

**STATE OF NEW MEXICO**

**WINTERHAVEN MUTUAL DOMESTIC WATER CONSUMERS  
AND SEWAGE WORKS ASSOCIATION**

**Tier 4- Agreed-Upon Procedures Report  
For the Year Ended December 31, 2014**

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## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO**  
Winterhaven Mutual Domestic Water Consumers and Sewage Works Association  
Tier 4 – Agreed Upon Procedures  
For the 12 Months Ended December 31, 2014  
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**STATE OF NEW MEXICO**

Winterhaven Mutual Domestic Water Consumers and Sewage Works Association

Directory of Officials

December 31, 2014

<u><b>Name</b></u>	<u><b>Board</b></u>	<u><b>Title</b></u>
Henry Aguirre		President
Don Platt		Vice President
Merle Bucher		Treasurer

**FINANCIAL SECTION**

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**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED UPON PROCEDURES**

Timothy M. Keller, State Auditor  
and the Board of Directors of the  
Winterhaven Mutual Domestic Water Consumers and Sewage Works Association  
Las Cruces, New Mexico

We have performed the procedures listed in the attached schedule which were agreed to by the Office of the State Auditor and the Winterhaven Mutual Domestic Water Consumers and Sewage Works Association, (the Association) for the year ended December 31, 2014. The Association was determined to be a tier 4 entity under the Audit Act, Section 12-6-3 B(4) NMSA 1978 and Section 2.2.2.16 NMAC. The Association is responsible for the accounting records and compliance with State Auditor Rules as described above.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 findings related to the procedures in the schedule of procedures and results are presented in the accompanying schedule of findings and responses as listed in the table of contents.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the Association's financial reporting to the State Auditor as described above. Accordingly, we do not express such an opinion. 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 Winterhaven Mutual Domestic Water Consumers and Sewage Works Association, the New Mexico State Auditor's Office, the Department of Finance and Administration –Local Government Division, and the New Mexico State Legislature and is not intended to be and should not be used by anyone other these specified parties.

*RPC CPAs + Consultants LLP*

RPC CPAs + Consultants, LLP  
El Paso, Texas  
December 11, 2015

**STATE OF NEW MEXICO**  
Winterhaven Mutual Domestic Water Consumers and Sewage Works Association  
Tier 4-Agreed Upon Procedures  
Procedures Performed and Related Results  
For the Year Ended December 31, 2014

**1. 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. [For purposes of performing these procedures ‘timely’ means completion of the bank reconciliations within one month after the last day of the reporting month and “complete” means that statements for bank and investment accounts are all accounted for by the Association.]
- 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 DFA-Local Government Division. [For the purpose of performing these procedures, “accuracy” means that reconciling items agree to deposit slips and subsequent bank statement and reconciled balances agree to the general ledger.]
- 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 1(a) – 1(c)**

- a. We obtained the bank statements and corresponding reconciliations for the Association’s bank accounts. We determined that bank reconciliation 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 balances at December 31, 2014: Bank of the West – Operating - \$8,539.64; Bank of the West – Reserve - \$4,180; and Bank of the West – Debt Service - \$1,776. All bank and investment reconciliations are performed on a timely basis and all were complete and on-hand.
- b. We selected a random sample of 2 monthly bank reconciliations and found the reconciliation accurate by selecting the largest reconciling items on the bank reconciliations and agreeing the items to deposit slips and/or subsequent bank statements. We also traced ending balances to the general ledger and supporting documentation. All bank reconciliations tested revealed no exceptions.
- c. We inquired whether the Association’s financial institution provided it with 50% pledged collateral on uninsured deposit balances. Bank account balances did not exceed the uninsured limits during the year ended December 31, 2014 and, therefore, pledged collateral was not required for any bank account.

**2. Capital Assets**

**Procedure**

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

**Result of Procedure**

Winterhaven Mutual Domestic Water Consumers and Sewage Works Association maintains detail of capital assets and performed an inventory of capital assets for the year ended December 31, 2014.



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 Tier 4-Agreed Upon Procedures  
 Procedures Performed and Related Results  
 For the Year Ended December 31, 2014

**3. Revenues**

**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. [For purposes of performing analytical procedures, we inquired of the Association’s management for explanations of all variances of budget to actual of more than 5%.]

