

Accounting & Auditing Services, LLC

Financial Audits + Agreed Upon Procedures + Tax + Consulting

Pojoaque Valley Irrigation District

Independent Accountant's Report on Applying Agreed-Upon Procedures

For the Fiscal Year Ending June 30, 2016

**Pojoaque Valley Irrigation District
Table of Contents
Fiscal Year Ending June 30, 2016**

	<u>Page</u>
Table of Contents	i
Official Roster	ii
Independent Accountant's Report	1
Schedule of Findings and Responses	6
Schedule of Revenues and Expenditures – Budget and Actual	14
Copy of Year-End Financial Report Submitted to DFA-LGD	15
Exit Conference	17

**Pojoaque Valley Irrigation District
Official Roster
Fiscal Year Ending June 30, 2016**

Board of Directors

Edward Lucero, Chairman

Pablo Gonzales, Vice-Chairman

Danny Roybal, Secretary/Treasurer

District Personnel

Marcella M. Ortiz-Trujillo, Office Manager

Alfredo Roybal, Dam Tender

Independent Accountant's Report on Applying Agreed-Upon Procedures

Edward Lucero, Chairman
Pojoaque Valley Irrigation District
and
Timothy Keller, New Mexico State Auditor

I have performed the procedures enumerated below for the Pojoaque Valley Irrigation District (District) for the year ending June 30, 2016, solely to assist in determining compliance with the provisions of the Audit Act for a Tier 4 entity per Section 12-6-3 B (4) NMSA 1978, Section 2.2.2.16 NMAC and Section 6-6-2 (A) NMSA 1978. The procedures were agreed to by the District through the New Mexico Office of the State Auditor. The District's management is responsible for its accounting records and the subject matter. This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the 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. Our procedures and 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."

Based on a review of the District's general ledger, total revenues for the fiscal year ending June 30, 2016 were \$170,281 (excluding federal grant receipts of \$571,955 for prior year receivables due from a FEMA funded project) and the District did not receive a capital outlay appropriation. Based on this information, the District was properly determined to be a Tier 4 entity for FY16 since their total revenues were between \$50,000 and \$250,000 and they did not receive or expend a state capital outlay appropriation.

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.

The bank reconciliations were performed on a monthly basis in a timely manner. All bank statements for the fiscal year were complete and on hand. For the period July 1, 2015 through June 30, 2016, the District had two checking accounts at US Bank. The District did not have any investment accounts.

- 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.

The randomly selected bank reconciliations were accurate, and the ending balances on the bank reconciliations agreed with the District's general ledger, supporting documentation and financial reports submitted to 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.

The bank account balances of the District were fully insured by the FDIC. Pledged collateral was not required since the District's bank balances were below \$250,000 during the fiscal year.

3. Capital Assets

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

According to the Office Manager, the District does not have any movable chattels and equipment costing more than \$5,000. No capital asset purchases during the fiscal year were noted during the agreed-upon procedures.

4. Revenue

- a. Identify the nature and amount of revenue from sources by reviewing the budget, agreements, rate schedules, and underlying documentation. Perform an analytical review; test actual revenue compared to budgeted revenue for the year for each type of revenue.

The main revenue sources of the District for FY16 consist of annual assessment fees, late payment penalties and federal reimbursements. The variances between the actual FY15 and FY16 revenue were adequately explained by the Office Manager; no unusual or unexplained variances were noted.

The actual revenue compared to budgeted revenue for each type of revenue was reviewed. According to the District's general ledger, actual revenues were \$1,095,117 less than budgeted revenues for FY16. No significant or unusual variances were noted.

- b. Select a sample of revenues based on auditor judgment and test using the following attributes:

- i. Amount recorded in the general ledger agrees to the supporting documentation and the bank statement.

A sample of cash receipts and deposits was judgmentally selected and tested which amounted to approximately 83% of total revenues. The amount recorded in the general ledger agreed with the supporting documentation and the bank statement.

