total population of \$261,311.47 was tested.
- 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).

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

The following journal entries were selected and the procedures described 5(a) - 5(b) above were performed:

Date	Description	Account Number	Debit	Credit
1/1/2019	Reverse Deposits in Transit	Water Customers	\$ 6,001.53	
	Reverse Deposits in Transit	Deposits in transit		\$ 6,001.53
4/30/2019	Monthly Depreciation Expense	Depreciation expense	\$ 11,898.80	
	Monthly Depreciation Expense	Accumulated Depreciation		\$ 11,898.80
6/30/2019	Bioxide Chemical	Chemicals	\$ 758.67	
	Bioxide Chemical	Prepaid expenses		\$ 758.67
8/31/2019	Monthly Sales Activity	Water & Wastewater Customers	\$ 17,984.93	
	Monthly Sales Activity	Water Sales		\$ 7,704.66
	Monthly Sales Activity	Wastewater Sales		\$ 8,891.79
	Monthly Sales Activity	Late Fees		\$ 558.59
	Monthly Sales Activity	Gross receipts tax		\$ 829.89
10/31/2019	Deposits in Transit	Deposits in Transit	\$ 6,711.56	
	Deposits in Transit	Water Customers		\$ 6,711.56

SAN PABLO 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

6) JOURNAL ENTRIES (continued)

12/31/2019	Monthly Depreciation Expense	Depreciation Expense	\$ 11,898.80	
	Monthly Depreciation Expense	Accumulated Depreciation		\$ 11,898.80

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

- a) Journal entries appear reasonable and have supporting documentation.
- b) The Association has a review process for journal entries and the journal entries tested have evidence of review.

Finding:

No discrepancies noted.

7) BUDGET

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

- 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 so, 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 expenses - budget and actual was prepared from the Association record on the cash budgetary basis. Verified that Exhibit B, which was approved by the Board Resolution 2020-2 was used in submitting the final report to DFA.

Finding:

No discrepancies noted.

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
SAN PABLO MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION
EXHIBIT B
BUDGET AND ACTUAL - Modified Cash Basis

Statement of Revenues and Expenditures
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive/(Negative)
	Original	Final		
REVENUES				
Water sales	\$ 83,000	\$ 83,000	\$ 77,497	\$ (5,503)
Connection/Reconnection charges	2,400	2,400	3,910	1,510
Membership and meter sales	100	100	7,849	7,749
Late fees and penalties	6,000	6,000	6,180	180
Other operating revenue	645,700	645,700	289,150	(356,550)
Total revenues	737,200	737,200	384,586	(352,614)
EXPENDITURES				
Electricity	7,500	7,500	5,830	1,670
Other utilities	56,500	56,500	40,536	15,964
System parts and supplies	2,000	2,000	-	2,000
System repairs & maintenance	85,000	85,000	72,840	12,160
Office and administrative expense	500	500	123	377
Professional services	47,500	47,500	29,925	17,575
Insurance	6,500	6,500	5,990	510
Dues, fees, permits and licenses	410	410	(504)	914
Taxes - gross receipts tax, water conservation fee	350	350	-	350
Training	500	500	-	500
Miscellaneous	541,573	541,573	94,872	446,701
Total expenditures	748,333	748,333	249,612	498,721
Excess (deficiency) of revenues over expenditures	(11,133)	(11,133)	134,974	146,107
NONOPERATING REVENUES AND EXPENDITURES				
Interest	-	-	-	-
Site lease	-	-	-	-
Annual debt service	(6,348)	(6,348)	(958)	5,390
Capital Improvements	-	-	-	-
Total nonoperating revenues & expenditures	(6,348)	(6,348)	(958)	5,390
Excess (deficiency) of revenues and other financing sources over expenditures and other financing sources	(17,481)	(17,481)	\$ 134,016	\$ 151,497
Budgeted cash carryover	17,481	17,481		
	<u>\$ -</u>	<u>\$ -</u>		



