

State of New Mexico
Village of Angel Fire

Audited Financial Report
and Other Financial Information

June 30, 2013



VILLAGE OF ANGEL FIRE, NEW MEXICO

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VILLAGE OF ANGEL FIRE, NEW MEXICO

OFFICIAL ROSTER

Year Ended June 30, 2013

Village Council

Barbara Cottom	Mayor (Current)
Chuck Howe	Mayor Pro-Tem
Don Welker	Councilor
Christy Germscheid	Councilor
Brinn Colenda	Councilor

Village Officials

M. Jay Mitchell	Village Manager (Current)
Terry Cordova	Village Clerk
Lupita DeHerrera	Finance Director

INDEPENDENT AUDITOR'S REPORT

To Hector H. Balderas
New Mexico State Auditor and
Village of Angel Fire Council
Village of Angel Fire
Angel Fire, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of the Village of Angel Fire, New Mexico (the Village), as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the Village's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of Village's nonmajor governmental and the budgetary comparisons for the major debt service fund, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Qualified Opinions on the Due from and Due to Other Funds

As discussed in finding 2008-002, the Village's due to and due from accounts at the individual fund level were not reconciled to determine the validity of these balances. As a result, there was no effective way to determine whether the interfund receivable and payables at the fund level were materially correct. The amount by which allocation would affect the assets and liabilities of the funds is not reasonably determinable.

Qualified Opinions

In our opinion, except for the effects of the matters in the "Basis for Qualified Opinions on the Due from and Due to Other Funds" paragraph above, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, except for the effects of the matters in the "Basis for Qualified Opinions on the Due from and Due to Other Funds" paragraph above, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non major governmental of the Village as of June 30, 2013, and the respective budgetary comparisons for the major debt service fund, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the Village's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The additional schedules listed as supporting schedules in the table of contents required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the financial statements.

The additional schedules listed as supporting schedules in the table of contents required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional schedules listed as supporting schedules in the table of contents required by 2.2.2 NMAC are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2014 on our consideration of the Village's *internal* control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Albuquerque, New Mexico
November 11, 2014

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 1,317,074	\$ 313,340	\$ 1,630,414
Receivables:			
Taxes	559,724	6,025	565,749
Special assessment districts	27,586	-	27,586
Receivables from external parties	71,676	-	71,676
Accounts receivable, net of allowance	33,241	457,985	491,226
Inventories	43,765	55,473	99,238
Internal balances	(575,273)	580,609	5,336
Capital assets, net of accumulated depreciation	12,975,417	10,552,040	23,527,457
<i>Total assets</i>	<u>14,453,210</u>	<u>11,965,472</u>	<u>26,418,682</u>
LIABILITIES			
Accounts payable	582,391	94,292	676,683
Accrued payroll liabilities	95,454	38,980	134,434
Due to other external parties	2,718	31,835	34,553
Interest payable	124,975	102,808	227,783
Deposits payable	1,345	53,407	54,752
Current portion of compensated absences	74,202	26,764	100,966
Current portion of long-term debt	662,616	256,938	919,554
Noncurrent portion of long-term debt	9,208,455	5,744,235	14,952,690
<i>Total liabilities</i>	<u>10,752,156</u>	<u>6,349,259</u>	<u>17,101,415</u>
NET ASSETS			
Net investment in capital assets	3,051,279	10,552,040	13,603,319
Restricted for:			
Special revenues	1,379,805	-	1,379,805
Capital projects	1,990,084	-	1,990,084
Debt service	-	-	-
Unrestricted	(2,720,114)	(4,935,827)	(7,655,941)
<i>Total net position</i>	<u>\$ 3,701,054</u>	<u>\$ 5,616,213</u>	<u>\$ 9,317,267</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position		
		Charges for Service	Operating Grants and Contributions	Governmental Activities	Business Type Activities	Total
Primary government:						
Governmental activities:						
General government	\$ 1,400,781	\$ 214,624	\$ 35,682	\$ (1,150,475)	\$ -	\$ (1,150,475)
Public safety	1,151,680	110,344	210,827	(830,509)	-	(830,509)
Economic and physical development	155,254	-	-	(155,254)	-	(155,254)
Highways and streets	1,093,163	-	63,160	(1,030,003)	-	(1,030,003)
Health	-	-	-	-	-	-
Culture and recreation	256,803	131,928	52,000	(72,875)	-	(72,875)
Planning	232,442	-	-	(232,442)	-	(232,442)
Interest relating to long-term debt	346,006	-	-	(346,006)	-	(346,006)
Total governmental activities	4,636,129	456,896	361,669	(3,817,564)	-	(3,817,564)
Business-type activities:						
Waste Water	932,183	380,143	-	-	(552,040)	(552,040)
Solid Waste	818,333	900,157	-	-	81,824	81,824
Water	1,185,776	1,126,565	-	-	(59,211)	(59,211)
Total business-type activities	\$ 2,936,292	\$ 2,406,865	\$ -	-	(529,427)	(4,346,991)
General Revenues:						
Taxes:						
Franchise				199,033	-	199,033
Gasoline				28,166	-	28,166
Gross receipts				2,425,097	-	2,425,097
Property				1,370,353	-	1,370,353
Lodgers				257,974	-	257,974
Special Assessments				150,544	-	150,544
Miscellaneous				49,234	-	49,234
Interest				2,221	-	2,221
Total general revenues				4,482,622	-	4,482,622
Transfers				190,854	(190,854)	-
Change in net position				855,912	(720,281)	135,631
Beginning net position				2,845,142	6,336,494	9,181,636
Ending net position				\$ 3,701,054	\$ 5,616,213	\$ 9,317,267

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

Exhibit B-1

	General Fund 101	Debt Service 402	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 569,584	\$ 601,040	\$ 146,450	\$ 1,317,074
Receivables:				
Taxes	501,913	297	57,514	559,724
Special Assessment Districts	-	-	27,586	27,586
Receivables from external parties	-	-	71,676	71,676
Accounts Receivable, net allowance	33,241	-	-	33,241
Inventories	43,765	-	-	43,765
Due from other funds	1,406,464	45,029	3,670,641	5,122,134
<i>Total assets</i>	<u>\$ 2,554,967</u>	<u>\$ 646,366</u>	<u>\$ 3,973,867</u>	<u>\$ 7,175,200</u>
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts payable	582,391	-	-	582,391
Accrued payroll liabilities	79,911	-	15,543	95,454
Deposits payable	1,345	-	-	1,345
Due to other external parties	2,718	-	-	2,718
Deferred Revenue	134,661	-	-	134,661
Due to other funds	1,235,850	2,486,947	1,974,610	5,697,407
<i>Total liabilities</i>	<u>2,036,876</u>	<u>2,486,947</u>	<u>1,990,153</u>	<u>6,513,976</u>
<i>Fund Balance:</i>				
Nonspendable - inventory	43,765	-	-	43,765
Restricted for:				
Special revenue funds	-	-	1,379,805	1,379,805
Capital projects funds	-	-	1,990,084	1,990,084
Debt service	-	-	-	-
Unassigned for:				
General fund	474,326	-	-	474,326
Special revenue funds	-	-	(753,695)	(753,695)
Capital projects funds	-	-	(614,752)	(614,752)
Debt service	-	(1,840,581)	(17,728)	(1,858,309)
<i>Total fund balance (deficit)</i>	<u>518,091</u>	<u>(1,840,581)</u>	<u>1,983,714</u>	<u>661,224</u>
<i>Total liabilities and fund balance</i>	<u>\$ 2,554,967</u>	<u>\$ 646,366</u>	<u>\$ 3,973,867</u>	<u>\$ 7,175,200</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2013

Amounts reported for governmental activities in the statement of net position are different because:

Fund balances - total governmental funds	\$ 661,224
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	12,975,417
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:	
Accrued interest expense	(124,975)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Deferred Revenue	134,661
Notes payable	(9,871,071)
Compensated absences	(74,202)
	<hr/>
Total net position	<u>\$ 3,701,054</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	General Fund 101	Debt Service 402	Nonmajor Governmental Funds	Total Governmental Funds
<i>Revenues:</i>				
Taxes	\$ 3,929,438	\$ 3,466	\$ 350,644	\$ 4,283,548
Licenses, permits, fees and fines	100,401	-	3,809	104,210
Charges for services	114,223	-	238,465	352,688
Intergovernmental - state sources	35,000	-	304,312	339,312
Intergovernmental - federal sources	-	-	9,887	9,887
Special assessments	-	-	150,544	150,544
Contributions and donations	170	-	12,300	12,470
Investment earnings	652	1,565	4	2,221
Other	10,898	-	38,336	49,234
<i>Total revenues</i>	<u>4,190,782</u>	<u>5,031</u>	<u>1,108,301</u>	<u>5,304,114</u>
<i>Expenditures:</i>				
Current				
General government	1,109,758	-	-	1,109,758
Public safety	870,532	-	114,794	985,326
Economic and physical development	72,152	-	81,589	153,741
Highways and streets	597,184	-	118,552	715,736
Health	-	-	-	-
Culture and recreation	134,926	-	121,740	256,666
Planning	232,442	-	-	232,442
Capital outlay	158,292	-	85,116	243,408
Debt service				
Principal	-	715,165	-	715,165
Interest and administrative fees	-	346,006	-	346,006
<i>Total expenditures</i>	<u>3,175,286</u>	<u>1,061,171</u>	<u>521,791</u>	<u>4,758,248</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,015,496</u>	<u>(1,056,140)</u>	<u>586,510</u>	<u>545,866</u>
<i>Other financing sources (uses):</i>				
Transfers in	6,429	838,553	-	844,982
Transfers out	(199,922)	-	(454,206)	(654,128)
Proceeds from issuance of debt	-	-	58,439	58,439
<i>Total other financing sources (uses)</i>	<u>(193,493)</u>	<u>838,553</u>	<u>(395,767)</u>	<u>249,293</u>
<i>Net change in fund balances</i>	<u>822,003</u>	<u>(217,587)</u>	<u>190,743</u>	<u>795,159</u>
<i>Fund balances (deficits) - beginning of year</i>	<u>(303,912)</u>	<u>(1,622,994)</u>	<u>1,792,971</u>	<u>(133,935)</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ 518,091</u>	<u>\$ (1,840,581)</u>	<u>\$ 1,983,714</u>	<u>\$ 661,224</u>

See Notes to Financial Statements

**STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 795,159
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Governmental fund report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures	102,515
Depreciation expense	(706,174)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:

Change in property taxes receivable	(2,927)
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The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Decrease in accrued interest payable	7,447
Decrease in accrued compensated absences	3,166
Decrease in capital leases	42,259
Principal payments on notes	672,906
Loan Proceeds	(58,439)
Loss on the disposition of fixed assets	
Change in net position	<u>\$ 855,912</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 3,426,965	\$ 3,249,075	\$ 3,789,533	\$ 540,458
Licenses, permits, fees & fines	86,000	93,650	100,401	6,751
Charges for services	51,600	51,600	114,223	62,623
Intergovernmental - state sources	35,000	35,000	35,000	-
Contributions and donations	-	-	170	170
Investment earnings	-	-	652	652
Other	36,140	31,740	10,898	(20,842)
<i>Total revenues</i>	<u>3,635,705</u>	<u>3,461,065</u>	<u>4,050,877</u>	<u>589,812</u>
<i>Expenditures:</i>				
General government	882,560	897,775	997,063	(99,288)
Public safety	917,911	921,424	870,532	50,892
Economic and physical development	77,567	92,445	72,152	20,293
Highways and streets	838,261	794,456	597,184	197,272
Culture and recreation	127,364	128,147	134,926	(6,779)
Planning	235,018	234,434	232,442	1,992
Capital outlay	-	-	158,292	(158,292)
<i>Total expenditures</i>	<u>3,078,681</u>	<u>3,068,681</u>	<u>3,062,591</u>	<u>6,090</u>
<i>Other financing sources (uses):</i>				
Proceeds from sale of assets	-	-	-	-
Transfers in	-	-	6,429	6,429
Transfers out	(157,054)	(157,054)	(199,922)	(42,868)
<i>Total other financing sources (uses)</i>	<u>(157,054)</u>	<u>(157,054)</u>	<u>(193,493)</u>	<u>(36,439)</u>
<i>Net change in fund balances</i>	<u>\$ 399,970</u>	<u>\$ 235,330</u>	<u>794,793</u>	<u>\$ 547,283</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			(112,695)	
Changes in deferrals			139,905	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 822,003</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF NET POSITION-PROPRIETARY FUNDS
JUNE 30, 2013

Exhibit A-1

	Major Proprietary Funds			Total
	Waste Water 503	Solid Waste 504	Water 505	
ASSETS				
<i>Current assets:</i>				
Cash and investments	\$ (281,825)	\$ (70,711)	\$ 665,876	\$ 313,340
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts receivable, net of allowance	61,100	105,988	290,897	457,985
Taxes	-	6,025	-	6,025
Inventory	41,966	-	13,507	55,473
Due from other funds	-	280,463	1,269,635	1,550,098
<i>Total current assets</i>	<u>(178,759)</u>	<u>321,765</u>	<u>2,239,915</u>	<u>2,382,921</u>
<i>Capital assets:</i>				
Land and water rights	376,475	49,856	4,684,000	5,110,331
Buildings	7,227,987	1,397,595	7,246,399	15,871,981
Machinery and equipment	5,593	1,035,821	87,222	1,128,636
Less accumulated depreciation	(3,914,361)	(1,357,942)	(6,528,189)	(11,800,492)
Construction in progress	-	-	241,584	241,584
Total capital assets, net of accumulated depreciation	<u>3,695,694</u>	<u>1,125,330</u>	<u>5,731,016</u>	<u>10,552,040</u>
Total assets	<u>\$ 3,516,935</u>	<u>\$ 1,447,095</u>	<u>\$ 7,970,931</u>	<u>\$ 12,934,961</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	7,363	6,881	80,048	94,292
Accrued expenses	8,354	11,483	19,143	38,980
Due to other governments	3,471	3,992	24,372	31,835
Interest payable	97,290	5,518	-	102,808
Deposits payable	-	(315)	53,722	53,407
Due to other funds	638,713	60,888	269,888	969,489
Compensated absences current	8,123	9,377	9,264	26,764
Capital leases payable-current	-	32,027	-	32,027
Bonds payable-current	102,000	-	-	102,000
Loans payable-current	-	108,560	14,351	122,911
<i>Total current liabilities</i>	<u>865,314</u>	<u>238,411</u>	<u>470,788</u>	<u>1,574,513</u>
<i>Noncurrent liabilities</i>				
Compensated absences	-	-	-	-
Capital leases payable	-	-	-	-
Loans payable	-	742,165	-	742,165
Bonds payable	4,882,000	-	120,070	5,002,070
<i>Total noncurrent liabilities</i>	<u>4,882,000</u>	<u>742,165</u>	<u>120,070</u>	<u>5,744,235</u>
Total Liabilities	<u>5,747,314</u>	<u>980,576</u>	<u>590,858</u>	<u>7,318,748</u>
NET POSITION				
Nonspendable-inventory	41,966	-	13,507	55,473
Net investment in capital assets	3,695,694	1,125,330	5,731,016	10,552,040
Restricted for:				
Grant expenditures	-	-	-	-
Unrestricted	(5,968,039)	(658,811)	1,635,550	(4,991,300)
Total net position	<u>(2,230,379)</u>	<u>466,519</u>	<u>7,380,073</u>	<u>5,616,213</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 3,516,935</u>	<u>\$ 1,447,095</u>	<u>\$ 7,970,931</u>	<u>\$ 12,934,961</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Major Proprietary Funds			Total
	Waste Water 503	Solid Waste 504	Water 505	
<i>Operating Revenues:</i>				
Sales and Services	\$ 380,111	\$ 853,269	\$ 1,126,522	\$ 2,359,902
<i>Operating Expenses:</i>				
Operating expenses	405,952	570,973	1,034,763	2,011,688
Depreciation	289,119	209,818	151,013	649,950
<i>Total operating expenses</i>	<u>695,071</u>	<u>780,791</u>	<u>1,185,776</u>	<u>2,661,638</u>
<i>Operating (loss) income</i>	<u>(314,960)</u>	<u>72,478</u>	<u>(59,254)</u>	<u>(301,736)</u>
<i>Non-operating revenues (expenses)</i>				
Gross receipts tax	-	46,370	-	46,370
Earnings on investments	32	518	43	593
Miscellaneous revenues	-	-	-	-
Transfers in/(out)	(69,558)	(51,637)	(69,659)	(190,854)
Interest expense	(237,112)	(37,542)	-	(274,654)
<i>Total non-operating revenues (expenses)</i>	<u>(306,638)</u>	<u>(42,291)</u>	<u>(69,616)</u>	<u>(418,545)</u>
<i>Net income</i>	<u>(621,598)</u>	<u>30,187</u>	<u>(128,870)</u>	<u>(720,281)</u>
<i>Net position, beginning of year</i>	<u>(1,608,781)</u>	<u>436,332</u>	<u>7,508,943</u>	<u>6,336,494</u>
<i>Net position, end of year</i>	<u>\$ (2,230,379)</u>	<u>\$ 466,519</u>	<u>\$ 7,380,073</u>	<u>\$ 5,616,213</u>