- ii. 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, modified accrual or accrual basis.

The cash receipts tested were properly classified and recorded in the general ledger on the cash basis of accounting.

5. Expenditures

- a. Select a sample of cash disbursements based on auditor judgment and test using the following attributes:

- i. Determine that amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to vendor's invoice, purchase order, contract and canceled check, as appropriate.

A sample of cash disbursements were tested which amounted to approximately 95% of total expenditures. The amounts recorded as disbursed agreed with the supporting documentation. The amount, payee, date and description of the purchase agreed with the vendor's invoice, purchase order, contract and canceled check.

- ii. Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.

The cash disbursements tested were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.

- iii. 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), State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

None of the cash disbursements tested exceeded the amounts requiring sealed bids or requests for proposals. The cash disbursements tested were processed in accordance with applicable provisions of the State Procurement Code, State Purchasing Regulations and Per Diem and Mileage Act. However, the District did not have payroll records to support payments totaling \$45,773.26 to the former Office Manager. See Finding 2016-001 on p. 8. Also, the District does not have a written procurement policy. See Finding 2016-003 on p. 11.

6. Journal Entries

- a. If non-routine journal entries, such as adjustments or reclassifications, are posted to the general ledger, test significant items for the following attributes:
 - i. Journal entries appear reasonable and have supporting documentation.

According to the District's Office Manager, fourteen non-routine journal entries totaling \$1,895.94 were posted to the general ledger during the fiscal year to waive penalties to customers for past due assessments. The District did not have supporting documentation for these journal entries. According to the Office Manager, the penalty waivers were verbally approved by the Board Chairman based on past practices. The District does not have a written collection policy authorizing the Office Manager or the Chairman to waive such penalties. See Finding 2016-002 on p. 10.

- ii. The local public body has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed.

The District has not established a policy or procedure for the review and approval of non-standard journal entries. See Finding 2016-002 on p. 10.

7. Budget

- a. Obtain the original fiscal year budget and all budget amendments made throughout the fiscal year and perform the following:
 - i. 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.

The District's Board of Directors adopted the FY16 budget in a board resolution dated July 6, 2015. The budget was approved as noted in a letter

from DFA-LGD dated June 29, 2016. The District did not have any budget adjustments in FY16.

- ii. Determine if the total actual expenditures exceeded the final budget at the legal level of budgetary control; if so, report a compliance finding.

Total expenditures for FY16 did not exceed the final approved budget. According to the District's general ledger, actual expenditures for FY16 were \$488,268 less than budgeted expenditures.

- iii. 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, modified accrual or accrual basis) for each individual fund.

Based on the District's general ledger, the Schedule of Revenues and Expenditures was prepared on the cash basis of accounting. See Exhibit 1 on p. 14.

8. Other

- a. 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.

See Finding 2015-001 on p. 6, Finding 2015-002 on p. 7 and Finding 2016-004 on p. 12.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the Tier 4 agreed upon procedures. 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 management and others with the District, the New Mexico State Auditor, 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 than these specified parties.

Accounting & Auditing Services, LLC

Accounting & Auditing Services, LLC

Santa Fe, New Mexico

March 17, 2017

**Pojoaque Valley Irrigation District
Schedule of Findings and Responses
Fiscal Year Ending June 30, 2016**

Status of Prior Year Findings

Finding 2015-001. Audit Report – Revised and Repeated.

Finding 2015-002. Internal Control Structure Does Not Allow for Adequate Segregation of Duties – Revised and Repeated.

Finding 2015-003. Bank Account – Resolved.

Current Year Findings

Finding 2015-001. Late Agreed-Upon Procedures Contract and Report

Condition

For the fiscal year ending June 30, 2016, the District did not submit the agreed-upon procedures contract to the New Mexico Office of the State Auditor (OSA) until December 2016. Also, a draft of this agreed-upon procedures report was not submitted to the OSA until March 20, 2017.

