

**State of New Mexico
Village of Columbus**

**Basic Financial Statements and
Supplementary Information
for the Year Ended June 30, 2009
and Independent Auditors' Report**

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

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VILLAGE OF COLUMBUS**

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**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**OFFICIAL ROSTER
JUNE 30, 2009**

Nicole Lawson
Roberto Gutierrez
Win Mott
Bud Canfield
Arnoldo Rubio
John Forbes
Javier Lozano

Mayor
Mayor Pro-tem
Trustee
Trustee
Trustee
Treasurer
Judge

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas, State Auditor
and the Mayor and Village Council of the
Village of Columbus, New Mexico

We were engaged to audit the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund and major special revenue fund of the Village of Columbus (the "Village"), as of and for the year ended June 30, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. We also were engaged to audit the financial statements of each of the Village's nonmajor governmental funds, and the budgetary comparisons for major enterprise funds and all nonmajor funds the presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the Village management.

As a result of turnover in Village personnel and poor recordkeeping, we were unable to obtain detail to any general ledger account and subsidiary ledgers and audit that detail and ledger. We were unable to satisfy ourselves about the lack of general ledger detail, and lack of all subsidiary ledgers by means of other auditing procedures.

Because we were unable to obtain detail to any general ledger account and subsidiary ledgers, and we were unable to apply other auditing procedures regarding lack of general ledger detail, and lack of all subsidiary ledgers as discussed in the preceding paragraphs, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the financial statements referred to in the first paragraph.

We were unable to obtain written representations from management of the the Village of Columbus concerning transactions related to the fiscal year 2009, which took place under substantially different management, as required by generally accepted auditing standards.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 6, 2011, on our consideration of the Village' 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* and should be considered in assessing the results of our audit.

The Village has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined in necessary to supplement, although not required to be a part of, the basic financial statements and the combining and individual financial statement and budgetary comparisons presented as supplemental information.

We were engaged for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The scope of our audited was limited as discussed in the second, and third paragraphs above and because of the significance of these matters, we do not express an opinion on the basic financial statements and the combining and individual fund financial statements; accordingly, the other supplemental information as listed in the table of contents have not been subjected to auditing procedures in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*; therefore, we do not express an opinion as to the other supplemental information as listed in the table of contents in relation to the basic financial statements taken as a whole.

White + Sarver + Campbell, CPA

El Paso, Texas
September 6, 2011

GOVERNMENTAL - WIDE FINANCIAL STATEMENTS

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**STATEMENT OF NET ASSETS
JUNE 30, 2009**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 708,834	\$ 337,801	\$ 1,046,635
Accounts receivable	42,509	75,039	117,548
Taxes receivable	16,479	-	16,479
Due from other governments	<u>215,962</u>	<u>-</u>	<u>215,962</u>
Total current assets	983,784	412,840	1,396,624
NON-CURRENT ASSETS:			
Capital assets	3,695,260	12,217,338	15,912,598
Less accumulated depreciation	<u>(1,507,519)</u>	<u>(4,445,027)</u>	<u>(5,952,546)</u>
Total non-current assets	<u>2,187,741</u>	<u>7,772,311</u>	<u>9,960,052</u>
Total assets	<u>\$ 3,171,525</u>	<u>\$ 8,185,151</u>	<u>\$ 11,356,676</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	\$ 96,262	\$ 3,248	\$ 99,510
Accrued salaries	1,849	2,087	3,936
Current portion of long term debt	4,584	-	4,584
Due to other governments	736,800	-	736,800
Compensated absences	<u>2,279</u>	<u>430</u>	<u>2,709</u>
Total current liabilities	841,774	5,765	847,539
NON-CURRENT LIABILITIES:			
Compensated absences	7,484	3,138	10,622
Customer deposits	-	1,550	1,550
Long term debt, less current maturities	<u>22,632</u>	<u>-</u>	<u>22,632</u>
Total non-current liabilities	<u>30,116</u>	<u>4,688</u>	<u>34,804</u>
Total liabilities	<u>871,890</u>	<u>10,453</u>	<u>882,343</u>
NET ASSETS			
Invested in capital assets, net of related debt	2,160,525	7,772,311	9,932,836
Restricted for:			
Capital improvements	13,615	-	13,615
Special revenue funds	(156,345)	-	(156,345)
Unrestricted	<u>281,840</u>	<u>402,387</u>	<u>684,227</u>
Total net assets	<u>\$ 2,299,635</u>	<u>\$ 8,174,698</u>	<u>\$ 10,474,333</u>
Total liabilities and assets	<u>\$ 3,171,525</u>	<u>\$ 8,185,151</u>	<u>\$ 11,356,676</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONAL/PROGRAMS:							
Governmental activities:							
General government	\$ 837,122	\$ -	\$ 874,260	\$ -	\$ 37,138	\$ -	\$ 37,138
Public safety	344,381	224,849	-	-	(119,532)	-	(119,532)
Public works	117,467	-	-	(408,402)	(525,869)	-	(525,869)
Culture and recreation	181,156	-	-	-	(181,156)	-	(181,156)
Health and welfare	5,184	-	-	-	(5,184)	-	(5,184)
Total governmental activities	<u>1,485,310</u>	<u>224,849</u>	<u>874,260</u>	<u>(408,402)</u>	<u>(794,603)</u>	<u>-</u>	<u>(794,603)</u>
Business-type activities:							
Land fill	614,400	46,497	-	-	-	(567,903)	(567,903)
Water and sewer	270,741	361,256	-	-	-	90,515	90,515
Total business-type activities	<u>885,141</u>	<u>407,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(477,388)</u>	<u>(477,388)</u>
Total primary government	<u>\$ 2,370,451</u>	<u>\$ 632,602</u>	<u>\$ 874,260</u>	<u>\$ (408,402)</u>	<u>(794,603)</u>	<u>(477,388)</u>	<u>(1,271,991)</u>
General Revenues and Transfers							
Taxes							
Property taxes					49,613	-	49,613
Motor vehicles taxes					5,226	-	5,226
Gasoline taxes					9,922	-	9,922
Cigarette taxes					434	-	434
Gross receipts taxes municipal					278,074	15,921	293,995
Gross receipts taxes environmental					6,311	-	6,311
Gross receipts taxes infrastructure					12,622	-	12,622
Lodgers tax					3,317	-	3,317
Franchise taxes					2,997	-	2,997
Licenses and fees					-	-	-
Miscellaneous					21,091	9,591	30,682
Transfers					(30,000)	30,000	-
Total general revenues and transfers					<u>359,607</u>	<u>55,512</u>	<u>415,119</u>
Changes in net assets					(434,996)	(421,876)	(856,872)
Net assets, beginning of year					2,734,631	8,596,574	11,331,205
Net assets, end of year					<u>\$ 2,299,635</u>	<u>\$ 8,174,698</u>	<u>\$ 10,474,333</u>