See Notes to Financial Statements

**STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2013**

	Waste Water Fund	Solid Waste Fund	Water Fund	Total
Cash Flows From Operating Activities				
Cash received from customers	\$ 443,053	\$ 712,644	\$ 1,569,800	\$ 2,725,497
Cash payments to vendors and employees	(438,792)	(602,470)	(1,024,366)	(2,065,628)
Net cash provided by operating activities	<u>4,261</u>	<u>110,174</u>	<u>545,434</u>	<u>659,869</u>
Cash Flows From Non-Capital Financing				
Gross receipts tax revenue	-	46,370	-	46,370
Due to other funds	78,500	35,231	11,591	125,322
Transfers out	(69,558)	(51,637)	(69,659)	(190,854)
Interest earnings	32	518	43	593
Net cash used by non-capital financing activities	<u>8,974</u>	<u>30,482</u>	<u>(58,025)</u>	<u>(18,569)</u>
Cash Flows From Capital and Related				
Purchase of capital assets	-	-	-	-
Disposition and adjustment of capital asset	-	(4,069)	(27,894)	(31,963)
Principal payment on bonds	(96,000)	-	(17,658)	(113,658)
Principal payment on loans	-	(153,956)	-	(153,956)
Principal payment on capital leases	-	(70,775)	-	(70,775)
Interest payment on bonds, loans, and leases	(241,300)	(38,429)	-	(279,729)
Net cash used by capital and related financing activities	<u>(337,300)</u>	<u>(267,229)</u>	<u>(45,552)</u>	<u>(650,081)</u>
Net (decrease) increase in cash and cash equivalents	(324,065)	(126,573)	441,857	(8,781)
Cash and restricted cash and cash equivalents, beginning of year	<u>42,240</u>	<u>55,862</u>	<u>224,019</u>	<u>322,121</u>
Cash and restricted cash and cash equivalents, end of year	<u>\$ (281,825)</u>	<u>(70,711)</u>	<u>665,876</u>	<u>313,340</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating income (loss)	\$ (314,960)	72,478	(59,254)	(301,736)
Noncash items				-
Depreciation expense	289,119	209,818	151,013	649,950
Adjustments to operating income				-
Accounts receivable	62,942	(32,446)	259,997	290,493
Inventory	-	-	-	-
Due from other funds	-	(108,179)	183,281	75,102
Accounts payable	(39,532)	(42,745)	(21,068)	(103,345)
Meter deposit	-	-	5,056	5,056
Accrued liabilities	6,042	6,525	11,670	24,237
Due to other governments	-	5,776	23,373	29,149
Compensated absences	650	(1,053)	(8,634)	(9,037)
Net cash provided (used) by operating activities	<u>\$ 4,261</u>	<u>\$ 110,174</u>	<u>\$ 545,434</u>	<u>\$ 659,869</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2013

	Balance <u>June 30, 2013</u>
ASSETS	
Cash on deposit	\$ 12,872
Due from other funds	<u>13,108</u>
<i>Total assets</i>	<u><u>\$ 25,980</u></u>
LIABILITIES	
Amount due to individuals (for release bonds)	\$ 7,536
Due to other funds	<u>18,444</u>
<i>Total liabilities</i>	<u><u>\$ 25,980</u></u>

See Notes to Financial Statements

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Angel Fire, New Mexico (the “Village”) was incorporated in 1971 under the laws of the State of New Mexico. The Village operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning and general administrative services.

A. Financial Reporting Entity

The financial statements for the Village have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. As required by GAAP, the financial statements present the Village and entities for which the Village is considered to be financially accountable. There are no component units for the fiscal year ended June 30, 2013.

The government-wide financial statements report information on all of the non-fiduciary activities of the Village. Where appropriate, the effect of Interfund activity has been removed from the statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and enterprise funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Private-sector standard of accounting and financial reporting issued prior to December 1989, generally are followed in the government-wide statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMART OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

GASB has issued Statement No. 62 that establishes guidance for pre November, 1989 FASB and AICPA pronouncements. This standard was implemented for the year ended June 30, 2013. The Village does not expect any material changes to the financial statement as a result of implementation on this standard.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principle ongoing operations.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are recorded.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is made.

The Village follows the following revenue recognition principles applied to non-exchange transactions which are in Accordance with GASB Statement 33, *Accounting and Reporting for Non-exchange Transactions*:

Derived tax revenues are recognized as revenue in the period when the underlying exchange transaction has occurred and the resources are available. Derived tax revenues include gross receipts tax, gasoline taxes and cigarette taxes.

Imposed non-exchange revenue – property taxes are levied and collected by the Colfax County treasurer on behalf of the Village. The taxes are levied in November and payable in two installments, November 10 and April 10. The County remits to the Village a percentage of the collections made during the month. Taxes are considered delinquent and subject to lien, penalty and interest 30 days after the date on which they are due.

Imposed non-exchange revenue other than property taxes is recognized in the period when an enforceable legal claim has arisen and the resources are available.

Government-mandated non-exchange transactions and voluntary non-exchange transactions are recognized when all applicable eligibility requirements have been met and the resources are available. These include grant revenues, state shared taxes and intergovernmental revenue. Grant revenues are recognized as revenues when the related costs are incurred.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

Other revenues susceptible to accrual are investment income and charges for services. All other revenues are recognized when they are received and are not susceptible to accrual because they are usually not measurable until payment is actually received.

B. Basis of Presentation – Fund Accounting

The Village reports the following major governmental funds:

General Fund is the Village's primary operating fund. It accounts for all the financial resources of the general government, except those required to be accounted for in another fund.

Debt Service – to account for the accumulation of resources for the payment of principal, interest, and related costs on general long-term debt.

Proprietary funds financial statements are reported using the measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

The Village uses the following enterprise funds to account for its proprietary funds, which are all major funds:

Wastewater – to account for the provision of waste water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance billing and collection.

Solid Waste – to account for the provision of landfill services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance billing and collection.

Water – to account for the provision of water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund. Financing is provided through charges to customers for service.

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

The Village reports the following fund types:

General Fund is the general operating fund of the Village. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Many of the more important functions of the Village, including the Village's general services and administration, are accounted for in this fund.

Special Revenue Funds are used to account for revenues derived from specific sources, which are usually required by law or regulation to be accounted for in separate funds.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those constructed for proprietary funds.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of general long-term principal, interest and related costs.

Agency Funds are used to account for monies held by the Village in a custodial capacity on behalf of third parties or other agencies.

Cash and Investments

Cash includes amounts in demand deposits. Cash deposits are reported at carrying amount, which reasonably estimates fair value. State statutes authorize the Village to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Pool.

Investments

Investments are stated at fair value. Interest income, realized gains and losses on investment transactions, and amortization of premiums and discounts on investment purchases are included in investment income and are allocated to participating funds based on the specific identification of the source of funds for a given investment.

Inventory

Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General fund consists of Diesel, gasoline, bulk oil fuels and street and vehicle maintenance supplies. Inventory in the Waste Water and Water funds consist of pipes, valves, and other supply items used to maintain and repair the Village's wastewater and water infrastructure systems.

Capital Assets

Capital assets, which include software, library books, property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 per Section 12-6-10 NMSA 1978 and an estimated useful life in excess of one year.

Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Such assets, including infrastructure assets have high limits that must be met before they are capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	25 years
Software	3 – 5 years
Vehicle and vehicles under capital lease	5 – 7 years
Machinery and equipment	5 –15 years
Infrastructure	5 – 30 years

Capital assets in proprietary funds are depreciated using the straight-line method over the following estimated useful lives:

Plant and system	5 – 50 years
Equipment	5 – 25 years
Vehicles	5 years

Compensated Absences

The Village accrues vacation leave based on a full time employee's length of service in accordance with the following schedule (each regular part time employee accrues at one-half of the rates):

Length of Service	Accrual Rate Per Pay Period	Working Days Per Year
Less than five (5) years	3.08	10
More than 5 years less than 10 years	4.62	15
More than 10 years less than 15 years	5.54	18
More than 15 years	6.15	20

Regular full time employees shall be allowed to accumulate and carry forward up to two hundred vacation hours of leave equal to twenty five regular working days. Part time employees shall be allowed to accumulate and carry forward one hundred hours of leave. Regular and probationary full-time employees accrue sick leave at the rate of 3.70 hours per pay period, equal to 12 working days per year. Regular and probationary part time employees accrue sick leave at the rate of 1.85 hours per pay

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

period. The maximum on sick leave accrual is capped at 480 hours, equal to 60 days. The Village revised its employee benefit plan for compensated absences. The changes will take effect July 1, 2013.

Fund Balance Classifications

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are non-spendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

Non-spendable. The non-spendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.

Restricted. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Village. Those committed amounts cannot be used for any other purpose unless the Village removes or changes the specified use by taking the same type of action it employed to previously commit those accounts.

Assigned. Amounts in the assigned fund balance classification are intended to be used by the Village for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Village, or a management official delegated that authority by the formal Village action.

Unassigned. Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

Net Assets and Net Position

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net assets invested in capital assets, net of related debt excludes unspent debt proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt” are included in unrestricted net assets. The Government-wide Statement of Net Position reports \$3,701,054 of governmental activities restricted net position of which \$1,379,805 is restricted by enabling legislation.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other Interfund transfers are reported as operating transfers. All Interfund activity has been eliminated at the government wide level.

Cash Flows

For purposes of the Statement of Cash Flows, all highly liquid assets with a maturity of three months or less are considered to be cash equivalents.

Budgetary Information

Actual amounts on the budgetary basis are prepared on the GAAP basis of accounting, which recognizes revenues when earned and expenditures when incurred. Annual budgets are adopted for the general, special revenue, capital projects and enterprise funds. The Village follows the following procedures for establishing the budgetary data reflected in the financial statements:

1. Prior to June, the Village Administrator submits to the Village Council a proposed operating budget for the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them based on previous years’ history. Public hearings are conducted at the Village Hall to obtain taxpayer comments. Prior to July 1, the budget is legally enacted through passage of a resolution.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

2. The Village Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any funds must be approved by the Village Council and New Mexico State Department of Finance, Division of Local Governments.
3. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, capital projects fund and enterprise funds.
4. The level of classification detail in which expenditures or expenses may not legally exceed appropriations for each budget is in fund total. Appropriations lapse at year-end.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

NOTE 2 – CASH AND INVESTMENTS

Custodial Credit Risk—Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the Village will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Village does not have a deposit policy for custodial credit risk. Deposits are exposed to custodial credit risk if they are not covered by depository insurance and are: 1) uncollateralized, 2) collateralized with securities held by the pledging financial institution, or 3) collateralized with securities held by the pledging financial institution's trust department or agent but not in the Village's name. A schedule of pledged collateral for the Village is on page 91.

The total balance in any single financial institution may at times exceed the \$250,000 in FDIC coverage available to individual depositors. The Village is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to one half of the public money in each account in accordance with Section 6-10-17 NMSA 1978. See page 90 for a reconciliation of bank to book balances.

Concentration of Credit Risk – Investments

Concentration of credit risk is the risk of loss attributable to the magnitude of the investment in a single issuer. The Village has no formal policy limiting the amount of investments or deposits at any single institution or with any single issuer.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

As of June 30, 2013, the State Treasurer Local Government Investment Pool (LGIP) was rated by Standard's & Poor's as AAAM. At June 30, 2013, the Village had \$1,396 in the LGIP. The State Treasurer Local Government Investment Pool (LGIP) is not SEC registered. The State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance. The investments are valued at fair valued based on quoted market prices as of the valuation date. The LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments.

The New Mexico State Treasurer is responsible for approving all changes in the pledged collateral and monitoring the collateral requirements for all deposits maintained by the State Treasurer. The State Treasurer's Office issues separate financial statements which disclose the collateral pledged to secure those deposits.

LGIP does not have unit shares. Monthly, all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in this pool is voluntary. The independent auditor's report, together with the financial statements, the accompanying noted to the financial statements and the independent auditor's report on compliance and internal controls are available from the State Investment Council, 2055 South Pacheco Street, Suite 100, Santa Fe, New Mexico 87505, upon written request.

Interest Rate Risk – Investments

GASB Statement No. 40 defines interest rate risk as the risk that interest variations may adversely affect the fair value of an investment. According to the Statement, an acceptable method of reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the Local Government Investment Pool (LGIP). The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.nmsto.gov. As of June 30, 2013, the LGIP had a credit risk rating of AAAM and a WAM(R) of 59 days and a WAM(F) of 90 days.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 3 – ACCOUNTS RECEIVABLE

Governmental accounts receivables – customers represent billings for ambulance transport services. Business-Type Activities accounts receivable – customers represents billings for water, waste water and solid waste fees. It is management’s policy to cut off water and waste water service for non-payment. A lien is place on the properties which have outstanding water bills. Accounts receivable is comprised of the following at June 30, 2013:

<u>Accounts Receivable</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Accounts Receivable - Customers	\$ 177,275	\$ 1,381,957	\$ 1,559,232
Less Allowance for uncollectible	(144,034)	(923,972)	(1,068,006)
Net Accounts Receivables	<u>33,241</u>	<u>457,985</u>	<u>491,226</u>
Intergovernmental:			
SAFER Grant	9,887	-	-
Wildland Fires	54,336	-	-
Law Enforcement Protection Fund	7,453	-	-
Total Intergovernmental Rec.	<u>71,676</u>	<u>-</u>	<u>71,676</u>
Special Assessment Districts Rec.	27,586	-	27,586
Taxes Receivable:			
Property Tax	158,575	-	158,575
Gross Receipts Tax	314,517	6,025	320,542
Franchise Tax	36,949	-	36,949
Lodgers Tax	25,166	-	25,166
Cigarette Tax	11,656	-	11,656
Motor Vehicle Tax	8,708	-	8,708
Gas Taxes	4,153	-	4,153
Total Taxes Receivable	<u>559,724</u>	<u>6,025</u>	<u>565,749</u>
Total Accounts Receivable	<u>\$ 692,227</u>	<u>\$ 464,010</u>	<u>\$ 1,156,237</u>

Management determines that all receivables in excess of 120 days comprise the allowance for uncollectible accounts.

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 4 – CAPITAL ASSETS

Capital Asset activity for the year was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 563,146	\$ -	\$ -	\$ 563,146
Land – right of way	2,622,459	-	-	2,622,459
Construction in progress	2,039,541	-	-	2,039,541
Water Rights	750,000	-	-	750,000
Total capital assets not being depreciated	5,975,146	-	-	5,975,146
Capital assets being depreciated:				
Buildings	2,247,860	-	-	2,247,860
Software	186,728	-	-	186,728
Vehicles	2,197,641	94,515	-	2,292,156
Capital lease vehicles	317,458	-	-	317,458
Capital lease equipment	-	-	-	-
Machinery and equipment	350,679	8,000	-	358,679
Infrastructure	10,592,635	-	-	10,592,635
Total capital assets being depreciated	15,893,001	102,515	-	15,995,516
Less accumulated depreciation for:				
Buildings	(908,301)	(89,914)	-	(998,215)
Software	(178,817)	(2,260)	-	(181,077)
Vehicles	(1,552,535)	(209,637)	-	(1,762,172)
Capital lease vehicles	(256,420)	(41,440)	-	(297,860)
Capital lease equipment	-	-	-	-
Machinery and equipment	(275,815)	(17,890)	-	(293,705)
Infrastructure	(5,117,183)	(345,033)	-	(5,462,216)
Total accumulated depreciation	(8,296,071)	(706,174)	-	(8,995,245)
Total capital assets being depreciated, net	7,603,930	(603,659)	-	7,000,271
Governmental activities capital assets, net	\$ 13,579,076	\$ (603,659)	\$ -	\$ 12,975,417

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 4 – CAPITAL ASSETS (Continued)

<u>Business-type Activities</u>	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Capital assets not being depreciated:				
Land	\$ 860,331	\$ -	\$ -	\$ 860,331
Construction in progress	241,584	-	-	241,584
Water rights	4,250,000	-	-	4,250,000
Total capital assets not being depreciated	5,351,915	-	-	5,351,915
Capital assets being depreciated:				
Plant and system	15,871,982	-	-	15,871,982
Equipment	724,182	9,569	-	733,751
Vehicles	372,491	22,396	-	394,887
Total capital assets being depreciated	16,968,655	31,965	-	17,000,620
Total capital assets	22,320,570	31,965	-	22,352,535
Less accumulated depreciation for:				
Plant and system	(10,451,696)	(484,008)	-	(10,935,704)
Equipment	(417,088)	(101,901)	-	(518,989)
Vehicles	(281,760)	(64,042)	-	(345,802)
Total accumulated depreciation	(11,150,544)	(649,951)	-	(11,800,495)
Total capital assets being depreciated, net	5,818,111	(617,986)	-	5,200,12
Business-type activities capital assets, net	\$ 11,170,026	\$ (617,986)	\$ -	\$ 10,552,040
Governmental activities:				
General government		\$ (160,743)		
Public safety		(166,354)		
Highways and streets		(377,427)		
Culture and recreation		(137)		
Economic and physical development		(1,513)		
Total depreciation expense		\$ (706,174)		
Business-type activities:				
Waste water		\$ (289,120)		
Solid waste		(209,818)		
Water		(151,013)		
Total depreciation expense		\$ (649,951)		

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES

During the year ended June 30, 2013, the following changes occurred:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Loans Payable	\$ 5,223,117	\$ 58,439	\$ 327,571	\$ 4,953,985	\$ 308,415
Bonds Payable	5,143,762	-	345,335	4,798,427	311,791
Capital Leases	160,918	-	42,259	118,659	42,410
Compensated Absences	77,368	-	3,166	74,202	74,202
Total	\$ <u>10,605,165</u>	\$ <u>58,439</u>	\$ <u>718,331</u>	\$ <u>9,945,273</u>	\$ <u>736,818</u>

Compensated absences related to employees of a given fund are liquidated with money from that fund. Payroll is tracked on a per-fund basis. The majority of compensated absences will be liquidated with money from the general fund.