No action was taken by the District in FY16 to correct this prior year finding.

Criteria

According to State Audit Rule 2016, Section 2.2.2.8.J (9) NMAC, the District should have submitted the information for the agreed-upon procedures contract to the State Auditor by June 1, 2016. According to Section 2.2.2.16.G (1) NMAC, the due date for the agreed-upon procedures report is December 15, 2016.

Effect

The late agreed-upon procedures contract caused the agreed-upon procedures report to be late. If the report is late, users of the report are not receiving timely information about the results of the agreed-upon procedures.

Cause

On January 1, 2016, the District experienced a complete management turnover including a new Board of Directors and an Office Manager. The new Board of Directors and Office Manager were unaware of the Office of the State Auditor's due dates for agreed-upon procedures.

Pojoaque Valley Irrigation District Schedule of Findings and Responses Fiscal Year Ending June 30, 2016

Recommendation

The District's Board of Directors should thoroughly read Section 2.2.2.16 NMAC of State Audit Rule 2017 to understand the specific requirements and due dates for agreed-upon procedures. For future fiscal years, the District shall determine its total revenues and state funded capital outlay award expenditures and apply the criteria noted in Section 2.2.2.16.B NMAC (Determination of Revenues and Services) to determine what agreed-upon procedures or audits are required for the fiscal year.

The Board of Directors should assign this duty to the Office Manager to ensure that future contracts for agreed-upon procedures or audits are submitted to the NM Office of the State Auditor as follows:

- According to State Audit Rule 2016, Section 2.2.2.8.J (9) NMAC (effective March 15, 2016), "After completing the evaluations for each IPA and making the IPA selection, each agency must enter the appropriate requested information online on the OSA-Connect website (www.osa-app.org)." According to State Audit Rule 2016, Section 2.2.2.8.J (11) NMAC, the District shall deliver the unsigned contract generated by OSA-Connect to the office 30 days before the end of the fiscal year (June 1).

- According to State Audit Rule 2016, Section 2.2.2.16.G (1) NMAC (effective March 15, 2016), "For local public bodies with a June 30 fiscal year-end, the report or certification due date is December 15."

Management's Response

Concur with recommendation. PVID Board of Directors will thoroughly review the requirements of Section 2.2.2.16 NMAC of State Audit Rule 2017. Furthermore the Board of Directors will assign this duty to the Office Manager to ensure that future contracts for agreed-upon procedures or audits are submitted on time and in compliance with state law. For FY17, PVID Board of Directors will instruct the Office Manager to submit the agreed-upon procedures contract through the OSA-connect system by June 1, 2017.

Finding 2015-002. Internal Control Structure Does Not Allow for Adequate Segregation of Duties

Condition

There is a lack of segregation of duties whereas the Office Manager picks up the mail, collects and deposits money for the District, records the transactions in the general ledger, reconciles the bank statements, and prepares the financial reports.

**Pojoaque Valley Irrigation District
Schedule of Findings and Responses
Fiscal Year Ending June 30, 2016**

The Board of Directors and the Office Manager did not take any corrective action during the fiscal year ending June 30, 2016 to resolve this finding.

Criteria

To prevent and detect financial reporting errors and illegal activity, the segregation of duties is an integral part of a sound internal control structure.

Effect

The lack of segregation of duties can lead to financial reporting errors or illegal activity.

Cause

The District lacks the personnel to segregate the duties. Management has accepted the level of risk because of the cost to hire another employee.

Recommendation

To safeguard its assets, the District's Board of Directors and the Office Manager should evaluate how to segregate some of these duties to minimize the risk of financial reporting errors or illegal activity.

Management's Response

At this time the District does not have the financial means to fund additional employees to adequately segregate duties of receiving money and recording transactions. PVID Board of Directors and Office Manager will continue to evaluate and look for other options to segregate duties or other means of internal controls to lessen potential risks posed to the District by July 11, 2017 (quarterly meeting).

