



MACIAS, GUTIERREZ & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ESPANOLA, NEW MEXICO
www.mgandc.com

STATE OF NEW MEXICO

**TESUQUE MUTUAL DOMESTIC
WATER ASSOCIATION**

Independent Accountants' Report on Applying
Agreed-Upon Procedures (Tier 4)

Year Ended December 31, 2016

STATE OF NEW MEXICO

TESUQUE MUTUAL DOMESTIC WATER ASSOCIATION

**Independent Accountants' Report on Applying
Agreed-Upon Procedures (Tier 4)**

Year Ended December 31, 2016

**STATE OF NEW MEXICO
TESUQUE MUTUAL DOMESTIC WATER ASSOCIATION**

**Table of Contents
December 31, 2016**

		<u>Page</u>
Title Page		i
Table of Contents		ii
Official Roster		iii
Independent Accountants' Report on Applying Agreed-Upon Procedures (Tier 4)		iv-viii
	<u>Exhibit</u>	
Schedule of Revenues and Expenses – Budget and Actual (Cash Basis)	A	1
Copy of Year-End Balance Sheet submitted to DFA-LGD	B	2
Copy of Profit & Loss & Budget vs Actual submitted to DFA-LGD at year-end	C	3-8
Schedule of Findings and Responses		9
Exit Conference		10

**STATE OF NEW MEXICO
TESUQUE MUTUAL DOMESTIC WATER ASSOCIATION**

**Official Roster
at December 31, 2016**

<u>Name</u>	<u>Title</u>
<u>Board of Directors</u>	
Joseph Riggs	President
Lisa Bick	Vice-President
Domenick De Santis	Treasurer
Allen Lewis	Secretary
P. Robert Martinez	Board Member
<u>Administrative Staff</u>	
Ana Berry	Bookkeeper



Macias, Gutierrez
& Co., P.C.

*Certified Public Accountants
Member AICPA, NMSCPA*

1302 Calle De La Merced, Suite A
Española, New Mexico 87532
505.747.4415
Fax 505.747.4417

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES (TIER 4)

To: Joseph Riggs, Chairman
Tesuque Mutual Domestic Water Association
and
Honorable Timothy M. Keller
New Mexico State Auditor

We have performed the procedures enumerated below, which were agreed to by the Tesuque Mutual Domestic Water Association (TMDWA) and the Office of the State Auditor on the Tier Verification, Cash, Capital Assets, Revenue, Expenditures, Journal Entries, Budget and Other as of and for the year ended December 31, 2016, included in the accompanying information provided to us by management of the TMDWA. The Tesuque Mutual Domestic Water Association is responsible for the Tier Verification, Cash, Capital Assets, Revenue, Expenditures, Journal Entries, Budget and Other as of and for the year ended December 31, 2016, included in the accompanying information provided to us by management of the TMDWA. The sufficiency of these procedures is solely the responsibility of those 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. The procedures and associated 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."

We verified TMDWA's revenue calculation and tier determination. Tesuque Mutual Domestic Water Association's cash basis revenue was between the **Tier 4** lower and upper limits.

2. Cash

Procedures

- 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.
- b) Perform a random test of bank reconciliations for accuracy. Also, trace ending balances to the general ledger, supporting documentation and the financial reports submitted to the Department of Finance and Administration, Local Government Division (DFA-LGD).
- 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.

Results of Procedures Performed

- a) The TMDWA has one checking account and three savings accounts in one financial institution, and utilizes Quickbooks to record cash transactions. The sample of tested bank reconciliations are performed on a timely basis and all bank statements were complete and on-hand for the entire year.
- b) Random tests of four-month end bank reconciliations revealed no exceptions. The reconciliations were accurate and agreed with supporting documentation. Required quarterly financial cash reports were submitted to DFA-LGD during the year and at year-end (Exhibit B) and we traced the ending cash balances to those reports
- c) Cumulative single-bank account balances never exceeded uninsured limits and, therefore, pledged collateral was not required on any uninsured deposits at any time during the year.