Management has elected not to reserve monies for debt service per their debt covenants. In addition, management records the pledged revenue related to the debt in another fund and transfer funds to the debt service fund for principal and interest payments. These funds are being used for operations.

Loans Payable

On August 6, 2004 the Village obtained a loan from the New Mexico Finance Authority in the amount of \$1,105,557, with a variable interest rate, with a rate of 2.94% during the current fiscal year, for the purpose of improving the roads within the Village. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 91,423	\$ 14,363	\$ 105,786
2015	94,649	11,145	105,794
2016	98,112	7,690	105,802
2017	101,830	3,982	105,812
Totals	\$ <u>386,014</u>	\$ <u>37,180</u>	\$ <u>423,194</u>

On July 1, 2008, the Village obtained a loan from First National Bank in Clayton, NM, in the amount of \$99,000, with an interest rate of 4.00%, for the purpose of purchasing an ambulance. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 15,000	\$ 1,240	\$ 16,240
2015	16,000	640	16,640
Totals	\$ <u>31,000</u>	\$ <u>1,880</u>	\$ <u>32,880</u>

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

On November 25, 2008, the Village obtained a loan from New Mexico Finance Authority in the amount of \$167,212, with a variable interest rate, with an interest rate of 2.70% during the current fiscal year, for the purpose of purchasing equipment for use by the Village. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 17,718	\$ 3,216	\$ 20,934
2015	18,264	2,670	20,934
2016	18,855	2,078	20,933
2017	19,495	1,439	20,934
2018	20,187	747	20,934
Totals	\$ 94,519	\$ 10,150	\$ 104,669

On September 23, 2008, the Village obtained a loan from the USDA Rural Services Department in the amount of \$700,000, with an interest rate of 4.25%, for the purpose of acquiring, constructing, equipping and improving fire protection facilities and equipment for the Village of Angel Fire. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 27,000	\$ 25,585	\$ 52,585
2015	28,000	24,438	52,438
2016	29,000	23,248	52,248
2017	31,000	22,015	53,015
2018	32,000	20,698	52,698
2019-2023	181,000	81,942	262,942
2024-2028	223,000	39,994	262,994
2029	51,000	2,168	53,168
Totals	\$ 602,000	\$ 240,088	\$ 842,088

On October 7, 2008, the Village obtained a loan from the USDA Rural Services Department in the amount of \$110,000, with an interest rate of 4.50%, for the purpose of acquiring, constructing, equipping and improving fire protection facilities and equipment for the Village of Angel Fire. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	4,000	4,275	8,275
2015	4,000	4,095	8,095
2016	4,000	3,915	7,915
2017	5,000	3,735	8,735
2018	5,000	3,510	8,510
2019-2023	28,000	14,040	42,040
2024-2029	35,000	7,155	42,155
2029	10,000	450	10,450
Totals	\$ 95,000	\$ 41,175	\$ 136,175

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

On August 11, 2008, the Village obtained a line of credit with International Bank in the amount of \$500,000, with an interest rate of 5.00% per annum and for unpaid principal balance additional 1.25% floating rate to be applied. The Village paid down \$39,839 on this line of credit during the fiscal year and had an outstanding balance of \$319,621 at the end of the year. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 319,621	\$ 19,976	\$ 339,597
Totals	\$ 319,621	\$ 19,976	\$ 339,597

On February 18, 2010, the Village obtained a loan from New Mexico Finance Authority Loan 2373-PP in the amount of \$1,118,245 for the purpose of Water Rights Refunding (CS Cattle Loan) for the Village of Angel Fire. The Village made a principal payment of \$55,617 during the year and had an outstanding balance of \$936,579 at the end of the year. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 56,452	\$ 32,800	\$ 89,252
2015	57,519	31,733	89,252
2016	58,842	30,410	89,252
2017	60,377	28,874	89,251
2018	62,110	27,142	89,252
2019-2023	331,209	103,847	435,056
2024-2027	310,070	34,141	344,211
Totals	\$ 936,579	\$ 288,947	\$ 1,225,526

On February 19, 2010, the Village obtained a loan from New Mexico Finance Authority Loan 2373-PP in the amount of \$923,091 for the purpose of Water Rights Refunding (CS Cattle Loan) for the Village of Angel Fire. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ -	\$ 42,146	\$ 42,146
2015	-	42,146	42,146
2016	-	42,146	42,146
2017	-	42,146	42,146
2018	-	42,146	42,146
2019-2023	40,441	209,207	249,648
2024-2028	162,237	196,647	358,884
2029-2033	586,274	116,481	702,755
2034	134,139	6,412	140,551
Totals	\$ 923,091	\$ 739,477	\$ 1,662,568

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

On August 6, 2010, the Village obtained a Public Sports Facility loan from New Mexico Finance Authority in the amount of \$1,730,321 for the purpose of Construction of Public Sports Facilities within the Governmental Unit for the Village of Angel Fire. Management has maintained \$130,092 as reserve on the loan at Bank of New York Mellon Trust Company. The Village made a principal payment of \$80,496 during the year and had an outstanding balance of \$1,490,658 at the end of the year. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 81,494	\$ 48,266	\$ 129,760
2015	82,790	46,970	129,760
2016	84,413	45,348	129,761
2017	86,413	43,347	129,760
2018	88,729	41,031	129,760
2019-2023	486,957	161,845	648,802
2024-2028	579,862	68,939	648,801
Totals	\$ 1,490,658	\$ 455,746	\$ 1,946,404

On September 17, 2010, the Village obtained a loan from the New Mexico Finance Authority in the amount of \$20,000, with a variable interest rate, with an interest rate ranging from 3.76%-3.97% during the current fiscal year, for the purpose of design and engineering costs associated with implementing phase one of six of the water reuse project in the Village of Angel Fire. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 984	\$ 43	\$ 1,027
2015	986	40	1,026
2016	989	38	1,027
2017	991	35	1,026
2018	994	33	1,027
2019-2023	5,006	126	5,132
2024-2028	5,059	64	5,133
2028-2030	2,045	8	2,053
Totals	\$ 17,054	\$ 387	\$ 17,451

On November 16, 2012 the Village obtained a loan from the New Mexico Finance Authority in the amount of \$58,439, with a variable interest rate, with an interest rate ranging from 1.38%-1.86% during the current fiscal year, for the purpose of purchasing and equipping two Police cars. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 14,344	\$ 603	\$ 14,947
2015	14,602	344	14,946
2016	14,688	258	14,946
2017	14,805	142	14,947
Totals	\$ 58,438	\$ 1,347	\$ 59,786

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

Bonds Payable

The Village issued \$700,000 in Rural Utilities Service Bonds on July 23, 1997. The bonds mature January 1, 2037 and were issued at 5.0%. The proceeds of the bonds were used to construct the community center. The future requirements for the 1997 Rural Utilities Service Bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 13,000	\$ 28,200	\$ 41,200
2015	13,000	27,550	40,550
2016	14,000	26,900	40,900
2017	15,000	26,200	41,200
2018	15,000	25,450	40,450
2019-2023	90,000	115,000	205,000
2024-2028	115,000	90,000	205,000
2029-2033	145,000	58,450	203,450
2034-2037	144,000	18,350	162,350
Totals	\$ 564,000	\$ 416,100	\$ 980,100

The Village issued \$750,000 in Gross Receipts Tax Revenue Bonds, Series 2003, on March 30, 2003. The bonds mature July 1, 2018 and were issued at 4.5%. The proceeds of the bonds were used to purchase and improve the Village Hall property. The future requirements for the 2003 Gross Receipts Tax Revenue Bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 54,864	\$ 14,435	\$ 69,299
2015	57,361	11,938	69,299
2016	59,971	9,328	69,299
2017	62,700	6,599	69,299
2018	65,553	3,746	69,299
2019	33,898	762	34,660
Totals	\$ 334,347	\$ 46,808	\$ 381,155

On September 28, 2007, the Village issued \$1,886,042 in Joint Utility System Improvement Revenue Bonds, Series 2007. The bonds mature on September 28, 2027, and were issued at 4.25%. The proceeds of the bonds were available to the Village for improvement related expenses and were to be drawn down through USDA-RUS approved requisitions. The outstanding balance for these bonds at June 30, 2013 was \$1,556,042. The future requirements for the 2007 Joint Utility System Improvement Revenue Bonds are as follows:

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 80,000	\$ 66,132	\$ 146,132
2015	80,000	62,732	142,732
2016	80,000	59,332	139,332
2017	90,000	55,932	145,932
2018	90,000	52,107	142,107
2019-2023	510,000	200,185	710,185
2024-2028	626,042	80,760	706,802
Totals	\$ 1,556,042	\$ 577,180	\$ 2,133,222

On June 1, 2007, the Village issued \$2,855,664 in Improvement District Bonds, Series 2007. The bonds mature on December 1, 2026, and were issued at 4.125%. The proceeds of the bonds were used to construct or otherwise acquire water and wastewater lines and facilities within the Village. The future requirements for the 2007 Improvement District Bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 120,700	\$ 85,268	\$ 205,968
2015	125,600	80,289	205,889
2016	130,800	75,108	205,908
2017	136,200	69,713	205,913
2018	141,800	64,094	205,894
2018-2022	801,900	227,737	1,029,637
2023-2027	610,101	54,681	664,782
Totals	\$ 2,067,101	\$ 656,890	\$ 2,723,991

On December 18, 2009, the Village issued \$417,975 in State Shared Gross Receipts Tax Revenue Bonds (Ladder Truck Loan), Series 2009. The date of maturity of the bonds is on May 1, 2019. The proceeds of the bonds were used to purchase a Ladder Truck within the Village. The future requirements for the 2009 State Shared Gross Receipts Tax Revenue Bonds (Ladder Truck Loan) are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 43,227	\$ 8,016	\$ 51,243
2015	44,178	7,065	51,243
2016	45,317	5,925	51,242
2017	46,600	4,643	51,243
2018	48,017	3,226	51,243
2019	49,609	1,675	51,284
Totals	\$ 276,948	\$ 30,550	\$ 307,498

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

Capital Leases

The Village is obligated under lease purchase contracts. In the opinion of the counsel for the Village, these lease purchase contracts comply with the *Montano vs. Gabaldon* decision, in that payments for these leases will be made from the general tax revenue.

The Village is obligated to Oshkosh Capital under a lease which is accounted for as capital leases. The leased assets is for 2011 Windland Truck. The lease obligation outstanding as of June 30, 2013 is \$118,659. The cost and carrying value of the asset under lease is stated in the capital assets footnote.

The future requirements for capital leases are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 38,174	\$ 4,236	\$ 42,410
2015	39,537	2,873	42,410
2016	40,948	1,462	42,410
Total	\$ 118,659	\$ 8,571	\$ 127,230

Accrued Compensated Absences

It is the policy of the Village to grant each permanent and probationary full-time employee annual leave based on the following schedule. Any unused leave which an employee may accrue is 200 hours.

<u>Total Years of Service</u>	<u>Yearly Accumulation</u>
0 – 5 (inclusive)	10 days
6 – 19 (inclusive)	15 days
20 or more	18 days

NOTE 6 – LONG-TERM DEBT—BUSINESS TYPE ACTIVITIES

Business-type activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Loans Payable	\$ 1,156,760	\$ -	\$ 171,614	\$ 985,146	\$ 122,911
Bonds Payable	5,080,000	-	96,000	4,984,000	102,000
Capital Leases	104,471	-	72,444	32,027	32,027
Compensated Absences	35,801	-	9,037	26,764	26,764
Total	\$ 6,377,032	\$ -	\$ 349,095	\$ 6,027,937	\$ 283,702

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 6 – LONG-TERM DEBT—BUSINESS TYPE ACTIVITES (CONTINUED)

Loans Payable

The Village is obligated to the New Mexico Finance Authority under certain loans that are accounted for as long-term loans payable. The assets purchased were for the Water Enterprise fund and the Solid Waste transfer station. The water loan is non-interest bearing. The interest rate for the transfer station loan ranges from 3.020% to 4.920%.

The future requirements for the water loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 9,078	\$ 160	\$ 9,238
2015	9,101	137	9,238
2016	9,124	115	9,239
2017	9,147	92	9,239
2018	9,170	69	9,239
2019-2020	18,409	69	18,478
Totals	\$ 64,029	\$ 642	\$ 64,671

The future requirements for the transfer station are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 67,516	\$ 27,448	\$ 94,964
2015	70,250	24,720	94,970
2016	73,174	21,805	94,979
2017	76,300	18,686	94,986
2018	79,619	15,376	94,995
2019-2021	260,866	24,173	285,039
Totals	\$ 627,725	\$ 132,208	\$ 759,933

On November 25, 2008, the Village obtained a loan from the New Mexico Finance Authority in the amount of \$395,000 for the purchase of a Chipper. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	42,000	7,587	49,587
2015	43,000	6,294	49,294
2016	44,000	4,901	48,901
2017	46,000	3,409	49,409
2018	48,000	1,776	49,776
Totals	\$ 223,000	\$ 23,967	\$ 246,967

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 6 – LONG-TERM DEBT—BUSINESS TYPE ACTIVITIES (CONTINUED)

On January 8, 2010, the Village obtained a loan from the New Mexico Finance Authority in the amount of \$84,980, for the purchase and installation of a one million gallon tank to increase water storage capacity. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 4,317	\$ 176	\$ 4,493
2015	4,328	165	4,493
2016	4,339	154	4,493
2017	4,350	144	4,494
2018	4,361	133	4,494
2019-2023	21,970	500	22,470
2024-2028	22,245	224	22,469
2029	4,482	11	4,493
Totals	\$ 70,392	\$ 1,507	\$ 71,899

Bonds Payable

The Village issued \$3,000,000 in Water System and Waste Water System Revenue Bonds, Series 1998, for the purpose of constructing water systems and a waste water system and related facilities. The bonds mature September, 2038 and have a stated interest rate of 4.75%. The bonds are secured by the revenue of the Water and Waste Water enterprises. The future requirements for the 1998 Water System and Waste Water System Revenue Bonds are payable as follow:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 51,000	\$ 118,370	\$ 169,370
2015	53,000	115,948	168,948
2016	55,000	113,430	168,430
2017	58,000	110,818	168,818
2018	61,000	108,063	169,063
2019-2023	351,000	494,001	845,001
2024-2028	441,000	402,565	843,565
2029-2033	556,000	287,376	843,376
2034-2038	703,000	141,978	844,978
2039	163,000	7,743	170,743
Totals	\$ 2,492,000	\$ 1,900,292	\$ 4,392,292

The Village issued \$3,000,000 in Water System and Waste Water System Revenue Bonds, Series 1999, for the purpose of constructing water systems and a waste water system and related facilities. The bonds mature June 2039, and have a stated interest rate of 4.75%. The bonds are secured by the

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 6 – LONG-TERM DEBT—BUSINESS TYPE ACTIVITIES

revenue of the Water and Waste Water enterprises. The future requirements for the 1999 Water System and Waste Water System Revenue Bonds are payable as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 51,000	\$ 118,370	\$ 169,370
2015	53,000	115,948	168,948
2016	55,000	113,430	168,430
2017	58,000	110,818	168,818
2018	61,000	108,063	169,063
2019-2023	351,000	494,001	845,001
2024-2028	441,000	402,565	843,565
2029-2033	556,000	287,376	843,376
2034-2038	703,000	141,978	844,978
2039	163,000	7,743	170,743
Totals	\$ 2,492,000	\$ 1,900,292	\$ 4,392,292

Lease Purchase Obligations

The Village is obligated to CNH Capital and the Kansas State Bank of Manhattan under leases which are accounted for as capital leases. The leased assets are for use in the Water and Waste Water enterprises. The gross amount of vehicles and equipment under capital lease is \$403,568. The future requirements for capital leases are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 32,027	\$ 694	\$ 32,721
Total	\$ 32,027	\$ 694	\$ 32,721

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 7 – INTERFUND BALANCES

The following are amounts owed between funds and are classified as due from/to other funds at June 30, 2013.