Finding 2016-001. No Supporting Documentation for Payroll Payments

Condition

The District was unable to provide timesheets, leave slips and a personnel file to support all the payroll payments to the former Office Manager during the fiscal year totaling \$45,773.26.

Also, the timesheets for the current Office Manager were not signed or dated by the employee and the supervising board member in the space provided on the timesheet.

**Pojoaque Valley Irrigation District
Schedule of Findings and Responses
Fiscal Year Ending June 30, 2016**

Criteria

For proper internal control, it is a prudent business practice to maintain complete personnel and payroll records to document, record and substantiate all payments to an employee.

Effect

Since there was no personnel file, the District was unable to substantiate the hourly rate paid to the former Office Manager or the benefits provided to the employee. Since there were no payroll records, the District does not have documentation on file to substantiate that the personnel services were actually provided by the former Office Manager. Since there were no historical leave slips on file, the District was unable to substantiate the amount paid to the former Office Manager for unused annual and sick leave upon retirement totaling \$18,510.22.

Without signatures and dates on the timesheet of the current Office Manager, the District does not have a record showing when the employee signed the timesheet or when the supervising board member approved the timesheet for payment.

Cause

According to the current Office Manager, the former Board Chairman stated that he did not require the Office Manager to submit timesheets and leave slips for each pay period because she was a salaried employee. The District could not explain why there was no personnel file for the former Office Manager.

The current Office Manager stated that she was not instructed to sign or date her timesheets and that the supervising board member only initialed the timesheet for approval.

Recommendation

The District should maintain a historical personnel file for each employee that includes all the personnel actions approved by the Board of Directors, the policy and documentation for compensated absences and retirement benefits, and the required state and federal tax return forms. The employees should sign and date their timesheets and leave forms. The supervising personnel or board member should sign and date the employees' timesheets and leave forms to document when they were reviewed and approved.

The Board of Directors should adopt and implement a record retention policy to properly maintain and safeguard all of its personnel and payroll records.

Pojoaque Valley Irrigation District Schedule of Findings and Responses Fiscal Year Ending June 30, 2016

Management's Response

Concur with recommendation. PVID Board of Directors will direct the Office Manager to establish and maintain a personnel file for each employee. The Board of Directors will immediately require its employees to sign and date all timesheets and submit them to one of the board members for review. If the Board Member agrees with time reported, he will sign and date the timesheets and keep all documents in the personnel file. The Board of Directors will adopt and implement a record retention policy for its personnel and payroll records. The formal policy will be adopted by July 11, 2017 (quarterly meeting).

Finding 2016-002. No Written Policy or Board Approval to Waive Penalties

Condition

During the fiscal year, the District wrote-off fourteen late payment penalties to members totaling \$1,895.94. The Office Manager stated that the Board Chairman verbally approved the journal entries to remove the penalties due from the general ledger. However, the District did not have a written policy or board approval that authorized this practice.

Also, a member of the governing body did not review the non-standard journal entries that the Office Manager posted to the general ledger to remove the penalties from the members' accounts.

Criteria

For proper internal control over revenues and the accounts receivable ledger, all non-standard journal entries posted to the general ledger should be reviewed by the Board of Directors.

Article IX, Section 14 of the New Mexico Constitution states: "Neither the state nor any county, school district or municipality, except as otherwise provided in this constitution, shall directly or indirectly lend or pledge its credit or make any donation to or in aid of any person."

Effect

The District is in violation of the Anti-Donation Clause of the NM Constitution by waiving the debt owed for late payment penalties. Also, errors and irregularities could occur if the Board of Directors does not review the journal entries posted to the general ledger.

**Pojoaque Valley Irrigation District
Schedule of Findings and Responses
Fiscal Year Ending June 30, 2016**

Cause

The Office Manager stated that it was a long-standing practice of the District to waive the penalties if a member paid their current balance in full before the next billing cycle. The Board Chairman made a decision to allow the practice until the Board of Directors adopted a formal penalty and collection policy.