Select a sample of revenues based on auditor judgment [for purposes of procedures in 3(b) and 3(c), we selected a random sample of recorded revenue transactions to achieve a minimum of 50% coverage] and test 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 a cash basis, modified accrual basis, or accrual basis.

**Results of Procedures 3(a) – 3(c)**

- a. Analytical review and test of actual revenue compared to budgeted revenue for the year for each type of revenue revealed an over budget of total revenues at the end of the year as a result of high water usage.

	<b>Actual Amount</b>	<b>Budgeted Amount</b>	<b>Variance</b>	<b>Percentage</b>
800-Water Service	\$ 23,461.57	\$ 20,000.00	\$ 3,461.57	17%
801- Sewer Service	\$ 28,245.00	\$ 27,500.00	\$ 745.00	2.71%
802-Connection Charges	\$ 405.00	\$ 250.00	\$ 155.00	62%
805-Installation Fees	\$ 2,000.00	\$ -	\$ 2,000.00	100%
806-Membership Fees	\$ 600.00	\$ 100.00	\$ 500.00	500%
807-Service Calls	\$ 50.00	\$ -	\$ 50.00	100%
809-Late Fees	\$ 1,352.14	\$ 250.00	\$ 1,102.14	441%
830-Grant Revenue	\$ 66,073.18	\$ 66,500.00	\$ (426.82)	-1%
815-Rebates	\$ 52.11	\$ -	\$ 52.11	100%

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For the Year Ended December 31, 2014

**3. Revenues - Continued**

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

<b>Receipt Date</b>	<b>Payer</b>	<b>Description</b>	<b>Amount</b>
1/15/2014	Client Fees	Revenue-Water and Sewer	\$ 1,099.93
1/22/2014	Client Fees	Revenue-Water and Sewer	\$ 1,080.18
2/6/2014	Client Fees	Revenue-Water and Sewer	\$ 1,274.56
2/26/2014	Client Fees	Revenue-Water and Sewer	\$ 1,569.73
3/5/2015	Client Fees	Revenue-Water and Sewer	\$ 1,121.15
3/26/2014	Client Fees	Revenue-Water and Sewer	\$ 1,494.13
4/9/2014	Client Fees	Revenue-Water and Sewer	\$ 695.02
5/14/2014	Client Fees	Revenue-Water and Sewer	\$ 1,554.03
5/21/2014	Client Fees	Revenue-Water and Sewer	\$ 1,343.45
6/11/2014	Client Fees	Revenue-Water and Sewer	\$ 1,175.16
7/23/2014	Client Fees	Revenue-Water and Sewer	\$ 1,656.84
7/30/2014	Client Fees	Revenue-Water and Sewer	\$ 1,250.42
8/13/2014	Client Fees	Revenue-Water and Sewer	\$ 1,539.78
8/27/2014	Client Fees	Revenue-Water and Sewer	\$ 1,908.18
9/4/2014	Client Fees	Revenue-Water and Sewer	\$ 1,471.67
9/24/2014	Client Fees	Revenue-Water and Sewer	\$ 1,312.37
10/8/2014	Client Fees	Revenue-Water and Sewer	\$ 1,611.31
10/22/2014	Client Fees	Revenue-Water and Sewer	\$ 1,444.05
11/12/2014	Client Fees	Revenue-Water and Sewer	\$ 1,179.09
11/26/2014	Client Fees	Revenue-Water and Sewer	\$ 1,637.37
12/10/2014	Client Fees	Revenue-Water and Sewer	\$ 1,289.61
12/31/2014	Client Fees	Revenue-Water and Sewer	\$ 783.13
4/15/2014	USDA-RD	Grant Revenue	\$ 36,510.16

- 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.

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**4. Expenditures**

**Procedures**

Select a sample of cash disbursements based on auditor judgment [for purposes of procedures in 4(a), 4(b), and 4(c), we randomly selected a sample of cash disbursements to achieve 50% of total expenditures] and test 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 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. [For purposes of performing these procedures, disbursements were considered to be properly authorized if they contained evidence of review such as sign off on invoices or approval through correspondence.]
- 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).