<u>Due From Other Funds</u>	<u>Amount</u>	<u>Due To Other Funds</u>	<u>Amount</u>
Major Governmental Funds:		Major Governmental Funds:	
General Fund	\$ 1,858,861	General Fund	\$ 1,235,850
Debt Service Fund	45,029	Debt Service Fund	2,486,947
Total Major Governmental Funds	\$ 1,903,890	Total Major Governmental Funds	\$ 3,722,797
Nonmajor Governmental Funds:		Nonmajor Governmental Funds:	
Corrections Fund	\$ 53,966	Corrections Fund	\$ 6,937
Safer Fund	7,067	Safer Fund	121,718
Wildland Fires Fund	235,907	Emergency Medical Service Fund	34,831
Fire Protection Fund	303,198	Fire Protection Fund	7,874
LEP Fund	11,020	LEP Fund	19,576
Traffic Safety DWI	1,603	Lodgers Tax	6,994
Lodgers Tax Reserve Fund	402,089	NM Tourism Grant	5,067
Sports and Recreation Fund	102,102	Lodgers Tax Chamber Fund	1,750
Transportation Fund	89,836	Public Works Fund	63,125
NM Clean and Beautiful	6,288	Shuter Library	7,326
Community Center Fund	142,246	Transportation Fund	321,856
Fire Donations Fund	604	Motor Vehicle Fund	48,705
Public Safety Building Fund	592,994	Community Center Fund	428,429
Capital Projects Fund	14,599	Public Safety Building Fund	11,078
Capital Building Water Tank Fund	681,367	Capital Projects Fund	1,995
Forrest Thinning Fund	20,513	Capital Building Water Tank Fund	7,900
Lagoon Cleanup Fund	42,860	Forrest Thinning Fund	1,227
HUD Assessment District	15,409	Wildland Urban Interface Fund	4,128
Street Project Fund	104,833	Lagoon Cleanup Fund	375,046
MAP Grants Fund	266,625	HUD Assessment District	15,409
Back Basin Road Fund	45	Transfer Station Fund	238,253
Fire Protection Facility Fund	8,410	Transit Facility Fund	2,851
HWY 434 Assessment	468,657	CIP-Water Project	37,334
		Street Project Fund	25,365
		MAP Grants Fund	72,270
		Debt Service Ambulance	17,728
		Allen Fields	41
		HWY 434 Assessment	91,255
Total Nonmajor Governmental Funds	\$ 3,572,238	Total Nonmajor Governmental Funds	\$ 1,976,068
Enterprise Funds:		Enterprise Funds:	
Solid Waste Fund	\$ 209,752	Wastewater Fund	\$ 920,538
Water Fund	1,269,482	Solid Waste Fund	60,888
Water Rights	153	Water Fund	269,888
Total Enterprise Funds	\$ 1,479,387	Total Enterprise Funds	\$ 1,251,314
Agency Fund		Agency Fund	
Municipal Court Fund	13,108	Municipal Court Fund	18,444
Grand Total	\$ 6,968,623	Grand Total	\$ 6,968,623

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 8 – DEFICIT FUND BALANCE/NET ASSETS

The following funds had deficit fund balances at June 30, 2013:

Debt Service	\$	(1,840,581)
Wastewater		(2,230,379)
Safer Grant		(105,608)
State EMS		(25,174)
New Mexico Tourism Grant		(5,067)
Lodgers Tax Chamber		(1,750)
Public Works		(63,125)
Shuter Library		(7,326)
Transit		(232,020)
Community Center		(286,183)
Motor Vehicle		(27,442)
Wildland Urban Interface		(4,128)
Lagoon Cleanup		(332,186)
Transfer Station Construction		(238,253)
Transit Facility Construction		(2,851)
CIP Water Project		(37,334)
Ambulance		(17,728)
Total	\$	<u>(5,457,135)</u>

The Village is currently addressing the negative fund balances and is planning on taking the appropriate actions.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 9 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2013 consisted of the following:

<u>Transfers In</u>	<u>Amount</u>	<u>Transfers Out</u>	<u>Amount</u>
Major Governmental Funds:		Major Governmental Funds:	
General Fund:		General Fund:	
State Fire Protection Fund	6,429	To Debt Service Fund	199,922
Debt Service Fund			-
From General Fund	\$ 199,922		-
From Fire Protection Fund	61,145		-
From Sports and Recreation Fund	139,883		-
From Lodgers Tax Fund	40,800		-
From Lagoon Cleanup	205,949		-
From WasteWater Fund	69,558		-
From Solid Waste Fund	51,637		-
From Water Fund	69,659		-
Total Major Governmental Funds	\$ <u>844,982</u>	Total Major Governmental Funds	\$ <u>199,922</u>
 Nonmajor Governmental Funds:		 Nonmajor Governmental Funds:	
	-	State Fire Protection Fund	\$ 67,574
	-	Sports and Recreation Fund	139,883
	-	Lodgers Tax Fund	40,800
	-	Lagoon Cleanup	205,949
Total Nonmajor Governmental Funds	<u>-</u>	Total Nonmajor Governmental Funds	\$ <u>454,206</u>
 Enterprise Funds:		 Enterprise Funds:	
	-	Wastewater Fund	\$ 69,558
	-	Solid Waste Fund	51,637
	-	Water Fund	69,659
Total Enterprise Funds	\$ <u>-</u>	Total Enterprise Funds	\$ <u>190,854</u>
 Grand Total	\$ <u>844,982</u>	 Grand Total	\$ <u>844,982</u>

NOTE 10 – PROPERTY TAXES

Colfax County is responsible for assessing, collecting and distributing property taxes for the Village. Property taxes are assessed on November 1, of each year based on the assessed value the prior January 1 and are payable in two equal installments by November 10 of the year in which the tax bill is prepared and by May 10 of the following year. Property taxes are delinquent if not paid by December 10 and June 10. Taxes on real property are levied on January 1 of the year for which the taxes are imposed.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 11 – PENSION PLAN—PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Village's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

The Village of Angel Fire participates in PERA under three groups: "Municipal Plan 2" effective from first full pay period in March 1998, "Municipal Fire Plan 5" effective from first full pay period in November 1998, and "Municipal Police Plan 5" effective from first full pay period in April 2008.

Funding Policy

Plan members in the regular plan are required to contribute 9.15%, in the law enforcement plan 16.30%, and in the fire plan 16.2%. The Village of Angel Fire is required to contribute 9.15% for regular plan members, 18% for law enforcement plan members, and 21.25% for fire plan members. The contribution requirements of the plan members and the Village are established in State statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The Village's contributions to PERA for the years ended June 30, 2013, 2012, and 2011 were \$205,514, \$225,337, and \$209,056, respectively, which equal the amount of the required contributions for each fiscal year.

In addition to PERA, the Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all full-time employees after six months of employment. It permits them to defer a portion of their salary until future years.

NOTE 12 – POST EMPLOYMENT HEALTH CARE PLAN

The Village does not participate in the Retiree Health Care Act (Act) (Chapter 10, Article 7C NMSA 1978), but provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico.

NOTE 13 – RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the government carries commercial insurance. The Village participates in the State of New Mexico Self-Insurers Fund for workers' compensation claims. In addition, the Village has obtained insurance through a commercial carrier operating as a common risk management and insurance program. The Village pays an annual premium to a commercial carrier for its general coverage and all risk of loss is transferred.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 13 – RISK MANAGEMENT (CONTINUED)

The Village had no significant reductions in insurance coverage from coverage in the prior year. In the fiscal years ended June 30, 2013, 2012 and 2011, there were no settlements that exceeded insurance coverage. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Litigation

The Village is a defendant in a small number of lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village management, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Grant Compliance

The Village receives significant financial assistance from the State Government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable state regulations, including the expenditure of resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantor. As of June 30, 2013, management estimates that no material liabilities will result from such audits.

Commitments

The Village contracts with outside vendors for construction projects. At June 30, 2013, the total amount of contracts outstanding for capital projects could not be determined by the Village.

Operating Leases

The Village is committed under several leases for various building and equipment rentals. These leases are considered for accounting purposes to be operating leases and are not reflected in the Village’s liabilities at June 30, 2013. The following is a schedule by years of future minimum lease payments under operating leases that have initial or remaining non-cancelable terms in excess of one year as of June 30, 2013.

2014	\$	60,549
2015		58,954
2016		47,705
2017		38,003
2018		39,311
Total	\$	<u>244,522</u>

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 15 – BUDGET OVERAGES

The budget for the following funds was overspent during fiscal year 2013:

Emergency Medical Services	\$	(11,736)
Law Enforcement Protection Fund		(5,909)
NM Tourism Grant		(5,067)
Allen Fields		(41)
COOP-Map Grant		(34,133)
WasteWater Fund		(248,299)
Solid Waste Fund		(123,227)
Water Fund		(62,680)
Total	\$	<u>(491,092)</u>

NOTE 16 – CASH SHORTFALL

The Village continues to experience shortage of cash inflow due to the deteriorating economic conditions and its impact on the revenue generated from the recreation activities. Management of the Village is aware of the issues and has taken actions to keep the operation of the Village running in the normal manner. The following options are available to the Village to maintain the performance:

- 1) The Village may continue borrowing funds from various financial institutions to support operations, repaying the outstanding debt out of various tax revenue sources.
- 2) The Village may actively seek Federal and State grant revenue to reduce the shortfall of cash and supplement funding of normal operations.
- 3) The Village has implemented certain procedures to increase the collection rate of utility receivables.
- 4) The Village has implemented certain procedures for cost reduction; amongst those actions was a reduction in the number of personnel, and monitoring of all expenditures.

SUPPLEMENTARY INFORMATION

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2013**

SPECIAL REVENUE FUNDS:

Corrections Fund 201 and Fund 210

To establish an additional source of funds for municipalities to offset the costs of corrections. The source of funds is a \$20 fee which must be paid by all persons violating laws relating to the operations of a motor vehicle. This fund was established by section 33-9-3 NMSA, 1978.

Safer Grant Fund 205

To account for grant funds from the New Mexico Energy, Minerals and Natural Resources Department. The funds are used to reduce fire hazard. This fund was established by section 7-9-29 NMSA, 1978.

Emergency Medical Services Fund 206

To account for all rescue operations undertaken by the Fire Department and funded through State grants. The fund was established by sections 24-10A-1 through 24-10A-10 NMSA, 1978.

Wildland Fires Fund 208

To account for the State of New Mexico Energy, Minerals & Natural Resources Department grant funds to provide personnel and equipment to fight wild land fires. The fund is authorized by the Village Council

State Fire Protection Fund 209

To account for the operations and maintenance of the Fire Department. The operations are financed by an allotment from the annual fire grant from the State of New Mexico. The fund was established by section 59-A-53-1 NMSA, 1978.

Law Enforcement Protection Fund 211

To account for the expenditures from the State of New Mexico for training, equipment and capital outlay. Authority is section 29-13-14 NMSA, 1978.

Traffic Safety – DWI Fund 212

To account for New Mexico Department of Transportation grant funds to conduct Operations Driving While Intoxicated (ODWI), to reduce driving while intoxicated, increase seat belt usage, reduce unrestrained occupant fatalities, and reduce speeding in the Village of Angel Fire. The fund was authorized under the Traffic Safety Act, NMSA 1978, Section 66-7 501 through 66-7-511.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2013**

Lodgers Tax Reserve Fund 213

To account for lodgers tax collections. The tax is to be used for anything associated with tourist related facilities, attractions, and transportation systems. The fund was established by section 3-38-14 NMSA, 1978.

New Mexico Tourism Grant Fund 214

To account for New Mexico Department of Tourism grant funds to provide advertising and promotional services through various forms of media to promote tourism for the State of New Mexico in cooperation with the Village of Angel Fire. The fund was authorized under the New Mexico Tourism Act, NMSA 1978 and the Village Council.

Lodgers Tax Chambers Fund 215

To account for monies collected from Lodgers taxes. These funds are to be used for cultural and recreation activities. The fund is authorized by the Village Council.

Public Works Fund 216

The public works fund is used to account for gasoline taxes and state grants used for the construction and maintenance of streets. The fund was established by sections 7-1 6-9 and 7-1 6-27 NMSA, 1978.

Sports and Recreation Fund 217

To account for Village revenues and expenditures relating to recreational facilities and sports and recreation programs. The monetary funds to support the activities carried out in this fund come from the State. The fund was established by section 7-12-15 NMSA, 1978.

Shuter Library Fund 219

To account for revenues and expenditures related to the teen court. This fund was authorized by the Village Council.

Transportation Fund 224

To account for the cost of operating the local transit system. Revenues are derived from the fees collected from passengers and the grant from the Federal Transit Authority. This fund was established by CFR 49 USC 5311.

NM Clean and Beautiful Fund 230

To account for the grant from the New Mexico State Highway and Transportation Department for expenditures incurred for aid and litter control and beautification projects. The fund is authorized by the Village Council.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2013**

Community Center Fund 250

To account for the revenue and expenditures of the Community Center. The fund is authorized by the Village Council.

Fire Donations Fund 260

To account for money donated to the Village for the purchase of ice rescue equipment. The fund is authorized by the Village Council.

Allen Fields 510

To account for revenues and expenditures, excluding facility debt activity to operate Allen Fields.

Motor Vehicle Fund 233

To account for the collection of motor vehicle fees and payment to the State of New Mexico. These fees are collected by the Village on behalf of the State of New Mexico.

CAPITAL PROJECTS FUNDS

The following capital project funds were established for various construction projects and authorized by the Village Council.

Public Safety Building Fund 310

To account for the construction of a public safety building. Construction is to be financed by Municipal Infrastructure Gross Receipts Tax.

Capital Projects Fund 312

To account for financial resources to be used for the acquisition or construction of major capital facilities other than those constructed for proprietary funds. In FY12 activity included the MAP grant and the Capital Building Water Tank grant authorized by the Village Council.

Capital Building Water Tank Fund 314

Pursuant to Resolution number 2007-67, to account for money collected for the construction and/or replacement of the four water tanks that provide water to the condominium area, as well as the water line that extends to US 64.

Forest Thinning Fund 316

To account for the monies used for the clean-up and maintenance of forestry around the Village.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2013**

Wildland Urban Interface Fund 317

To account for the State of New Mexico Energy, Minerals & Natural Resources Department grant funds relative to defensible space project within the Village. The fund is authorized by the Village Council.

Lagoon Cleanup Fund 318

To account for activity related to the fill-in and clean-up of the former Village lagoon. The fund was established by the provision in the New Mexico Environment Department grant.

HUD Assessment Fund 319

To account for funds relative to infrastructure improvements for the Village of Angel Fire

Transfer Station Construction Fund 320

To account for the monies received and expended for construction associated with the transfer station.

CIP Water Project Fund 330

To account for the funds used to provide a new 300,000 gallon storage tank and related pipeline for the Village of Angel Fire. The fund is authorized by the Village Council.

GRT Road Project Fund 350

To account for improvements and maintenance of the Village's roads. Street Project is funded through the Municipal Capital Outlay Gross Receipts Tax and is authorized by the Village Council.

MAP Grant Fund 360

To account for the receipt and expenditure of funds from the Transportation Planning Division of New Mexico State Highway and Transportation Department's Municipal Arterial Program (MAP).

Back Basin Road Fund 378

To account for the Back Basin Road improvement project. This fund was established by a provision in the grant agreement.

Fire Protection Facility Fund 381

To account for acquiring, constructing, enlarging, improving and extending the fire protection facility to serve the area within the lawful jurisdiction of the Village. The fund was established by 59A-53-7 NMSA, 1978

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2013**

HWY 434 Assessment Fund 507

To account for money collected from Special Assessment District(s) to provide necessary infrastructure to those areas identified in the proposed Public Improvement District application and other areas throughout the Village. This was passed and approved by the Village Council with Resolution 2007-06.

DEBT SERVICE FUNDS

Ambulance Service 405

To account for the accumulation of Village resources and payment of the Village of Angel Fire, New Mexico Gross Receipts Tax Revenue Bonds, Series 2008B (Ambulance Acquisition), general long-term debt principal, interest and related costs. This fund was passed, adopted and approved by the Village Council on May 20, 2008 with Village Resolution 2008-26.

AGENCY FUNDS

Municipal Court Bond Fund

To account for the collection and reimbursement of Municipal Court bonds.