3. Capital Assets

Procedures

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

Results of Procedures Performed

The TMDWA maintains a capital asset listing and performed a yearly inventory as required by Section 12-6-10 NMSA, 1978.

4. Revenue

Procedures

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.

Select a sample of revenue based on auditor judgment using 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 Performed

- a) An analytical review of prior-year to current-year revenue revealed no unexplained or unusual variations. The test of actual revenue compared to budgeted revenue for the year for each revenue type revealed no exceptions.
- b) We requested supporting documentation for fifteen (15) deposits (48% of total revenues) from a total of 45 deposits for the year. For the sample selected, amounts recorded on the Quickbooks general ledger agreed with deposit tickets, other supporting documentation provided and the bank statements, with no exception.
- c) Amounts were properly recorded on a cash basis as to classification, amount and period per review of supporting documentation, without exception.

5. Expenditures

Procedures

Select a sample of cash disbursements based on auditor judgment using 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 check clearing amount (cancelled checks not returned), 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 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

Results of Procedures Performed

- a) We requested supporting documentation for 30 disbursements (36% of total expenditures) from a total of 142 disbursements for the year. For the sample selected, amounts recorded as disbursed agreed to supporting documentation, with no exceptions. Amount paid, payee, date and description agreed with the vendor's invoice, purchase order, contract and check clearing amount, as appropriate.
- b) Disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.
- c) 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 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

6. Journal Entries

Procedures

If non-routine journal entries, such as adjustments or reclassifications, are posted to the general ledger, test significant items 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.

Results of Procedures Performed

The TMDWA utilizes Quickbooks to record cash transactions but the accounts manager prepares formal journal entries at the end of each month to record receivable accruals and the fee accountant prepares formal journal entries at year-end to record minor adjustments and reclassifications. The results of our tests are as follows:

- a) Journal entries are reasonable and have supporting documentation.
- b) The TMDWA has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed through approval of monthly financial statements.

7. Budget

Procedures

Obtain the original fiscal year budget and all budget amendments 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 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 Performed

- a) A review of Board meeting minutes and related correspondence revealed that the original proposed and final 2016 budget was governing board approved and submitted to DFA-LGD for approval. The TMDWA made one subsequent 2016 budget adjustment that was approved by the governing board and the DFA-LGD.
- b) Total actual expenses did not exceed the final budget by at the total fund level, the legal level of budgetary control.
- c) The TMDWA prepared and submitted to DFA-LGD a Profit and Loss Budget vs. Actual for the year ended December 31, 2016 (herein Exhibit B). A schedule of revenues and expenses – budget and actual was prepared from TMDWA records on the cash budgetary basis. This schedule is included herein as Exhibit A.

8. Other

Procedures

If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, disclose 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.

Results of Procedures Performed

No exceptions were found as a result of applying the procedures described above (regardless of materiality) indicating any fraud, illegal acts, noncompliance or any internal control deficiencies.

* * * * *

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 a review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Tier Verification, Cash, Capital Assets, Revenue, Expenditures, Journal Entries, Budget and Other of the Tesuque Mutual Domestic Water Association as of and for the year ended December 31, 2016, included in the accompanying information provided to us by management of the TMDWA. 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 the Tesuque Mutual Domestic Water Association, the New Mexico State Auditor's Office and the Department of Finance and Administration, Local Government Division and the New Mexico Legislature and is not intended to be and should not be used by anyone other than the specified parties.

Macias, Gutierrez & Co., CPAs, P. C.