The new Board of Directors hasn't considered it necessary to review any non-standard adjusting journal entries posted by the Office Manager.

Recommendation

The District's Board of Directors should adopt and implement a written billing, late payment penalty and collection policy for the annual assessments to District members. To avoid any bias or conflicts of interest, the policy should not allow the waiver or write-off of any assessments or late payment penalties that are billed to a member.

The Board of Directors should also require the Office Manager to report all non-standard or adjusting journal entries to the Board of Directors for their review and approval.

Management's Response

Concur with recommendation. PVID Board of Directors will discuss the current practice of late payment penalty and collections including waiving of current year late payment penalty. The Board of Directors will require notification from the Office Manager for review and approval of non-standard adjusting journal entries. Board of Directors will implement a policy from this discussion no later than July 11, 2017 (quarterly meeting).

Finding 2016-003. No Written Procurement Policies and Procedures

Condition

The District does not have any written procurement policies and procedures to control the purchase of goods and services and ensure compliance with the State Procurement Code.

Criteria

Adequate procurement policies and procedures provide for the fair and equal treatment of all persons involved in public procurement, maximize the purchasing value of public funds and provide safeguards for maintaining a procurement system of quality and integrity.

**Pojoaque Valley Irrigation District
Schedule of Findings and Responses
Fiscal Year Ending June 30, 2016**

Effect

Without adequate procurement policies and procedures, there is a lack of internal control over cash disbursements and the District is at risk of noncompliance with the State Procurement Code.

Cause

The District's Board of Directors was unaware of the need to establish written procurement policies and procedures.

Recommendation

The District's Board of Directors should establish and implement written procurement policies and procedures to ensure compliance with the State Procurement Code (Sections 13-1-28 through 13-1-199 NMSA 1978). For the purchase of all goods and services, the Association should consider adopting the State Procurement Code Regulations (1.4.1 NMAC). The procurement policy should include a record retention policy whereas all procurement documentation shall be filed, retained and safeguarded for at least five years after the end of the fiscal year in which the procurement occurred.

Management's Response

Concur with recommendation. PVID Board of Directors will adopt the State Procurement Code Regulations and establish its own written procurement policy that sets parameters on how the District buys goods and services. This will be completed no later than July 11, 2017 (quarterly meeting).

Finding 2016-004. Inaccurate Year-End Financial Report to DFA-LGD

Condition

The final year-end 4th quarter financial report to DFA-LGD does not agree with the balances in the District's general ledger. For the fiscal year ending June 30, 2016, the following differences were noted:

<u>Account</u>	<u>General Ledger</u>	<u>Report to DFA</u>	<u>Difference</u>
Revenues	\$ 742,185	\$ 133,417	\$ 608,768
Expenditures	\$ 1,356,816	\$ 1,270,684	\$ 86,132
Cash Balance	\$ 261,357.00	\$ 246,345.00	\$ 15,012

**Pojoaque Valley Irrigation District
Schedule of Findings and Responses
Fiscal Year Ending June 30, 2016**

Criteria

As required by Section 6-6-2.F NMSA 1978, the Association should submit accurate quarterly financial reports to DFA-LGD.

Effect

Inaccurate financial reports to DFA-LGD misrepresent the District's financial condition and results of operations which can mislead and cause the oversight agency to make inappropriate decisions.

Cause

The change in personnel mid-fiscal year caused this to occur. The new Office Manager did not have any prior governmental experience submitting financial reports to DFA-LGD and was not properly trained to do this task.

Recommendation

The Office Manager should prepare the quarterly reports in the form prescribed by DFA-LGD based on the amounts reported in the District's general ledger. The Office Manager should meet with the budget analyst at DFA-LGD to fully understand the reporting requirements and learn the proper way to prepare the quarterly reports.