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

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Description</b>	<b>Check Amount</b>
01/09/2014	3403	Dona Ana MDWCA	Utility Payment	\$ 2,350.84
01/09/2014	3404	Pure Operations, LLC	Operations and Maintenance	\$ 1,490.49
02/13/2014	3409	Mesilla Valley Accounting, PC	Accounting Services	\$ 802.78
02/13/2014	3410	BluWater Specialties, Inc.	Operations and Maintenance	\$ 372.31
02/14/2014	3412	Pure Operations, LLC	Operations and Maintenance	\$ 1,273.66
03/13/2014	3415	El Paso Electric	Utility Payment	\$ 375.60
03/13/2014	3416	City of Las Cruces	Utility Payment	\$ 658.28
04/10/2014	3423	NM Taxation & Revenue (H2O)	Water Conservation Fee	\$ 28.88
04/10/2014	3428	Pure Operations, LLC	Operations and Maintenance	\$ 732.00
04/10/2014	3431	Evoqua Water Technologies, LLC	Supplies	\$ 1,897.51
05/08/2014	3435	Pure Operations, LLC	Operations and Maintenance	\$ 607.73
05/08/2014	3436	City of Las Cruces	Utility Payment	\$ 694.91
06/12/2014	3440	American Hallmark Insurance Co.	Insurance Policy Payment	\$ 314.40
06/12/2014	3444	City of Las Cruces	Utility Payment	\$ 694.91

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For the Year Ended December 31, 2014

**4. Expenditures-Continued**

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Description</b>	<b>Check Amount</b>
06/12/2014	3445	Rio Grande Pump & Supply	Supplies	\$ 32.08
06/12/2014	3449	Mesilla Valley Accounting, PC	Accounting Services	\$ 590.66
07/10/2014	3453	Pure Operations, LLC	Operations and Maintenance	\$ 963.48
07/10/2014	3455	El Paso Electric	Utility Payment	\$ 347.61
07/10/2014	3458	City of Las Cruces	Note Payable Payment	\$ 200.00
08/14/2014	3464	Pure Operations, LLC	Operations and Maintenance	\$ 778.11
08/14/2014	3465	Mesilla Valley Accounting, PC	Accounting Services	\$ 842.99
08/14/2014	3466	City of Las Cruces	Utility Payment	\$ 694.91
09/11/2014	3468	City of Las Cruces	Utility Payment	\$ 611.73
09/11/2014	3474	New Mexico 811	Underground Utilities Locator Fee	\$ 21.90
09/11/2014	3475	Pure Operations, LLC	Operations and Maintenance	\$ 702.89
09/11/2014	3477	Pure Operations, LLC	Operations and Maintenance	\$ 777.15
10/09/2014	3479	American Hallmark Insurance Co.	Insurance Policy Payment	\$ 164.70
10/09/2014	3481	El Paso Electric	Utility Payment	\$ 266.99
10/09/2014	3485	Pure Operations, LLC	Operations and Maintenance	\$ 890.48
10/09/2014	3487	Evoqua Water Technologies, LLC	Supplies	\$ 1,750.33
11/13/2014	3492	City of Las Cruces	Utility Payment	\$ 611.73
11/13/2014	3493	Pure Operations, LLC	Operations and Maintenance	\$ 2,261.91
11/13/2014	3496	Dona Ana County Treasurer	Property Taxes	\$ 529.88
12/11/2014	3498	NM Rural Water Association	Membership Dues	\$ 129.00
12/11/2014	3503	Omni Site	Monitoring	\$ 22.68
12/11/2014	3504	BluWater Specialties, Inc.	Operations and Maintenance	\$ 372.31
12/11/2014	3508	Mesilla Valley Accounting, PC	Accounting Services	\$ 802.07
01/09/2014	1037	Engineers Inc.	System Improvements	\$ 2,523.56
01/09/2014	1036	Triple J Excavation, Inc.	System Improvements	\$ 19,225.95
04/15/2014	1038	Engineers Inc.	System Improvements	\$ 4,254.98
04/15/2014	1041	Pure Operations, LLC	System Improvements	\$ 10,865.50
07/14/2014	1042	Engineers Inc.	System Improvements	\$ 6,911.16

**Results of Procedures 4(a) – 4(c)**

- a. 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. The 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

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NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