Macias, Gutierrez & Co., CPAs, P. C.
Española, New Mexico
May 25, 2017

STATE OF NEW MEXICO
TESUQUE MUTUAL DOMESTIC WATER ASSOCIATION
Schedule of Revenues and Expenses-Budget and Actual (Cash Basis)
Year Ended December 31, 2016

	Budgeted Amounts		Actuals	Variance
	Original	Final		Favorable (Unfavorable)
Revenues:				
Transfer Fee	\$ 500	\$ 500	\$ 1,000	\$ 500
Water Bills	57,050	57,050	63,896	6,846
Bank Interest	144	144	156	12
Insurance Refund	-	-	5,948	5,948
Total revenues	57,694	57,694	71,000	13,306
Cash balance budgeted	-	17,913	17,913	-
Total revenues and cash balance budgeted	57,694	75,607	88,913	13,306
Expenses:				
Accounting Services	520	520	487	33
Attorney Fees	2,040	2,040	-	2,040
Audit	2,700	2,700	2,729	(29)
Bounced Check	-	-	1,033	(1,033)
Bounced Check Charge	-	-	15	(15)
Emergency Reserve Funds	12,000	12,000	-	12,000
Handheld	-	5,000	7,591	(2,591)
Liability Insurance	2,300	2,300	8,138	(5,838)
Surety Bond	100	100	200	(100)
Meeting Space	252	252	-	252
Annual Meeting Supplies	100	100	106	(6)
Bookkeeping	10,080	10,080	11,629	(1,549)
Call Multiplier	-	-	89	(89)
Corporate Filing Fees	20	20	20	-
Dues	129	129	264	(135)
Office Supplies	600	600	383	217
PO Box Rental	-	-	126	(126)
Postage	588	588	705	(117)
Storage Unit	660	660	735	(75)
Line Locates	244	244	185	59
Materials	2,400	2,400	1,080	1,320
RTCR Sampling Plan	-	-	268	(268)
Tank Cleaning	2,000	2,000	1,745	255
Water Operator	9,144	9,144	12,082	(2,938)
Water Testing	600	600	866	(266)
Well Repairs	1,440	1,440	3,056	(1,616)
Remote Sensors	384	384	345	39
Software Support	-	-	399	(399)
System Maintenance	1,200	1,200	-	1,200
Gross Receipts Tax	2,899	2,899	2,930	(31)
Water Conservation Fees	240	240	177	63
Utilities	2,400	2,400	2,108	292
Web Site Expenses	144	144	-	144
Total expenses	55,184	60,184	59,491	693
Excess revenues over (under) expenses	\$ 2,510	\$ 15,423	\$ 29,422	\$ 13,999

1:55 PM

Tesuque Domestic Mutual Water Consumers Association

Balance Sheet

As of December 31, 2016

05/17/17

Accrual Basis

	<u>Dec 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
LANB Capital Improvements	100,744.38
LANB Checking	28,371.16
LANB Insurance Reserve	3,656.13
LANB Operations & Maintenance	6,429.02
Total Checking/Savings	<u>139,200.69</u>
Accounts Receivable	
Accounts Receivable	320.02
Total Accounts Receivable	<u>320.02</u>
Other Current Assets	
NSF Checks	4,298.92
Total Other Current Assets	<u>4,298.92</u>
Total Current Assets	143,819.63
Fixed Assets	
Accumulated Depreciation	-114,890.00
Fencing 1	5,900.00
Handheld and Meters	32,373.18
Improvements 2007	12,432.04
Storage Tank	50,000.00
Well	20,000.00
Total Fixed Assets	<u>5,815.22</u>
TOTAL ASSETS	<u>149,634.85</u>
LIABILITIES & EQUITY	
Equity	
Unrestricted Net Assets	141,390.97
Net Income	8,243.88
Total Equity	<u>149,634.85</u>
TOTAL LIABILITIES & EQUITY	<u>149,634.85</u>