Management's Response

Concur with recommendation. PVID Board of Directors will require the Office Manager to immediately set up a time to meet with the budget analyst at DFA-LGD to fully understand the reporting requirements so that future quarterly reports to DFA-LGD can be completed accurately.

Pojoaque Valley Irrigation District
Schedule of Revenues and Expenses
Budget and Actual (Non-GAAP Cash Basis)
For the Fiscal Year Ending June 30, 2016

Exhibit 1

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Regular Assessments	\$ 82,604	\$ 82,604	\$ 132,922	\$ 50,318
BIA Assessments	42,426	42,426	-	(42,426)
Penalties	-	-	20,104	20,104
Dam Repayment	3,700	3,700	4,053	353
BOR Reimbursement	13,500	13,500	13,080	(420)
Federal Funds (FEMA)	1,600,207	1,600,207	571,955	(1,028,252)
State Funds (NMDHS&EM)	50,000	50,000	-	(50,000)
State Funds (Severance Tax Bonds)	44,865	44,865	-	(44,865)
Miscellaneous	-	-	71	71
Total Revenues	\$ 1,837,302	\$ 1,837,302	\$ 742,185	\$ (1,095,117)
Expenditures:				
Salaries	\$ 61,870	\$ 61,870	\$ 72,494	\$ (10,624)
PERA	5,044	5,044	9,498	(4,454)
Payroll Taxes	5,352	5,352	5,838	(486)
Election	525	525	300	225
Office Supplies	1,100	1,100	1,080	20
Office Help	200	200	170	30
Postage	750	750	690	60
Utilities	4,500	4,500	3,769	731
Janitorial/Building Maintenance	1,100	1,100	393	707
BOR O&M - SJC	16,631	16,631	16,631	0
BOR O&M - Nambe Dam	36,895	36,895	36,894	1
Office Machine/Equipment	1,500	1,500	1,294	206
Audit	1,445	1,445	14,760	(13,315)
Utilities - Nambe Dam	1,800	1,800	1,811	(11)
Mileage - Dam Tender	5,000	5,000	3,171	1,829
Dam Repayment	3,700	3,700	-	3,700
Nambe Dam Supplies/Repair	500	500	309	191
Meeting Expense	900	900	1,330	(430)
Training Expense	500	500	-	500
Dam Tender Help	400	400	250	150
Legal	12,300	12,300	44,113	(31,813)
Construction Services	1,646,897	1,646,897	1,140,192	506,705
Professional Services	36,175	36,175	1,828	34,347
Total Expenditures	\$ 1,845,084	\$ 1,845,084	\$ 1,356,816	\$ 488,268

**Copy of Year-End Financial Report Submitted to DFA-LGD
For the Fiscal Year Ending June 30, 2016**

**POJOAQUE VALLEY IRRIGATION DISTRICT
9 CITIES OF GOLD RD.
SANTA FE, NEW MEXICO 87506**

June 30/2016

Anita Medina
Budget and Finance Analyst
Local Government Division
Dept. of Finance & Administration
Bataan Memorial Bldg., Suite 202
Santa Fe, NM 87501

Dear Anita Medina

The following is the Quarterly financial report for the period ending June 30,2016

	7/1/2015-6/30/16		6/30/2016	
<u>RESOURCES</u>	Approved		Received	BALANCE
checking account Bal				
Cash Balance	\$ 605,607.00			\$ 245,145.00
Savings Account-Reserve fund	\$ 17,200.00			\$ 1,200.00
Accts Receivable	\$ 3,000.00	\$ -		
Regular Assessments	\$ 82,604.00	\$ 116,637.00		\$ (34,033.00)
BIA Assessments	\$ 42,426.00	\$ -		\$ 42,426.00
Penalties				
Dam Repayment	\$ 3,700.00	\$ 3,700.00		\$ -
BOR Reimbursement	\$ 13,500.00	\$ 13,080.00		\$ 420.00
Federal Funds (FEMA)	\$ 1,600,207.00	\$ -		\$ 1,600,207.00
State Funds (NMDHS&EM)	\$ 50,000.00			\$ 50,000.00
State Funds (Severance Tax Bonds)	\$ 44,865.00			\$ 44,865.00
TOTAL RESOURCES	\$ 2,463,109.00	\$ 133,417.00		\$ 2,329,692.00