JOLENE SLOWEN
DEPUTY DIRECTOR

STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION
Bataan Memorial Building ♦ 407 Gallateo St. ♦ Suite 202 ♦ Santa Fe, NM 87501
PHONE (505) 827-4960 ♦ FAX (505) 827-4848

January 31, 2019

Jaime Villasenor, President
San Pablo Mutual Domestic Water Consumers Association
P.O. Box 1885
Las Cruces, NM 88004-1885

Dear President Villasenor:

The final budget for your local government entity for Calendar Year 2019 as approved by your governing body, has been examined and reviewed. The Department of Finance and Administration, Local Government Division (LGD) finds it has been developed in accordance with applicable statutes and budgeting guidelines, and sufficient resources appear to be available to cover budgeted expenditures. In addition, the *Budget Certification of Local Public Bodies* rule, 2.2.3 NMAC, requires that your entity's audit for Calendar Year 2017 should have been submitted to the Office of the State Auditor as of this time. The LGD's information indicates that you are in compliance with this requirement. Therefore, in accordance with Section 6-6-2(E) NMSA 1978, the LGD certifies your entity's final Calendar Year 2019 budget.

Budgets approved by the LGD are required to be made a part of the minutes of your governing body in compliance with Section 6-6-5 NMSA 1978. In addition, Section 6-6-6 NMSA 1978 provides that the approved budget is binding on local officials and governing authorities, and any official or governing authority approving claims or paying warrants in excess of the approved budget or available funds will be liable for the excess amounts. Furthermore, state statute requires all revenue sources be expended only for public purposes, and if applicable, in accordance with the Procurement Code, Chapter 13, Article 1, NMSA 1978. Use of public revenue is also governed by Article 9, Section 14 of the Constitution of the State of New Mexico, commonly referred to as the anti-donation clause.

Finally, as required by Section 6-6-2(H), NMSA 1978, LGD is required to approve all budget increases and transfers between funds not included in the final approved budget.

If you have any questions regarding this matter, please call Tom Dixon of my staff at 505-827-8059.

Sincerely,

A handwritten signature in black ink, appearing to read "Jolene Slowen".

Jolene Slowen, Deputy Director
Local Government Division

xc: file

EXHIBIT C

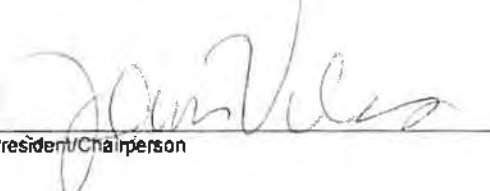
MDWCA Name:
Mailing Address:
Email Address:
Phone number:

San Pablo MDWCA
 P.O. Box 1885, Las Cruces, NM 88004
 info@sanpablowater.com
 575-526-2445