**5. 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. [A journal entry is considered reasonable if: i. explanation is consistent with the nature of the adjustment and the general ledger accounts affected. ii. supporting documentation {invoices, contracts, correspondence, calculations, etc.} agrees with the journal entry details.]
- 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
1/1/2014	Reverse of GJE 245 - Deposit in Transit	Deposit in Transit Water & Sewer Customers	\$ 1,181.17	\$ 1,181.17
3/31/2014	Reverse of GJE 264 - Reclassify YTD Project Costs for Budget Report Purposes	Capital Improvements Construction in Progress	\$ 36,510.16	\$ 36,510.16
7/31/2014	Deposit in Transit	Deposit in Transit Water & Sewer Customers	\$ 795.70	\$ 795.70
8/1/2014	Reverse of GJE 284- Deposit in Transit	Deposit in Transit Water & Sewer Customers	\$ 795.70	\$ 795.70
12/31/2014	Monthly Depreciation Expense	Depreciation Expense Accumulated Depreciation	\$ 4,405.55	\$ 4,405.55

**Results of Procedures 5(a) – 5(b)**

- a. Journal entries appear reasonable and have supporting documentation.
- b. The Winterhaven Mutual Domestic Water Consumers and Sewage Works Association has a review process for journal entries and the journal entries tested have evidence of review.

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For the Year Ended December 31, 2014

**6. 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 6(a) – 6(c)**

- a. A review of Board minutes indicated that the budget was approved by the Board and DFA-LGD.
- b. Total actual expenditures did not exceed the final budget approved for the Association.
- c. A schedule of revenues and expenses – budget and actual was prepared from the Association record on the cash budgetary basis.

**7. Other**

**Procedures**

If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, such instances must be disclosed in the report as required by section 12-6-6 NMSA 1978. The findings must include the required content per section 2.2.2.10(I)(3)(C) NMAC.

**Results of Procedures**

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

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Schedule of Revenues and Expenditures  
Budget and Actual  
For the Year Ended December 31, 2014

	Budgeted Amounts		Cash Basis	Variances Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
Operating revenues				
Sewer revenue	\$ 27,500	\$ 27,500	\$ 28,245	\$ 745
Water revenue	20,000	20,000	23,462	3,462
Other income	630	630	4,407	3,777
Total operating revenues	48,130	48,130	56,114	7,984
Operating expenditures				
Purchased water	500	500	704	(204)
Accounting/legal	13,000	13,000	8,318	4,682
Bad debt expense	250	250	-	250
Depreciation	53,000	53,000	50,602	2,398
Office expenses	825	825	721	104
System supplies and maintenance	8,625	8,625	6,557	2,068
Salaries/contractors	12,000	12,000	14,688	(2,688)
Taxes and insurance	3,025	3,025	2,896	129
Utilities	11,000	11,000	11,267	(267)
Total operating expenditures	102,225	102,225	95,753	6,472
Excess (deficiency) of revenues over expenditures	(54,095)	(54,095)	(39,639)	14,456
Nonoperating revenues and expenditures				
Grants	-	66,500	66,073	(427)
Interest	(1,500)	(1,500)	(1,417)	83
Rebates	-	-	52	52
Capital improvement budgets	-	(45,000)	(44,331)	669
Total nonoperating revenues & expenditures	(1,500)	20,000	20,377	377
Revenues over (under) expenditures	<u>\$ (55,595)</u>	<u>\$ (34,095)</u>	<u>\$ (19,262)</u>	<u>\$ 14,833</u>
Beginning net position	<u>\$ 1,794,198</u>	<u>\$ 1,794,198</u>	<u>\$ 1,794,198</u>	<u>\$ -</u>
Ending net position	<u>\$ 1,738,603</u>	<u>\$ 1,760,103</u>	<u>\$ 1,774,936</u>	<u>\$ 14,833</u>