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

Special Revenue

	Corrections Fund 201 & 210	Safer Grant 205	State EMS 206	Wildland Fires 208
ASSETS				
Cash and investments	\$ -	\$ -	\$ 9,657	\$ -
Receivables:				
Taxes	-	-	-	-
Special Assessment Districts	-	-	-	-
Receivables from external parties	-	9,887	-	54,336
Due from other funds	53,966	7,067	-	235,907
<i>Total assets</i>	<u>\$ 53,966</u>	<u>\$ 16,954</u>	<u>\$ 9,657</u>	<u>\$ 290,243</u>
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	844	-	9,723
Deposits payable	-	-	-	-
Due to other external parties	-	-	-	-
Due to other funds	6,937	121,718	34,831	-
<i>Total liabilities</i>	<u>6,937</u>	<u>122,562</u>	<u>34,831</u>	<u>9,723</u>
<i>Fund Balance:</i>				
Nonspendable - inventory	-	-	-	-
Restricted for:				
Special revenue funds	47,029	-	-	280,520
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
Unassigned for:				
General fund	-	-	-	-
Special revenue funds	-	(105,608)	(25,174)	-
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
<i>Total fund balance (deficit)</i>	<u>47,029</u>	<u>(105,608)</u>	<u>(25,174)</u>	<u>280,520</u>
<i>Total liabilities and fund balance</i>	<u>\$ 53,966</u>	<u>\$ 16,954</u>	<u>\$ 9,657</u>	<u>\$ 290,243</u>

Special Revenue

State Fire Protection 209	LEPF Fund 211	Traffic Safety - DWI Fund 212	Lodgers Tax 213	NM Tourism Grant 214
\$ 93,017	\$ 4,554	\$ -	\$ 112,025	\$ (1,458)
-	-	-	25,166	-
-	-	-	-	-
-	7,453	-	-	-
<u>303,198</u>	<u>11,020</u>	<u>1,603</u>	<u>402,089</u>	<u>-</u>
<u>\$ 396,215</u>	<u>\$ 23,027</u>	<u>\$ 1,603</u>	<u>\$ 539,280</u>	<u>\$ (1,458)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>7,874</u>	<u>19,576</u>	<u>-</u>	<u>6,994</u>	<u>3,609</u>
<u>7,874</u>	<u>19,576</u>	<u>-</u>	<u>6,994</u>	<u>3,609</u>
-	-	-	-	-
388,341	3,451	1,603	-	532,286
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(5,067)
-	-	-	-	-
-	-	-	-	-
<u>388,341</u>	<u>3,451</u>	<u>1,603</u>	<u>-</u>	<u>532,286</u>
<u>\$ 396,215</u>	<u>\$ 23,027</u>	<u>\$ 1,603</u>	<u>\$ 539,280</u>	<u>\$ (1,458)</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

Special Revenue

	Lodgers Tax Chamber 215	Public Works 216	Sports & Recreation 217	Shuter Library 219	Transit 5311 224
ASSETS					
Cash and investments	\$ -	-	\$ 3,411	\$ -	\$ -
Receivables:					
Taxes	-	-	11,657	-	-
Special Assessment Districts	-	-	-	-	-
Receivables from external parties	-	-	-	-	-
Due from other funds	-	-	102,102	-	89,836
<i>Total assets</i>	<u>\$ -</u>	<u>-</u>	<u>\$ 117,170</u>	<u>\$ -</u>	<u>\$ 89,836</u>
LIABILITIES AND FUND BALANCE					
<i>Liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Deposits payable	-	-	-	-	-
Due to other external parties	-	-	-	-	-
Due to other funds	1,750	63,125	-	7,326	321,856
<i>Total liabilities</i>	<u>1,750</u>	<u>63,125</u>	<u>-</u>	<u>7,326</u>	<u>321,856</u>
<i>Fund Balance:</i>					
Nonspendable - inventory	-	-	-	-	-
Restricted for:					
Special revenue funds	-	-	117,170	-	-
Capital projects funds	-	-	-	-	-
Debt service	-	-	-	-	-
Unassigned for:					
General fund	-	-	-	-	-
Special revenue funds	(1,750)	(63,125)	-	(7,326)	(232,020)
Capital projects funds	-	-	-	-	-
Debt service	-	-	-	-	-
<i>Total fund balance (deficit)</i>	<u>(1,750)</u>	<u>(63,125)</u>	<u>117,170</u>	<u>(7,326)</u>	<u>(232,020)</u>
<i>Total liabilities and fund balance</i>	<u>-</u>	<u>-</u>	<u>\$ 117,170</u>	<u>-</u>	<u>89,836</u>

Special Revenue

NM Clean & Beautiful 230	Community Center 250	Fire Donations 260	Allen Fields 510	Motor Vehicle 233	Total Special Revenue Funds
\$ -	\$ -	\$ -	\$ 2,554	\$ 14,197	\$ 237,957
-	-	-	-	8,710	45,533
-	-	-	-	-	-
-	-	-	-	-	71,676
<u>6,288</u>	<u>142,246</u>	<u>604</u>	<u>-</u>	<u>-</u>	<u>1,355,926</u>
<u>\$ 6,288</u>	<u>\$ 142,246</u>	<u>\$ 604</u>	<u>\$ 2,554</u>	<u>\$ 22,907</u>	<u>\$ 1,711,092</u>
-	-	-	-	-	-
-	-	-	-	1,644	12,211
-	-	-	-	-	-
-	-	-	-	-	-
-	428,429	-	41	48,705	1,072,771
-	<u>428,429</u>	<u>-</u>	<u>41</u>	<u>50,349</u>	<u>1,084,982</u>
-	-	-	-	-	-
6,288	-	604	2,513	-	1,379,805
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(286,183)	-	-	(27,442)	(753,695)
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,288</u>	<u>(286,183)</u>	<u>604</u>	<u>2,513</u>	<u>(27,442)</u>	<u>626,110</u>
<u>6,288</u>	<u>142,246</u>	<u>604</u>	<u>\$ 2,554</u>	<u>22,907</u>	<u>1,711,092</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Capital Projects				
	Public Safety Building 310	Capital Projects 312	CB Water Tank 314	Forest Thinning 316	Wildland Urban Interface 317
ASSETS					
Cash and investments	\$ 4,901	\$ 1,995	\$ -	\$ -	\$ -
Receivables:					
Taxes	11,981	-	-	-	-
Special Assessment Districts	-	-	-	-	-
Receivables from external parties	-	-	-	-	-
Due from other funds	592,994	14,599	681,367	20,513	-
<i>Total assets</i>	<u>\$ 609,876</u>	<u>\$ 16,594</u>	<u>\$ 681,367</u>	<u>\$ 20,513</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE					
<i>Liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	3,332	-
Deposits payable	-	-	-	-	-
Due to other external parties	-	-	-	-	-
Due to other funds	11,078	1,995	7,900	1,227	4,128
<i>Total liabilities</i>	<u>11,078</u>	<u>1,995</u>	<u>7,900</u>	<u>4,559</u>	<u>4,128</u>
<i>Fund Balance:</i>					
Nonspendable - inventory	-	-	-	-	-
Restricted for:					
Special revenue funds	-	-	-	-	-
Capital projects funds	598,798	14,599	673,467	15,954	-
Debt service	-	-	-	-	-
Unassigned for:					
General fund	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	(4,128)
Debt service	-	-	-	-	-
<i>Total fund balance (deficit)</i>	<u>598,798</u>	<u>14,599</u>	<u>673,467</u>	<u>15,954</u>	<u>(4,128)</u>
<i>Total liabilities and fund balance</i>	<u>\$ 609,876</u>	<u>\$ 16,594</u>	<u>\$ 681,367</u>	<u>\$ 20,513</u>	<u>\$ -</u>

Capital Projects

Lagoon Cleanup 318	HUD Assessment 319	Transfer Station Construction 320	Transit Facility Construction 321	CIP Water Project 330	GRT Road Project 350	MAP Grant 360
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
42,860	15,409	-	-	-	104,833	266,625
<u>\$ 42,860</u>	<u>\$ 15,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,833</u>	<u>\$ 266,625</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
375,046	15,409	238,253	2,851	37,334	25,365	72,270
<u>375,046</u>	<u>15,409</u>	<u>238,253</u>	<u>2,851</u>	<u>37,334</u>	<u>25,365</u>	<u>72,270</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	79,468	194,355
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(332,186)	-	(238,253)	(2,851)	(37,334)	-	-
-	-	-	-	-	-	-
<u>(332,186)</u>	<u>-</u>	<u>(238,253)</u>	<u>(2,851)</u>	<u>(37,334)</u>	<u>79,468</u>	<u>194,355</u>
<u>\$ 42,860</u>	<u>\$ 15,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,833</u>	<u>\$ 266,625</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

Capital Projects

	Back Basin Road 378	Fire Protection Facility 381	HWY 434 Assessment 507	Total Capital Project Funds
ASSETS				
Cash and investments	\$ -	\$ -	\$ (98,403)	\$ (91,507)
Receivables:				
Taxes	-	-	-	11,981
Special Assessment Districts	-	-	27,586	27,586
Receivables from external parties	-	-	-	-
Due from other funds	45	8,410	567,060	2,314,715
<i>Total assets</i>	<u>\$ 45</u>	<u>\$ 8,410</u>	<u>\$ 496,243</u>	<u>\$ 2,262,775</u>
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	3,332
Deposits payable	-	-	-	-
Due to other external parties	-	-	-	-
Due to other funds	-	-	91,255	884,111
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>91,255</u>	<u>887,443</u>
<i>Fund Balance:</i>				
Nonspendable - inventory	-	-	-	-
Restricted for:				
Special revenue funds	-	-	-	-
Capital projects funds	45	8,410	404,988	1,990,084
Debt service	-	-	-	-
Unassigned for:				
General fund	-	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	(614,752)
Debt service	-	-	-	-
<i>Total fund balance (deficit)</i>	<u>45</u>	<u>8,410</u>	<u>404,988</u>	<u>1,375,332</u>
<i>Total liabilities and fund balance</i>	<u>\$ 45</u>	<u>\$ 8,410</u>	<u>\$ 496,243</u>	<u>\$ 2,262,775</u>

<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
Ambulance Debt Service Fund 405	<u>Totals</u>
\$ -	146,450
-	57,514
-	27,586
-	71,676
-	3,670,641
<u>\$ -</u>	<u>\$ 3,973,867</u>
-	-
-	15,543
-	-
-	-
<u>17,728</u>	<u>1,974,610</u>
<u>17,728</u>	<u>1,990,153</u>
-	-
-	1,379,805
-	1,990,084
-	-
-	-
-	-
-	(753,695)
-	(614,752)
<u>(17,728)</u>	<u>(17,728)</u>
<u>(17,728)</u>	<u>1,983,714</u>
<u>\$ -</u>	<u>\$ 3,973,867</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Special Revenue</u>			
	Corrections Fund 201 & 210	Safer Grant 205	State EMS 206	Wildland Fires 208
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, fees and fines	3,809	-	-	-
Charges for services	-	-	803	55,795
Intergovernmental - state sources	-	-	7,962	-
Intergovernmental - federal sources	-	9,887	-	-
Special assessments	-	-	-	-
Contributions and donations	-	-	-	-
Investment earnings	-	-	-	-
Other	-	-	-	-
<i>Total revenues</i>	<u>3,809</u>	<u>9,887</u>	<u>8,765</u>	<u>55,795</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	75	18,001	20,698	17,511
Economic and physical development	-	-	-	-
Highways and streets	-	-	-	-
Health	-	-	-	-
Culture and recreation	-	-	-	-
Planning	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and administrative fees	-	-	-	-
<i>Total expenditures</i>	<u>75</u>	<u>18,001</u>	<u>20,698</u>	<u>17,511</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>3,734</u>	<u>(8,114)</u>	<u>(11,933)</u>	<u>38,284</u>
<i>Other financing sources (uses):</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	3,734	(8,114)	(11,933)	38,284
<i>Fund balances (deficits) - beginning of year</i>	<u>43,295</u>	<u>(97,494)</u>	<u>(13,241)</u>	<u>242,236</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ 47,029</u>	<u>\$ (105,608)</u>	<u>\$ (25,174)</u>	<u>\$ 280,520</u>

Special Revenue

State Fire Protection 209	LEPF Fund 211	Traffic Safety DWI Fund 212	Lodgers Tax 213	NM Tourism Grant 214
\$ -	\$ -	\$ -	\$ 257,974	\$ -
-	-	-	-	-
-	-	-	-	-
162,009	29,253	1,716	-	40,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	15,783	-	-	-
<u>162,009</u>	<u>45,036</u>	<u>1,716</u>	<u>257,974</u>	<u>40,000</u>
-	-	-	-	-
50,979	7,416	113	-	-
-	-	-	81,588	-
-	-	-	-	-
-	-	-	-	-
-	-	-	67,226	45,067
-	-	-	-	-
-	36,076	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>50,979</u>	<u>43,492</u>	<u>113</u>	<u>148,814</u>	<u>45,067</u>
<u>111,030</u>	<u>1,544</u>	<u>1,603</u>	<u>109,160</u>	<u>(5,067)</u>
-	-	-	-	-
(67,574)	-	-	(40,800)	-
-	-	-	-	-
<u>(67,574)</u>	<u>-</u>	<u>-</u>	<u>(40,800)</u>	<u>-</u>
43,456	1,544	1,603	68,360	(5,067)
<u>344,885</u>	<u>1,907</u>	<u>-</u>	<u>463,926</u>	<u>-</u>
<u>\$ 388,341</u>	<u>\$ 3,451</u>	<u>\$ 1,603</u>	<u>\$ 532,286</u>	<u>\$ (5,067)</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue				
	Lodgers				
	Tax Chamber	Public Works	Sports & Recreation	Shuter Library	Transit 5311
	215	216	217	219	224
<i>Revenues:</i>					
Taxes	-	\$ -	\$ -	\$ -	\$ -
Licenses, permits, fees and fines	-	-	-	-	-
Charges for services	-	-	131,928	-	-
Intergovernmental - state sources	-	-	-	-	-
Intergovernmental - federal sources	-	-	-	-	-
Special assessments	-	-	-	-	-
Contributions and donations	-	-	12,000	-	-
Investment earnings	-	-	1	-	-
Other	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>143,929</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
Current					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Economic and physical development	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	7,922	-	-
Planning	-	-	-	-	-
Capital outlay	-	-	6	-	-
Debt service					
Principal	-	-	-	-	-
Interest and administrative fees	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>7,928</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>136,001</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Transfers in	-	-	-	-	-
Transfers out	-	-	(139,883)	-	-
Proceeds from issuance of debt	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(139,883)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(3,882)	-	-
<i>Fund balances (deficits) - beginning of year</i>	<u>(1,750)</u>	<u>(63,125)</u>	<u>121,052</u>	<u>(7,326)</u>	<u>(232,020)</u>
<i>Fund balances (deficits) - end of year</i>	<u>(1,750)</u>	<u>\$ (63,125)</u>	<u>\$ 117,170</u>	<u>\$ (7,326)</u>	<u>\$ (232,020)</u>

Special Revenue

NM Clean & Beautiful 230	Community Center 250	Fire Donations 260	Allen Fields 510	Motor Vehicle 233	Total Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 257,974
-	-	-	-	-	3,809
-	-	-	-	49,937	238,465
212	-	-	-	-	241,152
-	-	-	-	-	9,887
-	-	-	-	-	-
300	-	-	-	-	12,300
-	-	-	-	2	4
-	-	-	2,554	-	18,336
<u>512</u>	<u>-</u>	<u>-</u>	<u>2,554</u>	<u>49,939</u>	<u>781,927</u>
-	-	-	-	-	-
-	-	-	-	-	114,794
-	-	-	-	-	81,589
-	-	-	41	31,741	31,782
-	-	-	-	-	-
1,525	-	-	-	-	121,740
-	-	-	-	-	-
-	-	-	-	-	36,082
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,525</u>	<u>-</u>	<u>-</u>	<u>41</u>	<u>31,741</u>	<u>385,987</u>
<u>(1,013)</u>	<u>-</u>	<u>-</u>	<u>2,513</u>	<u>18,198</u>	<u>395,940</u>
-	-	-	-	-	-
-	-	-	-	-	(248,257)
-	-	-	-	-	-
-	-	-	-	-	(248,257)
(1,013)	-	-	2,513	18,198	147,683
<u>7,301</u>	<u>(286,183)</u>	<u>604</u>	<u>-</u>	<u>(45,640)</u>	<u>478,427</u>
<u>\$ 6,288</u>	<u>\$ (286,183)</u>	<u>\$ 604</u>	<u>\$ 2,513</u>	<u>\$ (27,442)</u>	<u>\$ 626,110</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Capital Projects				
	Public Safety Building 310	Capital Projects 312	CB Water Tank 314	Forest Thinning 316	Wildland Urban Interface 317
<i>Revenues:</i>					
Taxes	\$ 92,670	\$ -	\$ -	\$ -	\$ -
Licenses, permits, fees and fines	-	-	-	-	-
Charges for services	-	-	-	-	-
Intergovernmental - state sources	-	3,160	-	-	-
Intergovernmental - federal sources	-	-	-	-	-
Special assessments	-	-	-	-	-
Contributions and donations	-	-	-	-	-
Investment earnings	-	-	-	-	-
Other	-	-	-	-	-
<i>Total revenues</i>	<u>92,670</u>	<u>3,160</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
Current					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Economic and physical development	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Planning	-	-	-	-	-
Capital outlay	(14,499)	58,439	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest and administrative fees	-	-	-	-	-
<i>Total expenditures</i>	<u>(14,499)</u>	<u>58,439</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>107,169</u>	<u>(55,279)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from issuance of debt	-	58,439	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>58,439</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	107,169	3,160	-	-	-
<i>Fund balances (deficits) - beginning of year</i>	<u>491,629</u>	<u>11,439</u>	<u>673,467</u>	<u>15,954</u>	<u>(4,128)</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ 598,798</u>	<u>\$ 14,599</u>	<u>\$ 673,467</u>	<u>\$ 15,954</u>	<u>\$ (4,128)</u>