Calendar Year
2019

	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	46,494							
Savings								
CDs								
Investments	100,030							
Beginning Balance TOTAL	\$ 146,525							
REVENUES								
Water Sales (Water Use Fees)	83,000	17,048	19,384	21,551	18,517	77,497	5,503	93%
Continuation/Reconnection Charges	2,400	1,180	1,275	1,020	425	3,910	(1,510)	163%
Membership and Meter Sales (Utility Service Fees)	1,000	75	7,689	0	75	7,849	(6,849)	785%
Late Fees and Penalties (Other Fines and Forfeits)	6,000	1,411	1,358	2,091	1,322	6,180	(180)	103%
Gross Receipts Tax (Other State shared taxes)	-	0	0	0	0	0	0	-
Other Operating Revenue (Miscellaneous - other)	645,700	26,732	26,850	26,748	209,021	289,150	356,550	45%
TOTAL	\$ 738,100	46,454	58,364	51,410	230,360	384,587	353,513	52%
EXPENDITURES								
Salaries - Operator, Bookkeeper, etc.	-	0	0	0	0	0	0	-
Employee Benefits and Expenses	-	0	0	0	0	0	0	-
Electricity	7,600	1,202	1,190	1,940	1,433	5,830	1,670	78%
Other Utilities - Gas, Water, Sewer, Telephone	56,600	7,082	10,474	12,124	10,877	40,538	15,964	72%
System Parts and Supplies	2,000	0	0	0	0	0	2,000	0%
System Repairs and Maintenance	85,000	11,978	24,383	18,079	17,401	72,840	12,160	86%
Vehicle Expenses	-	0	0	0	0	0	0	-
Office and Administrative Expenses	600	0	0	0	123	123	377	25%
Professional Services - Accounting, Engineering, Legal	47,500	4,898	9,520	7,658	7,881	29,925	17,575	63%
Insurance	6,600	104	5,437	35	415	5,990	510	92%
Dues, Fees, Permits and Licenses	410	228	0	0	(733)	(504)	914	-123%
Taxes - Gross Receipts Tax, Water Conservation Fee	350	0	0	0	0	0	350	0%
Training	500	0	0	0	0	0	500	0%
Miscellaneous	541,873	7,223	5,497	2,591	79,661	94,872	446,701	18%
Loans								
Annual debt service - Loan 1	6,348	0	0	0	958	958	5,390	15%
Annual debt service - Loan 2	-	0	0	0	0	0	0	-
TOTAL	\$ 754,681	32,726	56,600	43,429	117,915	250,570	504,111	33%
Ending Balance	129,944					280,542		
LESS: Operating Reserve	30,000							
Emergency Reserve	20,000							
Capital Improvement Reserve	50,000							
Debt Reserve	0,073							
Ending Available Cash Balance	\$ 19,971					\$ 280,542		

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

11/14/20

 Date

EXHIBIT D
San Pablo MDWCA
Statement of Assets, Liabilities, and Net Assets
Modified Cash Basis

	Dec 31, 19
ASSETS	
Current Assets	
Checking/Savings	
Citizens Bank - Water Account	75,449.59
Citizens Bank - Construction	104,535.70
Charles Schwab - Money Market	100,556.41
Petty Cash	0.11
Total Checking/Savings	260,541.81
Accounts Receivable	
Water & Wastewater Customers	3,709.98
Total Accounts Receivable	3,709.98
Other Current Assets	
Construction in Progress	
Wastewater System Improvements	97,961.32
Total Construction in Progress	97,961.32
Prepaid Expenses	2,338.34
Prepaid Insurance	4,047.28
Undeposited Funds	6,399.56
Total Other Current Assets	110,746.50
Total Current Assets	394,998.29
Fixed Assets	
Computer Equipment	1,122.26
Engineering Costs (2015 PER)	51,127.82
Engineering Costs (2017 PER&ER)	25,012.16
Equipment	50,568.46
Water System	660,000.00
Wastewater System Phase I	1,783,792.79
Wastewater System Phase II	1,088,935.11
Wastewater Forcemain Extension	62,672.04
Accumulated Depreciation	-2,128,447.06
Total Fixed Assets	1,596,783.56
Other Assets	
Vacant Land	75,235.91
Total Other Assets	75,235.91
TOTAL ASSETS	2,067,017.78
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Customer Deposits	
Allowance - Unrecorded Deposits	
Rental Deposits	240.00
Total Allowance - Unrecorded Dep...	240.00
Renter's Deposits	4,675.00
Member Water Deposits	300.00
Total Customer Deposits	5,215.00

San Pablo MDWCA
Statement of Assets, Liabilities, and Net Assets
Modified Cash Basis

	Dec 31, 19
Sales Tax Payable	741.53
Total Other Current Liabilities	5,958.53
Total Current Liabilities	5,958.53
Long Term Liabilities	
Note Payable - USDA	147,689.16
Total Long Term Liabilities	147,689.16
Total Liabilities	153,645.69
Equity	
Board Designated Reserves	
Short Lived Asset Reserves	
Water System	8,750.00
Waste Water System	41,250.00
Total Short Lived Asset Reserves	50,000.00
Emergency Reserve	2,400.00
Operating Reserves	
Water System	23,800.00
Waste Water System	23,800.00
Total Operating Reserves	47,600.00
Total Board Designated Reserves	100,000.00
Unrestricted Fund Balance	
Fixed Assets	1,992,584.00
Total Unrestricted Fund Balance	1,992,584.00
Retained Earnings	-110,061.73
Net Income	-69,150.18
Total Equity	1,913,372.09
TOTAL LIABILITIES & EQUITY	2,067,017.78