1:54 PM

Tesuque Domestic Mutual Water Consumers Association

Profit & Loss

January through December 2016

05/17/17

Accrual Basis

	<u>Jan - Dec 16</u>
Ordinary Income/Expense	
Income	
Transfer fee	1,000.00
Water bills	63,896.43
Total Income	<u>64,896.43</u>
Gross Profit	64,896.43
Expense	
Accounting Services	487.31
Audit	2,728.50
Bounced check	1,032.68
Bounced check charge	15.00
Depreciation Expense	3,265.00
Handheld	7,591.49
Insurance Expense	
Liability Insurance	8,138.00
Surety Bond	200.00
Total Insurance Expense	<u>8,338.00</u>
Office expenses	
Annual meeting supplies	106.32
Bookkeeping	11,628.76
Call Multiplier	89.00
Corporate filing fees	20.00
Dues	264.00
Office Supplies	382.98
PO Box rental	126.00
Postage	705.00
Storage unit	735.00
Total Office expenses	<u>14,057.06</u>
Operations and Maintenance	
Line locates	185.28
Materials	1,079.76
RTCR Sampling Plan	267.50
Tank cleaning	1,745.00
Water Operator	12,082.25
Water testing	866.50
Well repairs	3,056.37
Total Operations and Maintenance	<u>19,282.66</u>
Remote sensors	344.96
Software support	399.38
Taxes	
Gross receipts	2,929.52
Water Conservation fee	176.78
Total Taxes	<u>3,106.30</u>
Utilities	
Electricity	2,108.13
Total Utilities	<u>2,108.13</u>
Void	0.00
Total Expense	<u>62,756.47</u>
Net Ordinary Income	2,139.96
Other Income/Expense	
Other Income	
Bank Interest	155.92
Insurance refund	5,948.00
Total Other Income	<u>6,103.92</u>
Net Other Income	<u>6,103.92</u>

1:54 PM

05/17/17

Accrual Basis

Tesuque Domestic Mutual Water Consumers Association
Profit & Loss
January through December 2016

	<u>Jan - Dec 16</u>
Net Income	<u><u>8,243.88</u></u>

Tesuque Domestic Mutual Water Consumers Association
Profit & Loss Budget vs. Actual