<u>Budget Category</u>	APPROVED BUDGET	EXPENDITURES TO DATE	VARIANCE
Salaries	\$ 54,526.00	\$ 45,676.37	\$ 8,849.63
Salaries (Dam Tender)	\$ 7,344.00	\$ 7,523.00	\$ (179.00)
PERA	\$ 5,044.00	\$ 9,498.00	\$ (4,454.00)
Payroll Taxes	\$ 5,352.00	\$ 5,567.00	\$ (215.00)
Election	\$ 525.00	\$ 300.00	\$ 225.00
Office Supplies	\$ 1,100.00	\$ 1,080.00	\$ 20.00
Office Help	\$ 200.00	\$ 170.00	\$ 30.00
Postage	\$ 750.00	\$ 690.00	\$ 60.00
Sub-total	\$ 74,841.00	\$ 77,540.00	

**Copy of Year-End Financial Report Submitted to DFA-LGD
For the Fiscal Year Ending June 30, 2016**

PAGE 2

<u>BUDGET CATEGORY</u>	<u>APPROVED BUDGET</u>	<u>EXPENDITURES TO DATE</u>	<u>VARIANCE TO DATE</u>
Utilities	\$ 4,500.00	\$ 3,769.00	\$ 731.00
Janitorial	\$ 600.00	\$ 392.00	\$ 208.00
Building Maintenance	\$ 500.00		\$ 500.00
Bureau of Reclamation	\$ -	\$ -	\$ -
O & M SJC	\$ 16,631.00	\$ 16,631.00	\$ -
Bureau of Reclamation		\$ -	\$ -
O & M Nambe Dam	\$ 36,895.00	\$ 36,894.00	\$ 1.00
Office Machine Expense	\$ 1,000.00	\$ 804.00	\$ 196.00
Audit	\$ 14,445.00	\$ 14,760.00	\$ (315.00)
Utilities - Nambe Dam	\$ 1,800.00	\$ 1,811.00	\$ (11.00)
Mileage (Dam Tender)	\$ 5,000.00	\$ 3,171.00	\$ 1,829.00
Dam Repayment	\$ 3,700.00	\$ 3,700.00	\$ -
Nambe Dam Supplies	\$ 500.00	\$ 309.00	\$ 191.00
Meeting Expense	\$ 900.00	\$ 1,570.00	\$ (670.00)
Training Expense	\$ 500.00	\$ -	\$ 500.00
Dam Tender Help	\$ 400.00	\$ 250.00	\$ 150.00
Office Equipment	\$ 500.00	\$ 490.00	\$ 10.00
Legal	\$ 12,300.00	\$ 44,113.00	\$ (31,813.00)
Construction Services	\$ 1,646,897.00	\$ 1,140,192.00	\$ 506,705.00
Professional Services	\$ 36,175.00	\$ 1,828.00	\$ 34,347.00
TOTAL	\$ 1,858,084.00	\$ 1,270,684.00	\$ 587,400.00

If you have any questions, feel free to call me at --505- 455-269.

Sincerely,

Danny Roybal
Secretary /Treasurer

* includes \$ 240.00 of prior year expenses out of current budget
** includes \$3700.00 of prior year expenses out of current budget

Office Manager Marcella Ortiz Trujillo
PVID

**Pojoaque Valley Irrigation District
Exit Conference
Fiscal Year Ending June 30, 2016**

On March 17, 2017, an exit conference was held with the following individuals to discuss the results of the agreed upon procedures and the contents of this report:

Pojoaque Valley Irrigation District

Edward Lucero, Chairman

Accounting & Auditing Services, LLC

Steve B. Archibeque, CPA, General Manager