EXHIBIT D
San Pablo MDWCA
Statement of Support, Revenue and Expenses
Modified Cash Basis

	<u>Oct - Dec 19</u>	<u>Jan - Dec 19</u>
Ordinary Income/Expense		
Income		
Operating Revenues		
Water Sales	19,517.20	77,497.49
Wastewater Sales	26,559.56	106,225.62
Idle Status	275.00	385.00
Installation Fees		
Water	0.00	1,500.00
Waste Water	0.00	6,024.19
Total Installation Fees	0.00	7,524.19
Late Fees	1,322.15	5,609.88
Membership Fees	75.00	250.00
Reconnection Fees	425.00	3,910.00
Returned Check Fees	0.00	70.00
Service Calls	29.79	75.82
Tampering Fee	0.00	500.00
Transfer Fees	0.00	75.00
Total Operating Revenues	<u>48,203.70</u>	<u>202,123.00</u>
Total Income	48,203.70	202,123.00
Cost of Goods Sold		
Purchased Water	3,960.23	14,898.19
Wastewater Service	6,740.94	24,940.85
Total COGS	<u>10,701.17</u>	<u>39,839.04</u>
Gross Profit	37,502.53	162,283.96
Expense		
Operating Expenses		
Bad Debt Expense	-177.50	-177.50
Bank Service Charges	25.00	55.00
Chemicals	2,276.01	13,177.86
Depreciation Expense	36,881.62	143,970.82
Dues and Subscriptions	-733.16	-514.14
Equipment Rentals	607.57	770.03
Insurance	415.00	5,990.06
Licenses and Permits	0.00	10.00
System Maintenance Contractors		
Water System	7,548.83	25,616.14
Wastewater System	5,393.26	27,189.50
Total System Maintenance Contractors	12,942.09	52,805.64
Office Expense	123.00	123.00
Other Taxes	-0.08	-0.84
Professional Services		
Accounting/Administrative Fees	7,881.09	27,484.92
Legal Fees	0.00	56.66
Tier Reporting/Audit	0.00	2,439.84
Total Professional Services	7,881.09	29,981.62
Property Taxes	318.92	318.92
System Repairs & Maintenance	2,182.80	8,856.95
Telephone	175.35	696.76

EXHIBIT D
San Pablo MDWCA
Statement of Support, Revenue and Expenses
Modified Cash Basis

	<u>Oct - Dec 19</u>	<u>Jan - Dec 19</u>
Tools (non-asset < \$5,000)	950.99	2,553.06
Utilities	1,432.68	5,830.15
Total Operating Expenses	65,301.38	262,447.39
Total Expense	65,301.38	262,447.39
Net Ordinary Income	-27,798.85	-100,163.43
Other Income/Expense		
Other Income		
Nonoperating Revenues		
Interest Income	281.42	589.11
Grant Revenue	33,874.90	33,874.90
Unclaimed Deposits	0.00	58.82
Total Nonoperating Revenues	34,156.32	34,522.83
Total Other Income	34,156.32	34,522.83
Other Expense		
Nonoperating Expenses		
Interest Expense	983.56	3,509.68
Total Nonoperating Expenses	983.58	3,509.58
Total Other Expense	983.58	3,509.58
Net Other Income	33,172.74	31,013.25
Net Income	5,373.89	-69,150.18

SAN PABLO MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

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

CURRENT YEAR FINDINGS:

None

SAN PABLO MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

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

PRIOR-YEAR FINDINGS:

None

SAN PABLO MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

**EXIT CONFERENCE
DECEMBER 31, 2019**

Exit Conference:

The exit conferences were held on May 7, 2020 with the following persons:

Jaime Villasenor, 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 San Pablo Mutual Domestic Water Consumers Association with the assistance of management.