Capital Projects

Lagoon Cleanup 318	HUD Assessment 319	Transfer Station Construction 320	Transit Facility Construction 321	CIP Water Project 330	GRT Road Project 350	COOP/ MAP Grants 360	Back Basin 378
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	60,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	20,000	-
-	-	-	-	-	-	80,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	86,770	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	5,094	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	91,864	-
-	-	-	-	-	-	(11,864)	-
-	-	-	-	-	-	-	-
(205,949)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(205,949)	-	-	-	-	-	-	-
(205,949)	-	-	-	-	-	(11,864)	-
(126,237)	-	(238,253)	(2,851)	(37,334)	79,468	206,219	45
\$ (332,186)	\$ -	\$ (238,253)	\$ (2,851)	\$ (37,334)	\$ 79,468	\$ 194,355	\$ 45

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Capital Projects</u>		
	Fire Protection Facility 381	HWY 434 Assessment 507	Total Capital Project Funds
<i>Revenues:</i>			
Taxes	\$ -	\$ -	\$ 92,670
Licenses, permits, fees and fines	-	-	-
Charges for services	-	-	-
Intergovernmental - state sources	-	-	63,160
Intergovernmental - federal sources	-	-	-
Special assessments	-	150,544	150,544
Contributions and donations	-	-	-
Investment earnings	-	-	-
Other	-	-	20,000
<i>Total revenues</i>	<u>-</u>	<u>150,544</u>	<u>326,374</u>
<i>Expenditures:</i>			
Current			
General government	-	-	-
Public safety	-	-	-
Economic and physical development	-	-	-
Highways and streets	-	-	86,770
Health	-	-	-
Culture and recreation	-	-	-
Planning	-	-	-
Capital outlay	-	-	49,034
Debt service			
Principal	-	-	-
Interest and administrative fees	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>135,804</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>150,544</u>	<u>190,570</u>
<i>Other financing sources (uses):</i>			
Transfers in	-	-	-
Transfers out	-	-	(205,949)
Proceeds from issuance of debt	-	-	58,439
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(147,510)</u>
<i>Net change in fund balances</i>	-	150,544	43,060
<i>Fund balances (deficits) - beginning of year</i>	<u>8,410</u>	<u>254,444</u>	<u>1,332,272</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ 8,410</u>	<u>\$ 404,988</u>	<u>\$ 1,375,332</u>

Debt Service Ambulance Debt Service Fund 405	Total Nonmajor Governmental Funds
	Totals
\$ -	350,644
-	3,809
-	238,465
-	304,312
-	9,887
-	150,544
-	12,300
-	4
-	38,336
-	<u>1,108,301</u>
-	
-	114,794
-	81,589
-	118,552
-	-
-	121,740
-	-
-	85,116
-	-
-	-
-	<u>521,791</u>
-	
-	<u>586,510</u>
-	
-	-
-	(454,206)
-	58,439
-	<u>(395,767)</u>
-	
-	190,743
(17,728)	<u>1,792,971</u>
<u>\$ (17,728)</u>	<u>\$ 1,983,714</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
CORRECTIONS - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Licenses, permits, fees & fines	\$ 5,396	\$ 5,396	\$ 3,809	\$ (1,587)
<i>Total revenues</i>	<u>5,396</u>	<u>5,396</u>	<u>3,809</u>	<u>(1,587)</u>
<i>Expenditures:</i>				
Public safety	5,396	5,396	75	5,321
<i>Total expenditures</i>	<u>5,396</u>	<u>5,396</u>	<u>75</u>	<u>5,321</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>3,734</u>	<u>\$ 3,734</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 3,734</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SAFER GRANT - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Federal Grants	\$ 19,658	\$ 19,658	\$ -	\$ (19,658)
<i>Total revenues</i>	<u>19,658</u>	<u>19,658</u>	<u>-</u>	<u>(19,658)</u>
<i>Expenditures:</i>				
Public Safety	19,658	19,658	18,386	1,272
<i>Total expenditures</i>	<u>19,658</u>	<u>19,658</u>	<u>18,386</u>	<u>1,272</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>(18,386)</u>	<u>\$ (18,386)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			385	
Changes in deferrals			<u>9,887</u>	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (8,114)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
EMERGENCY MEDICAL SERVICES - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
State operating grants	\$ 7,962	\$ 7,962	\$ 7,962	\$ -
Charges for services	2,000	2,000	803	(1,197)
<i>Total revenues</i>	<u>9,962</u>	<u>9,962</u>	<u>8,765</u>	<u>(1,197)</u>
<i>Expenditures:</i>				
Public safety	8,962	8,962	20,698	(11,736)
<i>Total expenditures</i>	<u>8,962</u>	<u>8,962</u>	<u>20,698</u>	<u>(11,736)</u>
<i>Net change in fund balances</i>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>(11,933)</u>	<u>\$ (12,933)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (11,933)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
WILDLAND FIRES - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Charges for services	\$ 100,000	\$ 100,000	\$ 46,129	\$ (53,871)
<i>Total revenues</i>	<u>100,000</u>	<u>100,000</u>	<u>46,129</u>	<u>(53,871)</u>
<i>Expenditures:</i>				
Public safety	45,000	45,000	24,138	20,862
<i>Total expenditures</i>	<u>45,000</u>	<u>45,000</u>	<u>24,138</u>	<u>20,862</u>
<i>Net change in fund balances</i>	<u>\$ 55,000</u>	<u>\$ 55,000</u>	<u>21,991</u>	<u>\$ (33,009)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			6,627	
Changes in deferrals			<u>9,666</u>	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 38,284</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
FIRE PROTECTION - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
State capital grants	\$ 130,532	\$ 130,532	\$ 162,009	\$ 31,477
<i>Total revenues</i>	<u>130,532</u>	<u>130,532</u>	<u>162,009</u>	<u>31,477</u>
<i>Expenditures:</i>				
Public safety	69,206	69,206	47,197	22,009
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>69,206</u>	<u>69,206</u>	<u>47,197</u>	<u>22,009</u>
<i>Other financing sources (uses)</i>				
Transfers out	(61,326)	(61,326)	(67,574)	(6,248)
<i>Total other financing sources (uses)</i>	<u>(61,326)</u>	<u>(61,326)</u>	<u>(67,574)</u>	<u>(6,248)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>47,238</u>	<u>\$ 47,238</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			(3,782)	
Changes in deferrals			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 43,456</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
LAW ENFORCEMENT PROTECTION- SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
State operating grants	\$ 21,800	\$ 21,800	\$ 21,800	\$ -
Other	-	15,783	15,783	-
<i>Total revenues</i>	<u>21,800</u>	<u>37,583</u>	<u>37,583</u>	<u>-</u>
<i>Expenditures:</i>				
Public safety	21,800	21,800	7,416	14,384
Capital Outlay	-	15,783	36,076	(20,293)
<i>Total expenditures</i>	<u>21,800</u>	<u>37,583</u>	<u>43,492</u>	<u>(5,909)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>(5,909)</u>	<u>\$ (5,909)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			7,453	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 1,544</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
TRAFFIC SAFETY DWI- SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Revenues	\$ 5,273	\$ 5,273	\$ 1,715	\$ (3,558)
Other	-	-	-	-
<i>Total revenues</i>	<u>5,273</u>	<u>5,273</u>	<u>1,715</u>	<u>(3,558)</u>
<i>Expenditures:</i>				
Public safety	5,273	5,273	112	5,161
Capital Outlay	-	-	-	-
<i>Total expenditures</i>	<u>5,273</u>	<u>5,273</u>	<u>112</u>	<u>5,161</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>1,603</u>	<u>\$ 1,603</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals				
Net Change in Fund Balances (GAAP Basis)			<u>\$ 1,603</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
LODGERS TAX RESERVE- SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 235,000	\$ 235,000	\$ 264,780	\$ 29,780
<i>Total revenues</i>	<u>235,000</u>	<u>235,000</u>	<u>264,780</u>	<u>29,780</u>
<i>Expenditures:</i>				
Economic & physical development	100,000	100,000	74,712	25,288
Culture and recreation	90,600	90,600	67,226	23,374
<i>Total expenditures</i>	<u>190,600</u>	<u>190,600</u>	<u>141,938</u>	<u>48,662</u>
<i>Other financing sources (uses)</i>				
Transfers out	(40,800)	(40,800)	(40,800)	-
<i>Total other financing sources (uses)</i>	<u>(40,800)</u>	<u>(40,800)</u>	<u>(40,800)</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 3,600</u>	<u>\$ 3,600</u>	<u>82,042</u>	<u>\$ (18,882)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			(6,876)	
Changes in deferrals			(6,806)	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 68,360</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
NM TOURISM GRANT - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
State Operating Grant	\$ -	\$ 40,000	\$ 14,834	\$ (25,166)
<i>Total revenues</i>	<u>-</u>	<u>40,000</u>	<u>14,834</u>	<u>(25,166)</u>
<i>Expenditures:</i>				
Culture and recreation	-	40,000	45,067	(5,067)
<i>Total expenditures</i>	<u>-</u>	<u>40,000</u>	<u>45,067</u>	<u>(5,067)</u>
<i>Other financing sources (uses)</i>				
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>(30,233)</u>	<u>\$ (20,099)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			25,166	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (5,067)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SPORTS AND RECREATION - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	148,800	148,800	135,302	(13,498)
Contributions and donations	-	-	12,000	12,000
Investment earnings	-	-	1	1
Other	-	-	-	-
<i>Total revenues</i>	<u>148,800</u>	<u>148,800</u>	<u>147,303</u>	<u>(1,497)</u>
<i>Expenditures:</i>				
Culture and recreation	9,000	9,000	7,928	1,072
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>9,000</u>	<u>9,000</u>	<u>7,928</u>	<u>1,072</u>
<i>Other financing sources (uses)</i>				
Transfers out	(129,761)	(129,761)	(139,883)	(10,122)
<i>Total other financing sources (uses)</i>	<u>(129,761)</u>	<u>(129,761)</u>	<u>(139,883)</u>	<u>(10,122)</u>
<i>Net change in fund balances</i>	<u>\$ 10,039</u>	<u>\$ 10,039</u>	<u>(508)</u>	<u>\$ (10,547)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			(3,374)	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (3,882)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SHUTER LIBRARY - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Intergovernmental - state sources	\$ 3,955	\$ 3,955	\$ -	\$ (3,955)
<i>Total revenues</i>	<u>3,955</u>	<u>3,955</u>	<u>-</u>	<u>(3,955)</u>
<i>Expenditures:</i>				
Public safety	3,955	3,955	-	3,955
<i>Total expenditures</i>	<u>3,955</u>	<u>3,955</u>	<u>-</u>	<u>3,955</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
NM CLEAN & BEAUTIFUL - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Intergovernmental - state sources	\$ 3,000	\$ 3,000	\$ 212	\$ (2,788)
Other			300	300
<i>Total revenues</i>	<u>3,000</u>	<u>3,000</u>	<u>512</u>	<u>(2,488)</u>
<i>Expenditures:</i>				
Culture and recreation	<u>3,000</u>	<u>3,000</u>	<u>1,525</u>	<u>1,475</u>
<i>Total expenditures</i>	<u>3,000</u>	<u>3,000</u>	<u>1,525</u>	<u>1,475</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,013)</u>	<u>\$ (1,013)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (1,013)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
ALLEN FIELDS - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Other	\$ -	\$ -	\$ 2,554	\$ 2,554
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,554</u>	<u>2,554</u>
<i>Expenditures:</i>				
Culture and Recreation	-	-	41	(41)
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>41</u>	<u>(41)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>2,513</u>	<u>\$ 2,513</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 2,513</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
MVD - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Charges for services	\$ 43,505	\$ 43,505	\$ 50,517	\$ 7,012
Investment earnings	-	-	2	2
<i>Total revenues</i>	<u>43,505</u>	<u>43,505</u>	<u>50,519</u>	<u>7,014</u>
<i>Expenditures:</i>				
Highways and streets	<u>37,528</u>	<u>37,528</u>	<u>29,795</u>	<u>7,733</u>
<i>Total expenditures</i>	<u>37,528</u>	<u>37,528</u>	<u>29,795</u>	<u>7,733</u>
<i>Other financing sources (uses)</i>				
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 5,977</u>	<u>\$ 5,977</u>	<u>20,724</u>	<u>\$ (719)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			(1,946)	
Changes in deferrals			<u>(580)</u>	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 18,198</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
PUBLIC SAFETY BUILDING- CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 52,000	\$ 52,000	\$ 92,516	\$ 40,516
<i>Total revenues</i>	<u>52,000</u>	<u>52,000</u>	<u>92,516</u>	<u>40,516</u>
<i>Expenditures:</i>				
Capital outlay	40,000	40,000	(59,041)	99,041
<i>Total expenditures</i>	<u>40,000</u>	<u>40,000</u>	<u>(59,041)</u>	<u>99,041</u>
<i>Net change in fund balances</i>	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>151,557</u>	<u>\$ 139,557</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			(44,542)	
Changes in deferrals			<u>154</u>	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 107,169</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
CAPITAL PROJECTS - CAPTIAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 127,900	\$ 127,900	\$ -	\$ (127,900)
Intergovernmental - state sources	60,000	60,000	8,349	(51,651)
Other	210,000	210,000	-	(210,000)
<i>Total revenues</i>	<u>397,900</u>	<u>397,900</u>	<u>8,349</u>	<u>(389,551)</u>
<i>Expenditures:</i>				
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	100,000	158,439	58,439	100,000
<i>Total expenditures</i>	<u>100,000</u>	<u>158,439</u>	<u>58,439</u>	<u>100,000</u>
<i>Other financing sources (uses)</i>				
Proceeds from issue of debt	-	58,439	58,439	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>58,439</u>	<u>58,439</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 297,900</u>	<u>\$ 297,900</u>	<u>8,349</u>	<u>\$ (489,551)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			(5,189)	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 3,160</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COOP-MAP GRANTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Intergovernmental - state sources	\$ 60,000	\$ 60,000	\$ 60,000	\$ -
Other	20,000	20,000	20,000	-
<i>Total revenues</i>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>-</u>
<i>Expenditures:</i>				
Highways and streets	39,731	37,731	86,770	(49,039)
Capital outlay	20,000	20,000	5,094	14,906
<i>Total expenditures</i>	<u>59,731</u>	<u>57,731</u>	<u>91,864</u>	<u>(34,133)</u>
<i>Other financing sources (uses)</i>				
Proceeds from issue of debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 20,269</u>	<u>\$ 22,269</u>	<u>(11,864)</u>	<u>\$ (34,133)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (11,864)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
HWY 434 ASSESSMENT -CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Special Assessments	\$ 210,000	\$ 210,000	\$ 136,409	\$ (73,591)
<i>Total revenues</i>	<u>210,000</u>	<u>210,000</u>	<u>136,409</u>	<u>(73,591)</u>
<i>Expenditures:</i>				
Highways and streets	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>210,000</u>	<u>210,000</u>	<u>136,409</u>	<u>(73,591)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(205,940)	(205,940)	-	205,940
<i>Total other financing sources (uses)</i>	<u>(205,940)</u>	<u>(205,940)</u>	<u>-</u>	<u>205,940</u>
<i>Net change in fund balances</i>	<u>\$ 4,060</u>	<u>\$ 4,060</u>	<u>136,409</u>	<u>\$ 132,349</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			14,135	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 150,544</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
DEBT SERVICE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 51,125	\$ 51,125	\$ 3,466	\$ (47,659)
Investment earnings	-	-	655	655
Other	318,594	318,954	-	(318,954)
<i>Total revenues</i>	<u>369,719</u>	<u>370,079</u>	<u>4,121</u>	<u>(365,958)</u>
<i>Expenditures:</i>				
Debt Service				
Principal	1,263,976	1,263,976	653,418	610,558
Interest and administrative fees	407,727	407,727	407,753	(26)
Other	3,289	3,289	-	3,289
<i>Total expenditures</i>	<u>1,674,992</u>	<u>1,674,992</u>	<u>1,061,171</u>	<u>613,821</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,305,273)</u>	<u>(1,304,913)</u>	<u>(1,057,050)</u>	<u>247,863</u>
<i>Other financing sources (uses):</i>				
Proceeds from issuance of debt	-	-	-	-
Transfers in	1,268,167	1,268,167	838,553	(429,614)
<i>Total other financing sources (uses)</i>	<u>1,268,167</u>	<u>1,268,167</u>	<u>838,553</u>	<u>(429,614)</u>
<i>Net change in fund balances</i>	<u>\$ (37,106)</u>	<u>\$ (36,746)</u>	<u>(218,497)</u>	<u>\$ (181,751)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in accruals			-	
Changes in deferrals			910	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (217,587)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
WASTEWATER - ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Sales and Services	\$ 500,000	\$ 500,000	\$ 380,111	\$ (119,889)
Other	-	-	32	32
<i>Total revenues</i>	<u>500,000</u>	<u>500,000</u>	<u>380,143</u>	<u>(119,857)</u>
<i>Expenses:</i>				
Operating expenses	<u>417,716</u>	<u>417,716</u>	<u>695,071</u>	<u>(277,355)</u>
<i>Total expenditures</i>	<u>417,716</u>	<u>417,716</u>	<u>695,071</u>	<u>(277,355)</u>
<i>Non-operating revenues (expenses)</i>				
Transfers in	5,000	5,000	-	5,000
Transfers Out	(337,485)	(337,485)	(69,558)	267,927
Interest expense	-	-	(237,112)	(237,112)
<i>Total Other Financing Sources</i>	<u>(337,485)</u>	<u>(337,485)</u>	<u>(306,670)</u>	<u>30,815</u>
<i>Net change in fund balances</i>	<u>\$ (255,201)</u>	<u>\$ (255,201)</u>	<u>\$ (621,598)</u>	<u>\$ (366,397)</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SOLID WASTE - ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Sales and Services	\$ 871,000	\$ 871,000	\$ 853,269	\$ (17,731)
Other	-	-	46,888	46,888
<i>Total revenues</i>	<u>871,000</u>	<u>871,000</u>	<u>900,157</u>	<u>29,157</u>
<i>Expenses:</i>				
Operating expenses	<u>625,261</u>	<u>625,261</u>	<u>780,791</u>	<u>(155,530)</u>
<i>Total expenses</i>	<u>625,261</u>	<u>625,261</u>	<u>780,791</u>	<u>(155,530)</u>
<i>Non-operating revenues (expenses)</i>				
Transfers in	-	-	-	-
Transfers Out	(194,119)	(194,119)	(51,637)	142,482
Interest	-	-	(37,542)	(37,542)
<i>Total Other Financing Sources</i>	<u>(194,119)</u>	<u>(194,119)</u>	<u>(89,179)</u>	<u>104,940</u>
<i>Net change in fund balances</i>	<u>\$ 51,620</u>	<u>\$ 51,620</u>	<u>\$ 30,187</u>	<u>\$ (21,433)</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
WATER - ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Sales and services	\$ 1,187,000	\$ 1,187,000	\$ 1,126,522	\$ (60,478)
Other	-	-	43	43
<i>Total revenues</i>	<u>1,187,000</u>	<u>1,187,000</u>	<u>1,126,565</u>	<u>(60,435)</u>
<i>Expenses:</i>				
Operating expenses	907,572	907,572	1,185,776	(278,204)
<i>Total expenses</i>	<u>907,572</u>	<u>907,572</u>	<u>1,185,776</u>	<u>(278,204)</u>
<i>Non-operating revenues (expenses)</i>				
Transfers in	-	-	-	-
Transfers Out	(146,682)	(146,682)	(69,659)	77,023
Interest	-	-	-	-
<i>Total Other Financing Sources</i>	<u>(146,682)</u>	<u>(146,682)</u>	<u>(69,659)</u>	<u>77,023</u>
<i>Net change in fund balances</i>	<u>\$ 132,746</u>	<u>\$ 132,746</u>	<u>\$ (128,870)</u>	<u>\$ (261,616)</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2013