# Winterhaven MDWC & SWA

## Budget vs. Actual

January through December 2014

	<u>Jan - Dec 14</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
Sewer Service	28,245.00	27,500.00	102.71%
Water Service	23,461.57	20,000.00	117.31%
Connection Charges	405.00	250.00	162.0%
Installation Fees	2,000.00	0.00	100.0%
Late Fees	1,352.14	250.00	540.86%
Membership Fees	600.00	100.00	600.0%
Returned Check Fees	0.00	30.00	0.0%
Service Calls	50.00	0.00	100.0%
Total Income	<u>56,113.71</u>	<u>48,130.00</u>	<u>116.59%</u>
Cost of Goods Sold			
Purchased Water	704.23	500.00	140.85%
Total COGS	<u>704.23</u>	<u>500.00</u>	<u>140.85%</u>
Gross Profit	<u>55,409.48</u>	<u>47,630.00</u>	<u>116.33%</u>
Expense			
Bad Debts	0.00	250.00	0.0%
Bank Service Charges	138.80	175.00	79.31%
Board Expenses	0.00	100.00	0.0%
Depreciation Expense	50,601.68	53,000.00	95.48%
Dues and Subscriptions	202.62	100.00	202.62%
Equipment Rental	53.78	500.00	10.76%
Insurance	1,840.00	2,000.00	92.0%
Interest Expense	1,416.61	1,500.00	94.44%
Licenses/Other Taxes	9.88	25.00	39.52%
Office Expense	380.07	250.00	152.03%
Professional Fees			
Accounting	8,317.76	13,000.00	63.98%
Engineering	0.00	0.00	0.0%
Legal Fees	0.00	0.00	0.0%
Total Professional Fees	<u>8,317.76</u>	<u>13,000.00</u>	<u>63.98%</u>
Property Taxes	1,045.88	1,000.00	104.59%
Repairs and Maintenance			
Equipment	1,587.30		
Infrastructure	0.00	1,500.00	0.0%
Total Repairs and Maintenance	<u>1,587.30</u>	<u>1,500.00</u>	<u>105.82%</u>
System Operator	14,688.20	12,000.00	122.4%
System Materials and Supplies	4,764.59	6,000.00	79.41%
Tools & Equipment (Non-Asset)	0.00	500.00	0.0%
Travel & Entertainment			
Travel	0.00	200.00	0.0%
Total Travel & Entertainment	<u>0.00</u>	<u>200.00</u>	<u>0.0%</u>
Utilities	11,266.95	11,000.00	102.43%
Water Conservation Fees	151.17	125.00	120.94%
Total Expense	<u>96,465.29</u>	<u>103,225.00</u>	<u>93.45%</u>
Net Ordinary Income	<u>-41,055.81</u>	<u>-55,595.00</u>	<u>73.85%</u>
Other Income/Expense			
Other Income			
Grant Revenue	66,073.18	66,500.00	99.36%
Rebates	52.11	0.00	100.0%
Total Other Income	<u>66,125.29</u>	<u>66,500.00</u>	<u>99.44%</u>

# Winterhaven MDWC & SWA

## Budget vs. Actual

January through December 2014

	<u>Jan - Dec 14</u>	<u>Budget</u>	<u>% of Budget</u>
Other Expense			
Capital Improvements	<u>44,330.89</u>	<u>45,000.00</u>	<u>98.51%</u>
Total Other Expense	<u>44,330.89</u>	<u>45,000.00</u>	<u>98.51%</u>
Net Other Income	<u>21,794.40</u>	<u>21,500.00</u>	<u>101.37%</u>
Net Income	<u><u>-19,261.41</u></u>	<u><u>-34,095.00</u></u>	<u><u>56.49%</u></u>

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Schedule of Findings and Responses  
For the Year Ended December 31, 2014

**CURRENT YEAR FINDINGS:**

**2014-001 Late Submission of Report (Noncompliance)**

*Condition:* The Agreed-Upon Procedures Report for the fiscal year ended December 31, 2014 was initially filed timely by May 31, 2015, but required revision. The revised report was not filed timely.

*Criteria:* The 2014 State Audit Rule, 2.2.2.16 H (2), establishes a deadline of five months after the entity's year-end (or May 31, 2015 in the case of a December 31, 2014 year-end) for submittal of agreed-upon procedures reports to the Office of the State Auditor for local public bodies under the tiered system of financial reporting.

*Effect:* Due to the required resubmittal of the report, the Association was not in compliance with the State Audit Rule with regards to the deadline for submittal of the report.

*Cause:* After submittal of the report, it was discovered that incorrect information had been included in the report.

*Recommendation:* Management and the IPA should work together to ensure that accurate information is included in each report, and that the reports are submitted on time.

*Response:* Management is aware of the unsatisfactory work performed by the field auditor and appreciates the IPA working to correct the AUP report.

**STATE OF NEW MEXICO**  
Winterhaven Mutual Domestic Water Consumers and Sewage Works Association  
Exit Conference  
For the Year Ended December 31, 2014

**EXIT CONFERENCE**

The contents of this report were discussed on March 14, 2016. The following individuals were in attendance.

**Representing Winterhaven Mutual Domestic Water Consumers and Sewage Works Association**

Henry Aguirre	President
Don Platt	Vice-President
Merle Bucher	Treasurer

**Representing RPC CPAs + Consultants, LLP**

Robert Cordova	Partner
Vicki Dallas	Staff Accountant