January through December 2016

	Jan 16	Budget	\$ Over ...	Feb 16	Budget	\$ Over ...	Mar 16	Budget	\$ Over ...	Apr 16	Budget	\$ Over ...	May 16	Budget	\$ Over ...	Jun 16	Budget	\$ Over ...	Jul 16	Budget
Ordinary Income/Expense																				
Income																				
Transfer fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water bills	6,397.24	4,400.00	1,997.24	6,030.26	2,300.00	3,730.26	4,028.75	4,200.00	-171.25	4,299.90	3,600.00	699.90	2,432.06	5,450.00	5,950.00	8,151.85	5,950.00	2,201.85	6,530.59	5,750.00
Total Income	6,397.24	4,400.00	1,997.24	6,530.26	2,300.00	4,230.26	4,028.75	4,200.00	-171.25	4,299.90	3,600.00	699.90	2,932.06	5,450.00	5,950.00	8,151.85	5,950.00	2,201.85	6,530.59	5,750.00
Gross Profit	6,397.24	4,400.00	1,997.24	6,530.26	2,300.00	4,230.26	4,028.75	4,200.00	-171.25	4,299.90	3,600.00	699.90	2,932.06	5,450.00	5,950.00	8,151.85	5,950.00	2,201.85	6,530.59	5,750.00
Expense																				
Accounting services	0.00	0.00	0.00	0.00	0.00	0.00	108.31	0.00	108.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Attorney fees	0.00	170.00	-170.00	0.00	170.00	-170.00	0.00	0.00	-170.00	0.00	0.00	0.00	0.00	170.00	170.00	0.00	0.00	-170.00	0.00	0.00
Audit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	287.50	0.00	287.50	2,461.00	2,700.00	-239.00	0.00	0.00
Bounced check	1,000.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bounced check charge	7.50	0.00	7.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Emergency reserve funds	0.00	1,000.00	-1,000.00	0.00	1,000.00	-1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00	1,000.00	0.00	0.00	-1,000.00	0.00	1,000.00
Handheld	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance Expense	838.00	0.00	838.00	1,460.00	1,500.00	-40.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	0.00	0.00
Liability Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Surety Bond	838.00	0.00	838.00	1,460.00	1,500.00	-40.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	0.00	0.00
Total Insurance Expense	838.00	0.00	838.00	1,460.00	1,500.00	-40.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	1,460.00	0.00	1,460.00	0.00	0.00
Meeting space	0.00	21.00	-21.00	0.00	21.00	-21.00	0.00	0.00	-21.00	0.00	21.00	-21.00	0.00	21.00	21.00	0.00	21.00	-21.00	0.00	21.00
Office expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual meeting supplies	894.52	840.00	54.52	894.52	840.00	54.52	894.52	840.00	54.52	894.52	840.00	54.52	894.52	840.00	54.52	894.52	840.00	54.52	106.32	100.00
Bookkeeping	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call Multiplier	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corporate filing fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dues	0.00	129.00	-129.00	0.00	129.00	-129.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Office Supplies	0.00	50.00	-50.00	0.00	50.00	-50.00	0.00	0.00	-50.00	0.00	50.00	-50.00	0.00	50.00	50.00	0.00	50.00	-50.00	0.00	0.00
PO Box rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Postage	0.00	49.00	-49.00	0.00	49.00	-49.00	0.00	0.00	-49.00	0.00	49.00	-49.00	0.00	49.00	49.00	0.00	49.00	0.00	0.00	0.00