	Balance June 30, 2012	Prior Period Adjustment	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
ASSETS						
Cash	\$ 35,555	\$ (13,419)	\$ 22,136	\$ -	\$ (9,269)	\$ 12,867
Due from other funds	10,112	(10,112)		13,108		13,108
<i>Total assets</i>	<u>\$ 45,667</u>	<u>\$ (23,531)</u>	<u>\$ 22,136</u>	<u>\$ 13,108</u>	<u>\$ (9,269)</u>	<u>\$ 25,975</u>
LIABILITIES						
Amounts payable to others (for release bonds)	\$ 8,307	\$ (8,307)	\$ -	\$ 7,531	\$ -	\$ 7,531
Due to other funds	37,360	(15,224)	22,136	4,991	(8,683)	18,444
<i>Total liabilities</i>	<u>\$ 45,667</u>	<u>\$ (23,531)</u>	<u>\$ 22,136</u>	<u>\$ 12,522</u>	<u>\$ (8,683)</u>	<u>\$ 25,975</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF CASH AND TEMPORAY INVESTMENTS ACCOUNTS
YEAR ENDED JUNE 30, 2013

Schedule 1

	<u>Bank Balance</u>
Deposits in Frist National Bank of New Mexico:	
Enterprise Account - Checking	\$ 176,609
Deposits in International Bank:	
Operating Account - Checking	656,539
Allen Fields Op & Maint - Checking	2,556
AF Municipal Court - Checking	4,950
Court Bond Account - Checking	7,527
Payroll - Clearing	22,450
Motor Vehicle Department - Checking	14,115
State EMS Fund - Checking	7,238
State Fire Protection Fund - Checking	104,244
Law Enforcement Protection Fund - Checking	4,554
Lodgers Tax - Checking	112,684
NM Tourism Grant - Checking	20,037
Sports and Recreation Facility Fee - Checking	503
Public Safety Building - Checking	4,901
Debt Service Account - Checking	85,891
434 Infrastructure Construction Project - Checking	20
Ems CPR Classes - Checking	2,412
Capital Projects - Checking	1,995
Total bank balance	<u>1,229,225</u>
Reconciling items:	
Outstanding checks	(251,430)
Deposits in transit	14,321
Total adjustments	<u>(237,109)</u>
Total book balance	992,116
Petty cash fund	275
Investment Accounts:	
Office of State Treasurer - LGIP	1,395
New Mexico Finance Authority - Debt Service Cash Reserves	649,495
Total Investment accounts	<u>650,890</u>
Total cash per book (general ledger)	\$ <u><u>1,643,281</u></u>
Total Cash for Primary Government per Statement of Net Position	1,630,414
Plus Municipal Court Agency Fund - Bond Checking	7,527
Plus Municipal Court Agency Fund - Regular Checking	5,340
Total Cash per Primary Government and Agency Fund	\$ <u><u>1,643,281</u></u>

**STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF PLEDGED COLLATERAL
YEAR ENDED JUNE 30, 2013**

Schedule 2

	<u>International Bank</u>	<u>First National Bank</u>	<u>Total All Banks</u>
Total amount of deposits in bank:			
Enterprise Account - Checking	\$ -	\$ 176,609	\$ 176,609
Operating Account - Checking	656,539	-	656,539
Allen Fields Op & Maint - Checking	2,556	-	2,556
AF Municipal Court - Checking	4,950	-	4,950
Court Bond Account - Checking	7,527	-	7,527
Payroll - Clearing	22,450	-	22,450
Motor Vehicle Department - Checking	14,115	-	14,115
State EMS Fund - Checking	7,238	-	7,238
State Fire Protection Fund - Checking	104,244	-	104,244
Law Enforcement Protection Fund - Checking	4,554	-	4,554
Lodgers Tax - Checking	112,684	-	112,684
NM Tourism Grant - Checking	20,037	-	20,037
Sports and Recreation Facility Fee - Checking	503	-	503
Public Safety Building - Checking	4,901	-	4,901
Debt Service Account - Checking	85,891	-	85,891
434 Infrastructure Construction Project - Checking	20	-	20
Ems CPR Classes - Checking	2,412	-	2,412
Capital Projects - Checking	1,995	-	1,995
Total Deposits	<u>1,052,616</u>	<u>176,609</u>	<u>1,229,225</u>
Less: FDIC insurance	<u>(250,000)</u>	<u>(250,000)</u>	<u>(500,000)</u>
Total Uninsured Public Funds	<u>802,616</u>	<u>(73,391)</u>	729,225
Pledged 50% Collateral Required			364,613
Total Required Collateralization			
Pledged securities:			
FHLB NON CBL CUSIP #3133XKTV7		101,050	
FHLB NON CBL CUSIP #313370JS8		200,907	
FNMA 1.200 12/20/18 '13 CUSIP#3136G12K4		249,943	
Total pledged collateral at June 30, 2013		<u>551,900</u>	<u>551,900</u>
Excess (deficiency)			<u>187,288</u>

STATE OF NEW MEXICO
 VILLAGE OF ANGEL FIRE
 SCHEDULE OF JOINT POWERS AGREEMENT
 FOR THE YEAR ENDED JUNE 30, 2013

Joint Power Agreement	Participants	Responsible Party	Description
Wild Fires	Village of Angel Fire Town of Taos Village of Taos Ski Valley Village of Eagle Nest Town of Red River Village of Questa	Town of Taos	To control wild fires
Emergency Medical Services	Village of Angel Fire Town of Taos Village of Taos Ski Valley Village of Eagle Nest Town of Red River Village of Questa	Joint Responsibility	To provide emergency medical services
Wildfire Suppression	New Mexico Energy, Minerals & Natural Resources Dept. Village of Angel Fire	Village of Angel Fire	To provide wildfire Suppression
Refuse Collection	Village of Angel Fire Colfax County	Joint Responsibility	To provide refuse collection services
Airline Services	Village of Angel Fire Colfax County	Joint Responsibility	Procurement of commercial commuter airline services
Collaboration Forest Restoration Program	Taos Pueblo Rocky Mountain Youth Corps Notional Renewable Energy, LLC H.R. Vigil Small Products Urban Interface Solutions Amigos del Bosque LLC Village of Angel Fire	Joint Responsibility	Work on three projects that have an affect on the Taos Canyon and Angel Fire landscape
Dispatch Services	Village of Angel Fire Red River	Town of Red River	To provided 911 emergency and non-emergency dispatching services for Angel Fire

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF JOINT POWERS AGREEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

Schedule 3

<u>Beginning and Ending Dates</u>	<u>Total estimated Project Amount and Amount Applicable to Village</u>	<u>Amount Contributed by Village during Fiscal year</u>	<u>Audit Responsibility</u>	<u>Fiscal agent and responsible reporting entity</u>
12/19/2001 or until terminated	\$150 annually	\$150	Town of Taos	Town of Taos
7/7/2009 to 6/30/2015	None	None	Town of Red River	Town of Taos
10/21/2003 ongoing until terminated	None	None	New Mexico Energy, Minerals & Natural Resources Deptment	New Mexico Energy, Minerals & Natural Resources Deptment
3/20/2001 or until terminated	None	None	Village of Angel Fire	Colfax County
Fiscal year 2003 with automatic renewal if funds are available	None	None	Village of Angel Fire	Colfax County
3/3/2009 or until completed	None	None	Taos Pueblo	Taos Pueblo
7/01/2001 or until terminated	\$50,000 Annually (four payments of \$12,500 each quarter)	\$50,000	Town of Red River	Town of Red River

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Hector H. Balderas
New Mexico State Auditor
New Mexico State Auditor and
Village of Angel Fire Council
Village of Angel Fire
Angel Fire, New Mexico

Independent Auditor's Report

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type-activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund of the Village of Angel Fire, New Mexico (the "Village") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and the combining and individual funds and related budgetary comparisons of the Village, presented as supplemental information, and have issued our report thereon dated November 11, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses or schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a

combination of deficiencies, in internal control such that there is a reasonable *possibility that a material misstatement of the entity's financial statements will not be prevented*, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: 2009-006 and 2009-008.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies: 2003-004, 2003-009, 2007-002, 2007-003, 2007-004, 2008-002, 2011-001, 2011-002, 2011-004, 2012-003, and 2012-004.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as items: 2003-001, 2003-006, 2005-004, and 2009-001.

The Village's Response to Findings

The Village's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Village's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The logo for Axiom, featuring the word "Axiom" in a stylized, blue, cursive font.

Axiom CPAs and Business Advisors, LLC
Albuquerque New Mexico
November 11, 2014

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS

2003-001 DUE DATE OF AUDIT REPORT (Other Matter) – Repeated and Modified

Conditions: The June 30, 2013 audit report was not filed timely as required by State Auditor Rule NMAC 2.2.2.9.A.

Criteria: Per State Auditor Rule NMAC 2.2.2.9.a, the audited financial statements of local governmental entities are due by December 1 following the fiscal year-end, thus requiring the June 30, 2013 report to be filed by December 1, 2013.

Effect: The Village is in violation of State Auditor Rule NMAC 2.2.2.9.A for the fiscal year ended June 30, 2013. This issue may result in not having accurate financial information for budget preparation or other financial projections. Also, it causes the Village to be placed on the State of New Mexico’s “At-Risk Listing” and it may impact funding received from the State. Additionally, this issue may limit the borrowing ability of the Village precluding it from finishing undertaken projects.

Cause: The books and records were not reconciled until after the due date. In addition, due to turnover and staff in the Village prior to that time period they were behind on several years of audits and the prior audit was not completed until after the due date for the fiscal year 2013 audit report.

Recommendation: The Village should implement accounting policies and procedures that would enable personnel to reconcile the general ledger and prepare for the audit in a timely manner.

Management’s Response: The Village has begun reconciliation of current year account activity, and procedures will be written, or updated in the current year to guide and reinforce all aspects of the general ledger process, to include timely reconciliation of general ledger accounts.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2003-004 INADEQUATE SEGREGATION OF DUTIES (Significant Deficiency) – Repeated and Modified

Conditions: As part of our documentation of the internal controls during the year at the Village we noted that although certain functions have been segregated within the finance department, the same person responsible for reconciling the bank account and making adjusting journal entries is still capable of preparing checks, posting checks, and mailing checks. This person has unrestricted access to the accounting system, check stock and cash receipt ledgers.

Criteria: Segregation of duties is a necessary attribute to safeguard an entity's assets. Section 6-5-2 C NMSA, 1978 states: Entities shall implement internal accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters.

Effect: The lack of segregation of duties increases the risk of asset misappropriation.

Cause: The Village did implement procedures and policies to separate certain functions within the finance department; however, no procedures or controls were implemented to restrict the access of the person who prepares the bank reconciliation to other key functions within the finance department.

Recommendation: The Village should implement controls that restrict this person access to or underlying capability to perform certain functions that are incompatible from a segregation of duties viewpoint with their current job duties. If the Village needs to have the capability to perform those functions for back up or for emergency purposes, the Village should consider using an individual from outside of the finance department for that purpose.

Management's Response: The Village is in the process of tightening internal controls. At present bank statements are reconciled by an employee without access to check stock and limited access to the cash receipt and accounts payable modules, including the ability to post in those modules. At that point in time, the Accounts Payable function was completed by the Financial Specialist, with the Utility Clerk serving as the backup as necessary. Those two individuals were, and continue to be the only ones with keys to the drawer or cabinet storing Accounts Payable checks. The preparation of bank reconciliations was completed by the Finance Director or outside parties.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2003-006 BUDGET OVERAGES (Non-compliance) – Repeated and Modified

Condition: During our analysis of budget to actual reports for the year ended June 30, 2013, we noted the expenditures in the following funds exceeded the budgeted amounts:

Emergency Medical Services	\$	(11,736)
Law Enforcement Protection Fund		(5,909)
NM Tourism Grant		(5,067)
Allen Fields		(41)
COOP-Map Grant		(34,133)
WasteWater Fund		(248,299)
Solid Waste Fund		(123,227)
Water Fund		(62,680)
Total	\$	<u>(491,092)</u>

Criteria: State Statute 6-6-6 NMSA 1978 from HB 565 requires that local government spending does not exceed budgeted amounts at the fund level, unless the Commission approves a budget adjustment.

Effect: The Village is in violation of State Statute 6-6-6 NMSA.

Cause: The Village did not have proper budgetary controls, including budget to actual analysis.

Recommendation: We recommend the Village develops and adheres to a system that tracks the budget effectively to ensure budgetary compliance.

Management’s Response: The Village’s Finance Department has implemented controls to avoid budget overages in the future. When a department submits a Purchase Requisition, or voucher, the Finance Specialist - or another employee within the Finance Department in the absence of the Finance Specialist - verifies the correct line item general ledger coding and verifies the amount is within the department’s budget.

Each department is given copies of their financial statements on a monthly basis. On a quarterly basis, departments are responsible for the preparation of budget adjustments within their budget without increasing their total approved budget. For future fiscal years this procedure should keep budgets in line with actual expenditures.

VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2003-009 UTILITY ACCOUNTS RECEIVABLE (Significant Deficiency) – Repeated

Condition: The Village has no formal written procedure in place for approving utility billing account adjustments before an adjustment is made to accounts receivable.

Criteria: The *Codification of Statements on Auditing Standards* (SAS AU) paragraph 110.03 states that the financial statements are management's responsibility. Management is responsible for adopting sound accounting policies, and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management's assertions embodied in the financial statements.

Effect: The Village may not have accurate information to make informed financial decisions with regard to accounts receivable.

Cause: Periodic reviews of the detail aging of accounts receivable are currently not being performed. The Village does not have a policy governing the adjustment of accounts receivable.

Recommendation: We recommend the Village establish a written policy governing the approval of accounts receivable adjustments and perform periodic reconciliations of unapplied utility credits to track customer credits properly.

Management's Response: The Village will develop written procedures relative to the accounts receivable adjustment process as well as the reconciliation of unapplied utility credit general ledger accounts.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2005-004 UNBILLED WATER RECEIVABLE (Non-compliance) – Repeated

Condition: The Village does not have a process to track water delivered to customers but not billed as of month-end. The date between a customer’s meter reading and the date the billing is processed ranges from one to three weeks. The water pumped during this time is billed in the next period. Because there is not a process in place, the amount unbilled is undeterminable.

Criteria: Generally Accepted Accounting Principles require assets and revenues to be recorded when they are earned, regardless of when the cash flow occurs. The enterprise funds report financial transactions on the full accrual method. Therefore, the unbilled receivable and related revenue should be estimated and appropriately reflected on the books at the end of the reporting period.

Effect: The Village’s lack of formal procedures regarding the accrual process may lead the Village to understate its assets and revenues in the enterprise funds at year-end.

Cause: The Village lacked awareness or familiarity with the GAAP requirements.

Recommendation: The Village should develop a method to track and record the unbilled receivable at month-end.

Management’s Response: The Village Manager has begun billing cycle enhancements to include timely billing.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2007-002 UNLOCATED ACCOUNTING RECORDS (Significant Deficiency) – Repeated and Modified

Condition: The Village was not able to produce the following documents requested for the audit of various sections:

- During out testwork over unrecorded receivables, for five out of 47 tested, the Village was unable to provide supporting documentation for the transaction which was a Journal entry.

Criteria: State Auditor Rule 2.2.2.8.2 and Section 12-6-5 NMSA 1978 require good accounting practices to be followed and adequate accounting records to be maintained.

Effect: The Village's improper upkeep of supporting documentation can cause alterations to the accounting records and lead to financial information being materially inaccurate.

Cause: The Village lacked internal controls over record keeping as prescribed by the State Auditor Rule.

Recommendation: We recommend the Village implement policies to ensure that records and documentation are maintained adequately to support balances per accounting records.

Management's Response: Procedures will be written to ensure records and documentation is adequately maintained to support balances per accounting records.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2007-003 JOURNAL ENTRY (JE) PROCESS (Significant Deficiency) – Repeated and Modified

Condition: It was noted during our discussions with Village personnel in regards to the JE process that although the Village only granted the Finance Director authorization for making and posting adjusting journal entries, the staff in the finance department still had access in the accounting software to make general ledger adjustments.

Criteria: Good internal controls require that access to posting journal entries be limited to personnel not involved in the processing of accounts payable, cash receipts, payroll, and other financial functions.

Effect: Access to posting journal entries by financial staff weakens internal controls by giving an individual who perpetuates a fraud the ability to cover the accounting trail with a journal entry.

Cause: Although the Village authorized only the finance director to post journal entries, no system controls were implemented in the accounting software system to prevent other finance staff from access to posting journal entries.

Recommendation: We recommend the Village implement policies and procedures to ensure that access privileges to posting JE is limited to the Finance Director.

Management's Response: The Village will evaluate the risk relative to the posting of journal entries and determine posting privileges to be given to Finance staff.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2007-004 INADEQUATE ACCOUNTING RECORDS (Significant Deficiency) – Repeated and Modified

Condition: During our review over credit card transactions, we noted that there was no evidence that the credit card reconciliation forms were reviewed or approved prior to payment.

Criteria: Per Section 6-6-3 NMSA 1978 every local public body shall: keep all the books, records and accounts in their respective offices in the form prescribed by the local government division; make all reports as may be required by the local government division; and conform to the rules and regulations adopted by the local government division. Also, good internal controls and sound business practice require that the Village develop policies and procedures for internal controls over disbursements.

Effect: Due to the lack of the review and approval process, the financial information generated by the system directly may not be reliable.

Cause: The Village Finance Director indicated that she reviews the credit card reconciliation form but that she does not document this control step with her signature on the form.

Recommendation: We recommend the Village establish proper review and approval processes for all credit card financial transactions and that Village ensure that there is documented evidence of the control step being performed.

Management's Response: The Village will review credit card transaction approval procedures and formalize a procedure to ensure the necessary approvals are attained.

VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2008-002 TIMELINESS OF DUE TO/DUE FROM REVERSALS (Significant Deficiency) – Repeated

Condition: Some Interfund transfers on the Village remained unchanged from FY 2012 to FY 2013.

Criteria: Good accounting practices require entities to properly categorize cash transfers to reflect financial events being recorded in the financial records. Since the Interfund transactions are classified on the financial statements as current, the balances must be reversed within one year.

Effect: The Village is not maintaining adequate controls over the timeliness of due to/due from reversals and increases the risk of misappropriation of assets or liabilities.

Cause: The Village lacked management oversight and there is a lack of familiarity with the model of accounting practices requirements.

Recommendation: We recommend the Village properly train its accounting personnel on the requirements of accounting practices, especially in regards to due to/due from and accruals/deferrals.

Management's Response: Management is aware of deficiencies in the accounting for interfund transactions as well as period end accrual and deferral entries and will be addressing training issues as necessary.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2009-001 UNBUDGETED ACTIVITY (Significant Deficiency & Non-compliance) – Repeated and Modified

Condition: The Village did not budget for the Allen Fields fund that had activity in FY 2013.

Criteria: Section 6-6-1, NMSA 1978 requires the establishment of an official operating budget.

Effect: The Village is in violation of section 6-6-1 of NMSA 1978.

Cause: The Village created the fund during the year and did not submit a budget adjustment request to the State of New Mexico Department of Finance and Administration.

Recommendation: We recommend the Village establishes a budget for each fund on annual basis and aside by restrictions of such budget.

Management's Response: The Village will establish budgets and monitor activity for all funds per Section 6-6-1 of NMSA 1978 in the future.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2009-006 CONTROL ENVIRONMENT (Material Weakness) – Repeated and Modified

Condition: During our audit process, we noted a lack of adequate control environment, as identified in the following issues:

- The Village does not reconcile the accounts on an on-going basis, but rather performs reconciliation at the end of the year, along with the preparation for the audit.
- The Village does not have a process in place to remedy findings from prior year audits. Several findings have been repeated for over five fiscal periods.
- The Village has several deficit fund balances

Criteria: Per SAO Rule 2.2.2.8 J (2), the agency shall maintain adequate accounting records. This includes performing reconciliations on a timely basis to ensure accuracy of account balances during the year, implementing an adequate review process of those records and implementing a sound environment in which significant errors are mitigated.

Effect: Numerous and significant errors were identified during the audit of the financial statements of the Village.

Cause: The Village lacked adequate staffing in the accounting and finance departments.

Recommendation: We recommend the Village implements policies and procedures that would require reconciliations be performed and reviewed throughout the year, findings be addressed and corrected, and an adequate control environment be established.

Management's Response: The Village is committed to staffing the Finance Department with the necessary number of appropriately trained staff. Management recognizes that time devoted to catching up on prior year audits results in deficiencies in current year reconciling, procedure documentation, and training and is committed to resolving the backlog and staffing issues within Finance.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2009-008 SAS-115 – INEFFECTIVE OVERSIGHT OF THE FINANCIAL REPORTING AND INTERNAL CONTROLS (Material Weaknesses) – Repeated

Condition: While conducting our audit for fiscal year 2013, we noted the Village did not prepare month end account reconciliations in a timely manner, and year-end financial schedules in accordance with Generally Accepted Accounting Principles (GAAP) and Government Accounting Standards Board (GASB) Statements. In addition, several audit adjustments for the Village were required in excess of the customary year-end adjustments. In general, the Village should be able to produce accurate and timely financial information to enable well-informed business decisions to be made on a daily basis.

Criteria: Per Statement of Auditing Standard (SAS) 115, Communicating Internal Control Related Matters Identified in an Audit, the auditor must determine whether the client has sufficient accounting competence and knowledge to detect or prevent a misstatement or error in the financial reporting. The Village should possess the ability to perform accounting transactions in addition to understanding the process. A system of internal controls over the preparation of the financials does not stop at the general ledger; rather it includes controls over the preparation of the financial statements and supporting schedules as well.

Effect: The Village may not have timely and accurate financial information to make informed financial decisions. The fact that the Village currently does not have the capacity to prepare the financial statements diminishes the adequacy of the internal controls that are present. There is no adequate and experience personnel that is able to properly apply GAAP and GASB year-end financial statements.

Cause: The Village lacks sufficient qualified accounting personnel and experience to provide accurate and reliable financial information.

Recommendation: We recommend the Village develop and implement internal controls over the financial reporting process to facilitate the production of timely and accurate financial statements and required disclosures. We also recommend that the Village ensure that it has qualified and trained personal on staff to prepare timely and accurate quarterly reports and year-end financial statements in accordance with GAAP and GASB.

Management's Response: The Village management is aware of the deficiency in internal controls and knowledge relative to financial statement and quarter end reporting and is committed to staffing the Finance Department with the necessary number of appropriately trained staff.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2011-001 INTERNAL CONTROL OVER CASH DISBURSEMENTS (Significant Deficiency) – Repeated and Modified

Condition: During our testwork of cash disbursements we noted the following:

- In 16 disbursements out of 34 tested totaling \$13,823, we noted that there was no evidence that the voucher was initialed indicating that the vendor invoice was matched or checked against the Purchase Order prior to payment.
- In 13 disbursements out of 34 tested totaling \$8,208, we noted that either no purchase order was created or there was no evidence that voucher was approved by an authorized signer.

Criteria: According to the Village’s Purchasing Policies, a purchase requisition and purchase order must be issued for all non-routine and non-recurring purchases. The Village is required to implement written policies and procedures for purchasing which shall be in compliance with the procurement Code, Section 12-1-21 et seq., NMSA 1978.

Effect: When purchases are made without proper authorization, items could be procured that are inappropriate and/or unallowed and the risk of misappropriation is increased.

Cause: The controls over the vouchers, purchase orders, and invoices operated differently throughout the year due to personnel changes at the Village and due to the implementation of new purchasing processes that were initiated by the new Finance Director.

Recommendation: We recommend all Requisition/Purchase Orders be completed and authorized for all purchases regardless of amount. We also recommend the Village train employees on the purchasing procedure and implement new procedures to properly review and approve expenditures.

Management’s Response: : Management will review the Procurement Code, Section 12-1-21 et seq., NMSA 1978, change Village procedures as necessary, and implement and train staff according to the revised purchasing procedure.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2011-002 BANK RECONCILIATION (Significant Deficiency) – Repeated and Modified

Condition: Bank reconciliations were not being reviewed by someone independent of the bank reconciliation process during the year.

Criteria: Section 6-6-3 NMSA, 1978 discusses the need for the Village to keep all the books, records and accounts in their respective office in the form prescribed by the local government division and conform to the rules and regulations adopted by the local government division. Good accounting practices require that bank reconciliations be performed monthly and reviewed by someone independent of the preparation process to ensure that cash receipts and cash disbursements are recorded in a correct and timely manner and that differences or errors be followed up and corrected in a timely manner.

Effect: Bank reconciliations and general ledger balances may be incomplete or erroneous. The lack of timely review of bank reconciliations may cause the financial statements to be incorrect. In addition, asset misappropriation may go unnoticed.

Cause: It appears that a large volume of cash activity with low staffing levels in the Accounting Department may be the cause.

Recommendation: The Village should establish and implement procedures to ensure that a supervisor review and approve all bank reconciliations. Staffing levels should be increased to ensure that bank reconciliations are performed in a timely manner.

Management's Response: Management has become aware of how critical the bank reconciliation process is to the Village's overall accounting function. Procedures will be put in place to ensure bank statement reconciliations are prepared promptly and outstanding items are researched and resolved in a timely manner, and appropriate oversight is present.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2011-004 DFA BUDGET VARIATION IN ACCOUNTING RECORDS (Significant Deficiency) – Repeated

Condition: During our audit process we noted that while the Village has an approved budget by the Department of Finance and Administration (DFA), the approved budget was different from the budgetary details maintained in the accounting system.

Criteria: Per Section 6-6-3 NMSA 1978, every local public body shall:

- Keep all the books, records and accounts in their respective offices in the form prescribed by the local government division.
- Make all reports as may be required by the local government division.
- Conform to the rules and regulations adopted by the local government division.

Effect: As a result, the Village is in non-compliance with New Mexico state law, and the control established by the use of budget has been compromised. Continued variation of budget balances may lead to inappropriate funding of the Village.

Cause: The Village was unable to make the appropriate budgetary adjustments to reconcile budget accurately.

Recommendation: We recommend that the Village establish a policy of budgetary review at year-end and make the necessary budget adjustments.

Management's Response: The budget review process will be examined and appropriate procedures will be developed to ensure the Village complies with the requirements of Section 6-6-3 NMSA 1978.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2012-003 UPDATED POLICY AND PROCEDURE MANUALS (Significant Deficiency) – Repeated

Condition: The Village does not have current or updated written and approved policy and procedure manual over several of the main financial operational areas such as accounting, accounts payable and payroll. They do not include internal control written policies and procedures that address key internal control areas such as segregation of duties, transaction approvals and reviews, and account reconciliations.

Criteria: NMSA 6-5-2 C states that Entities shall implement internal controls designed to prevent accounting errors and violations of state and federal laws and rules relating to financial matters. Approved written policy and procedure manuals are a key element in an entity's internal accounting controls system.

Effect: The accuracy and reliability of Village's financial information and compliance with state and federal laws is more at risk.

Cause: During the year the Village has experienced personnel changes and some changes in financial procedures and the focus of staffing resources have been to getting the Village's records up to-date.

Recommendation: The development of written policies and procedures can be very timely and can take up a significant amount of limited staff time and resources. The Village should consider trying to reach out to similar local governments with similar operations and request copies of their accounting, accounts payment, procurement, and payroll policy and procedure manuals and then modify and tailor them to meet the operations of the Village.

Management's Response: Management will evaluate the options relative to timely completing written policies and procedures to enhance performance within the Finance Department as soon as possible.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS (CONTINUED)

2012-004 MONITORING AND TRACKING OF AMBULANCE RECEIVABLES (Significant Deficiency) – Repeated

Condition: The Village does not have policies and procedures in place to properly monitor and account for the out sourcing of ambulance transport billings services and for the tracking of outstanding ambulance transport accounts receivables. Beginning in 2008, the Village contracted with a third party for the billing of ambulance transport services. The Village Emergency Medical Services (EMS) Department provides the third party contractor with a report of the ambulance transport services provided by the Village. The third party contractor uses the report to prepare an invoice to either bill the patient or the patient’s insurance provider. The invoice generated by the third party contractor states that all remittances are to be sent to the Village’s address in the form of a check or by credit card payment. There are no reports sent to the Village by the contractor for comparison of amounts billed and collected and for the review of outstanding balances.

Criteria: Good accounting practices and internal controls require that there are written policies and procedures in place to ensure the proper billing, collection, tracking, and monitoring of accounts receivables for services provided especially more so when part of the billing process has been out sourced to a third party.

Effect: The Village is currently recognizing ambulance revenue based on revenue received during the year or on a cash basis and not based on services provided during the year as required by Generally Accepted Accounting Principles (GAAP). In addition, the Village is unable to generate an accurate listing of ambulance accounts receivable management monitoring for internal control purposes and for financial statement reporting purposes. And the Village is unable to determine the effectiveness of using a third party contractor for the processing of ambulance billings.

Cause: The Village’s ambulance billing process is too decentralized at the department level and there needs to be more coordination and involvement with the Village’s finance department.

Recommendation: We recommend that the Village establish written policies and procedures to ensure the proper monitoring of the ambulance transport billing and payments process. The Village should also ensure that its agreement with the third party billing contractor include criteria to ensure that the billing information is provided to the Village finance and EMS department monthly. The procedures should also require the EMS Department to provide the monthly report of services provided the Village’s finance department to be used to track and apply payments against in order to monitor outstanding accounts receivables.

Management’s Response: Written procedures will be developed according to GAAP relative to the ambulance receivables recording and reporting process.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2013**

B – AUDIT FINDINGS IN RELATION TO FEDERAL AWARDS

None

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SUMMARY OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2013**

2003-001 Due date of audit report – Repeated and Modified
2003-004 Inadequate segregation of duties – Repeated and Modified
2003-006 Budget overages – Repeated and Modified
2003-009 Utility accounts receivable – Repeated
2003-014 Accounting for permit deposits – Resolved
2004-003 Travel and per diem reimbursements – Resolved
2005-003 Annual capital asset inventory – Resolved
2005-004 Unbilled water receivable – Repeated
2007-002 Unlocated accounting records – Repeated and Modified
2007-003 Journal entry process – Repeated and Modified
2007-004 Inadequate accounting records – Repeated and Modified
2008-002 Timeliness of due to/due from reversals – Repeated
2009-001 Unbudgeted activity – Repeated and Modified
2009-006 Control environment – Repeated and Modified
2009-007 Accounting for state grants – Resolved
2009-008 SAS-115 – Ineffective oversight of the financial reporting and internal controls – Repeated
2011-001 Internal control over cash disbursements – Repeated and Modified
2011-002 Bank reconciliation – Repeated and Modified
2011-003 Violation of open meeting act – Resolved
2011-004 DFA budget variation in accounting records – Repeated
2012-001 Capital Assets Disposal Notification – Resolved
2012-002 Prior Period Adjustment over Financial Reporting – Resolved
2012-003 Updated Policy and Procedure Manuals – Repeated
2012-004 Monitoring of Ambulance Accounts Receivables - Repeated

**VILLAGE OF ANGEL FIRE, NEW MEXICO
EXIT SUMMARY
YEAR ENDED JUNE 30, 2013**

An exit conference was held with the Village on November 13, 2014.

In attendance were:

VILLAGE OF ANGEL FIRE, NEW MEXICO

Chuck Howe, Village Councilor
Rogers Lanon, Councilor
M. Jay Mitchell, Village Manager
Waverly Bell, Financial Specialist
Amy Muehleisen, Utility Clerk
Debbie Ferrell, Part Time General Ledger Accountant

AXIOM CPAS AND BUSINESS ADVISORS, LLC

Chris Garner, Managing Partner
Greg Stricklin, Audit Staff

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the independent auditor. However, they are the responsibility of management, as addressed in the Independent Auditors' Report.