Storage unit	55.00	55.00	0.00	55.00	55.00	0.00	55.00	55.00	0.00	55.00	55.00	0.00	55.00	55.00	0.00	55.00	55.00	0.00	55.00	55.00
Total Office expenses	949.52	1,123.00	-173.48	1,078.52	1,014.00	64.52	949.52	994.00	-44.48	989.52	994.00	-4.48	1,137.52	994.00	143.52	1,189.52	994.00	175.52	2,136.14	1,094.00
Operations and Maintenance																				
Line locates	0.00	0.00	0.00	185.28	0.00	185.28	0.00	0.00	-185.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials	0.00	200.00	-200.00	369.25	200.00	169.25	0.00	0.00	-169.25	0.00	200.00	-200.00	0.00	200.00	200.00	0.00	200.00	-200.00	192.84	200.00
RTOR Sampling Plan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tank cleaning	1,159.24	0.00	1,159.24	0.00	0.00	0.00	0.00	0.00	0.00	1,745.00	0.00	1,745.00	0.00	2,000.00	2,000.00	0.00	0.00	0.00	0.00	0.00
Water Operator	0.00	762.00	-762.00	1,461.41	762.00	699.41	1,087.28	762.00	325.28	1,031.13	762.00	289.13	1,054.63	762.00	292.63	1,476.07	762.00	714.07	804.27	762.00
Water testing	0.00	0.00	0.00	146.22	0.00	146.22	0.00	150.00	-150.00	211.21	0.00	211.21	0.00	216.63	0.00	216.63	0.00	150.00	146.22	0.00
Well repairs	0.00	120.00	-120.00	384.80	120.00	264.80	0.00	120.00	-120.00	0.00	120.00	-120.00	936.17	120.00	816.17	1,526.75	120.00	1,406.75	0.00	120.00
Total Operations and Maintenance	1,159.24	1,082.00	77.24	2,546.96	1,082.00	1,464.96	1,087.28	1,293.00	-205.72	2,987.34	1,082.00	1,905.34	2,207.43	3,082.00	-874.57	3,270.32	1,293.00	1,977.32	1,143.43	1,082.00
Remote sensors	0.00	32.00	-32.00	31.36	32.00	-0.64	64.12	32.00	32.12	0.00	32.00	-32.00	0.00	32.00	32.00	0.00	32.00	-32.00	122.64	32.00
Software support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
System Maintenance	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	100.00	0.00	100.00	-100.00	0.00	100.00
Repairs	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	100.00	0.00	100.00	-100.00	0.00	100.00
Total System Maintenance	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	100.00	0.00	100.00	-100.00	0.00	100.00
Taxes																				
Gross receipts	0.00	220.00	-220.00	273.74	115.00	158.74	0.00	210.00	-100.00	1,061.05	180.00	881.05	204.76	272.00	272.00	0.00	298.00	-298.00	0.00	288.00
Water Conservation fee	0.00	20.00	-20.00	0.00	20.00	-20.00	0.00	20.00	-20.00	121.08	20.00	101.08	0.00	20.00	20.00	0.00	20.00	-20.00	0.00	20.00
Total Taxes	0.00	240.00	-240.00	273.74	135.00	138.74	0.00	230.00	-30.00	1,182.13	200.00	982.13	204.76	292.00	292.00	0.00	318.00	-318.00	0.00	308.00
Utilities																				
Electricity	116.23	200.00	-83.77	165.38	200.00	-34.62	116.23	200.00	-83.77	103.76	200.00	-96.24	121.94	200.00	-78.06	171.28	200.00	-28.72	236.23	200.00
Total Utilities	116.23	200.00	-83.77	165.38	200.00	-34.62	116.23	200.00	-83.77	103.76	200.00	-96.24	121.94	200.00	-78.06	171.28	200.00	-28.72	236.23	200.00
Void	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Web site expenses	0.00	12.00	-12.00	0.00	12.00	-12.00	0.00	12.00	-12.00	0.00	12.00	-12.00	0.00</							

Tesuque Domestic Mutual Water Consumers Association
Profit & Loss Budget vs. Actual

January through December 2016

	Jan 16	Budget	\$ Over ...	Feb 16	Budget	\$ Over ...	Mar 16	Budget	\$ Over ...	Apr 16	Budget	\$ Over ...	May 16	Budget	\$ Over ...	Jun 16	Budget	\$ Over ...	Jul 16	Budget
Net Income	2,339.93	432.00	1,907.93	986.62	-3,074.00	4,060.62	256.48	160.00	96.48	-9,981.57	-5,199.00	-4,792.67	-2,453.89	-441.00	-2,012.89	-367.49	-878.00	510.61	7,293.37	1,743.00

Tesuque Domestic Mutual Water Consumers Association
Profit & Loss Budget vs. Actual

January through December 2016

9:46 AM
05/24/17
Accrual Basis

	\$ Over ...	Aug 16	Budget	\$ Over ...	Sep 16	Budget	\$ Over ...	Oct 16	Budget	\$ Over ...	Nov 16	Budget	\$ Over ...	Dec 16	Budget	\$ Over ...	Jan - De...	TOTAL
Ordinary Income/Expense																		
Income																		
Transfer fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00	500.00
Water bills	780.59	3,579.93	3,150.00	429.93	7,289.48	7,850.00	-560.52	6,100.27	4,000.00	2,100.27	4,828.98	3,500.00	1,328.98	4,227.12	6,900.00	-2,672.88	63,896.43	57,050.00
Total Income	780.59	3,579.93	3,150.00	429.93	7,289.48	8,350.00	-1,060.52	6,100.27	4,000.00	2,100.27	4,828.98	3,500.00	1,328.98	4,227.12	6,900.00	-2,672.88	64,896.43	57,550.00
Gross Profit	780.59	3,579.93	3,150.00	429.93	7,289.48	8,350.00	-1,060.52	6,100.27	4,000.00	2,100.27	4,828.98	3,500.00	1,328.98	4,227.12	6,900.00	-2,672.88	64,896.43	57,550.00
Expense																		
Accounting Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	379.00	400.00	-21.00	0.00	0.00	0.00	487.31	520.00
Attorney Fees	-170.00	0.00	170.00	-170.00	0.00	170.00	0.00	0.00	170.00	-170.00	0.00	170.00	-170.00	0.00	170.00	0.00	0.00	2,040.00
Audit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,728.50	2,700.00
Bounced check	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,032.68	0.00
Bounced check charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00	0.00
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,265.00	0.00
Emergency reserve funds	-1,000.00	0.00	1,000.00	-1,000.00	0.00	1,000.00	-1,000.00	0.00	1,000.00	-1,000.00	0.00	1,000.00	-1,000.00	0.00	1,000.00	0.00	0.00	12,000.00
Handheld	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,591.49	5,000.00
Insurance Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,138.00	2,300.00
Liability Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.00	100.00	0.00	100.00	0.00	0.00	0.00	200.00	100.00
Surety Bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.00	100.00	0.00	100.00	0.00	0.00	0.00	3,338.00	2,400.00
Total Insurance Expense	-21.00	0.00	21.00	-21.00	0.00	21.00	-21.00	0.00	21.00	-21.00	0.00	21.00	-21.00	0.00	21.00	0.00	252.00	593.00
Meeting space	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	106.32	100.00
Office expenses	6.32	0.00	0.00	6.32	0.00	0.00	0.00	894.52	840.00	54.52	1,789.04	840.00	949.04	894.52	840.00	54.52	11,628.76	10,080.00
Annual meeting supplies	949.04	0.00	840.00	-840.00	0.00	0.00	894.52	89.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	89.00	0.00
Bookkeeping	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call Multiplier	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corporate filing fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.00	20.00
Dues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	264.00	129.00
Office Supplies	135.78	0.00	50.00	-50.00	0.00	50.00	-50.00	0.00	50.00	-50.00	197.20	50.00	147.20	0.00	50.00	0.00	382.98	600.00
PO Box rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	126.00	0.00
Postage	-49.00	94.00	49.00	45.00	141.00	49.00	92.00	47.00	49.00	-2.00	55.00	49.00	-49.00	55.00	49.00	92.00	705.00	588.00
Storage unit	0.00	0.00	55.00	-55.00	0.00	55.00	-55.00	240.00	55.00	185.00	55.00	55.00	0.00	55.00	55.00	0.00	735.00	660.00
Total Office expenses	1,042.14	94.00	994.00	-900.00	1,035.52	994.00	41.52	1,270.52	994.00	276.52	2,041.24	994.00	1,047.24	1,225.52	994.00	231.52	14,057.06	12,177.00
Operations and Maintenance																		
Line locates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	185.28	244.00
Materials	-7.96	280.08	200.00	80.08	0.00	200.00	-200.00	237.49	200.00	37.49	0.00	200.00	-200.00	0.00	200.00	0.00	1,079.76	2,400.00
RTCR Sampling Plan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	267.50	0.00
Tank cleaning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,745.00	2,000.00
Water Operator	42.27	0.00	762.00	-762.00	1,034.56	762.00	272.56	1,087.37	762.00	325.37	1,886.29	762.00	1,124.29	0.00	762.00	-762.00	12,082.25	9,144.00
Water testing	146.22	0.00	0.00	0.00	0.00	0.00	146.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	866.50	600.00
Well repairs	-120.00	0.00	120.00	-120.00	0.00	120.00	-120.00	0.00	120.00	-120.00	208.65	120.00	88.65	0.00	120.00	-120.00	3,056.37	1,440.00
Total Operations and Maintenance	61.43	280.08	1,082.00	-801.92	1,034.56	1,293.00	-258.44	1,471.08	1,082.00	388.08	2,064.94	1,082.00	1,012.94	0.00	1,293.00	-1,293.00	19,282.66	15,828.00
Remote sensors	90.64	31.36	32.00	-0.64	0.00	32.00	-32.00	64.12	32.00	32.12	0.00	32.00	-32.00	0.00	32.00	-0.64	344.96	384.00
Software support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	399.38	0.00	0.00	0.00	0.00	0.00	399.38	0.00
System Maintenance	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	0.00	0.00	1,200.00
Repairs	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	0.00	0.00	1,200.00
Total System Maintenance	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	-100.00	0.00	100.00	0.00	0.00	1,200.00
Taxes																		
Gross receipts	-288.00	0.00	158.00	-158.00	0.00	393.00	-393.00	1,389.97	200.00	1,189.97	0.00	175.00	-175.00	0.00	390.00	-390.00	2,929.52	2,899.00
Water Conservation fee	-20.00	0.00	20.00	-20.00	0.00	20.00	-20.00	0.00	20.00	-20.00	55.70	20.00	35.70	0.00	20.00	-20.00	176.78	240.00
Total Taxes	-308.00	0.00	178.00	-178.00	0.00	413.00	-413.00	1,389.97	220.00	1,169.97	55.70	195.00	-139.30	0.00	410.00	-410.00	3,106.30	3,139.00
Utilities																		
Electricity	36.23	284.21	200.00	84.21	263.16	200.00	63.16	188.32	200.00	-11.68	182.35	200.00	-17.65	159.04	200.00	-40.96	2,108.13	2,400.00
Total Utilities	36.23	284.21	200.00	84.21	263.16	200.00	63.16	188.32	200.00	-11.68	182.35	200.00	-17.65	159.04	200.00	-40.96	2,108.13	2,400.00
Void	-12.00	0.00	12.00	-12.00	0.00	12.00	-12.00	0.00	12.00	-12.00	0.00	12.00	-12.00	0.00	12.00	0.00	0.00	144.00
Web site expenses	-380.56	689.65	3,789.00	-3,099.35	2,333.24	4,235.00	-1,901.76	4,524.19	3,831.00	593.19	5,252.61	4,206.00	1,046.61	4,880.92	5,032.00	-351.08	62,756.47	60,184.00
Total Expense	1,161.15	2,890.28	-839.00	3,529.28	4,956.24	4,115.00	841.24	1,576.08	69.00	1,507.08	-423.63	-706.00	282.37	-453.80	1,868.00	-2,321.80	2,139.96	-2,634.00
Net Ordinary Income/Expense																		
Other Income	1.22	13.22	12.00	1.22	12.79	12.00	0.79	13.23	12.00	1.23	12.79	12.00	0.79	13.23	12.00	1.23	155.92	144.00
Bank Interest	1,460.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,948.00	0.00	0.00
Insurance refund	4,389.22	1,473.22	12.00	1,461.22	12.79	12.00	0.79	13.23	12.00	1.23	12.79	12.00	0.79	13.23	12.00	1.23		

**STATE OF NEW MEXICO
 TESUQUE MUTUAL DOMESTIC WATER ASSOCIATION**

**Schedule of Findings and Responses
 Year Ended December 31, 2016**

	<u>Type of Finding *</u>	<u>Prior Year Finding Number</u>	<u>Current Year Finding Number</u>
Current Year Findings:			
None Reported	N/A	N/A	N/A
Follow-up on Prior Year Findings:			
None Reported	N/A	N/A	N/A

- * Legend for Findings:**
- A. Fraud
 - B. Illegal Act(s)
 - C. Internal Control Deficiency(ies)
 - D. Noncompliance

**STATE OF NEW MEXICO
TESUQUE MUTUAL DOMESTIC WATER ASSOCIATION**

**Exit Conference
Year Ended December 31, 2016**

EXIT CONFERENCE

The report contents were discussed at an exit conference held on May 30, 2017 with the following in attendance:

Tesuque Mutual Domestic Water Association

Domenick De Santis, Treasurer
Ana Berry, Bookkeeper

Accounting Firm

James R. (Jim) Macias, CPA