See independent auditors' report and accompanying notes to financial statements.

GOVERNMENTAL FUND STATEMENTS

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2009

	General Fund	Fire Fund	Non-Major Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 543,913	\$ 2,516	\$ 162,405	\$ 708,834
Taxes receivable	16,479	-	-	16,479
Other receivables	-	-	-	-
Accounts receivable	42,509	-	-	42,509
Due from other governments	<u>215,962</u>	<u>-</u>	<u>-</u>	<u>215,962</u>
Total assets	<u>\$ 818,863</u>	<u>\$ 2,516</u>	<u>\$ 162,405</u>	<u>\$ 983,784</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 84,593	\$ 8,138	\$ 3,531	\$ 96,262
Accrued salaries	-	475	1,374	1,849
Due to other governments	<u>408,731</u>	<u>-</u>	<u>328,069</u>	<u>736,800</u>
Total liabilities	493,324	8,613	332,974	834,911
Fund balances:				
Reserved for capital projects funds	-	-	(14,224)	(14,224)
Reserved for special revenue funds	-	-	(156,345)	(156,345)
Unreserved	<u>325,539</u>	<u>(6,097)</u>	<u>-</u>	<u>319,442</u>
Total fund balances	<u>325,539</u>	<u>(6,097)</u>	<u>(170,569)</u>	<u>148,873</u>
Total liabilities and fund balances	<u>\$ 818,863</u>	<u>\$ 2,516</u>	<u>\$ 162,405</u>	<u>\$ 983,784</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

Total fund balances - governmental funds \$ 148,873

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

The cost of capital assets	3,695,260	
Accumulated depreciation	<u>(1,507,519)</u>	2,187,741

Other long-term liabilities and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of:

Notes payable	(4,397)	
Compensated absences	<u>(32,582)</u>	<u>(36,979)</u>

Total net assets - governmental activities \$ 2,299,635

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	General Fund	Fire Fund	Total Non-Major Funds	Total Governmental Funds
REVENUES				
Motor vehicle registration	\$ 5,226	\$ -	\$ -	\$ 5,226
Cigarette tax	276	-	158	434
Gross receipts tax municipal	278,074	-	-	278,074
Gross receipts tax environmental	-	-	6,311	6,311
Gross receipts tax infrastructure	12,622	-	-	12,622
Property taxes	49,613	-	-	49,613
Franchise taxes	2,997	-	-	2,997
Gasoline tax	-	-	9,922	9,922
Lodger's tax	-	-	3,317	3,317
Small cities assistance	231,932	-	-	231,932
Charges for services	13,725	-	211,124	224,849
Joint power agreement	-	32,000	44,000	76,000
State allocation	126,611	60,579	48,522	235,712
State grants	-	-	443,192	443,192
Fines and forfeitures	16,056	-	-	16,056
Contributions/donations	301	-	-	301
Investment income	6,778	-	-	6,778
Miscellaneous	14,012	-	-	14,012
Total revenues	<u>758,223</u>	<u>92,579</u>	<u>766,546</u>	<u>1,617,348</u>
EXPENDITURES				
Current:				
General government	538,572	-	298,550	837,122
Public safety	213,450	107,836	23,095	344,381
Public works	54,598	-	62,869	117,467
Culture and recreation	160,129	-	21,027	181,156
Health and welfare	-	-	5,184	5,184
Capital outlay	-	-	471,031	471,031
Total expenditures	<u>966,749</u>	<u>107,836</u>	<u>881,756</u>	<u>1,956,341</u>
Excess (deficiency) of revenues over expenditures	<u>(208,526)</u>	<u>(15,257)</u>	<u>(115,210)</u>	<u>(338,993)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	7,368	-	7,368
Transfers out	<u>(78,078)</u>	<u>-</u>	<u>(13,282)</u>	<u>(91,360)</u>
Total other financing sources (uses)	<u>(78,078)</u>	<u>7,368</u>	<u>(13,282)</u>	<u>(83,992)</u>
Net change in fund balance	(286,604)	(7,889)	(128,492)	(422,985)
Fund balance at beginning of year	<u>612,143</u>	<u>1,792</u>	<u>(42,077)</u>	<u>571,858</u>
Fund balance at end of year	<u>\$ 325,539</u>	<u>\$ (6,097)</u>	<u>\$ (170,569)</u>	<u>\$ 148,873</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

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, 2009

Net change in fund balances - total governmental funds \$ (422,985)

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

Governmental funds 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 assets reported as capital outlay expenditures	445,797	
Transferred to business-type activities	(315,936)	
Depreciation expense	<u>(145,348)</u>	(15,487)

In the Statement of Activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts paid).

3,476

Change in net assets of governmental activities \$ (434,996)

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Franchise taxes	\$ 5,200	\$ 5,200	\$ 5,120	\$ (80)
Gross receipts taxes-municipal	200,000	200,000	272,715	72,715
Property taxes	52,890	52,890	51,584	(1,306)
Cigarette tax	400	400	248	(152)
Motor vehicle registration	5,000	5,000	4,823	(177)
Licenses and permits	26,800	26,800	1,778	(25,022)
Charges for services	53,650	53,650	63,359	9,709
Gross receipts tax - infrastructure	12,000	12,000	13,471	1,471
Small cities assistance	131,000	131,000	286,352	155,352
Miscellaneous	48,085	48,085	3,175	(44,910)
Total revenues	535,025	535,025	702,625	167,600
EXPENDITURES:				
Current				
General government	264,103	264,103	286,432	(22,329)
Public safety	122,696	122,696	213,450	(90,754)
Public works	21,678	21,678	60,836	(39,158)
Culture and recreation	204,343	204,343	160,129	44,214
Total expenditures	612,820	612,820	720,847	(108,027)
Excess (deficiency) of revenues over expenditures	(77,795)	(77,795)	(18,222)	59,573
OTHER FINANCING SOURCES (USES)				
Transfers out	(53,304)	(53,304)	(78,078)	(24,774)
Total other financing sources (uses)	(53,304)	(53,304)	(78,078)	(24,774)
Net changes in fund balance Non-GAAP basis	(131,099)	(131,099)	(96,300)	34,799
Fund balance - beginning	612,143	612,143	612,143	-
Fund balance - ending	\$ 481,044	\$ 481,044	\$ 515,843	\$ 34,799
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(96,300)	
Revenue accrual		(190,304)		
Expenditure accrual		-	(190,304)	
Excess of revenues over expenditures - GAAP basis			\$ (286,604)	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BUDGET AND ACTUAL ON BUDGETARY BASIS
SPECIAL REVENUE FUND - FIRE FUND
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State Allotment	\$ 55,501	\$ 55,501	\$ 60,579	\$ 5,078
Miscellaneous	<u>34,000</u>	<u>34,000</u>	<u>32,000</u>	<u>(2,000)</u>
Total revenues	<u>89,501</u>	<u>89,501</u>	<u>92,579</u>	<u>3,078</u>
EXPENDITURES:				
Current				
Public Safety	<u>89,090</u>	<u>89,090</u>	<u>107,836</u>	<u>(18,746)</u>
Total expenditures	<u>89,090</u>	<u>89,090</u>	<u>107,836</u>	<u>(18,746)</u>
Excess (deficiency) of revenues over expenditures	<u>411</u>	<u>411</u>	<u>(15,257)</u>	<u>(15,668)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>7,368</u>	<u>7,368</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>7,368</u>	<u>7,368</u>
Net changes in fund balance Non-GAAP basis	411	411	(7,889)	(8,300)
Fund balance - beginning	<u>1,792</u>	<u>1,792</u>	<u>1,792</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,203</u>	<u>\$ 2,203</u>	<u>\$ (6,097)</u>	<u>\$ (8,300)</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(7,889)	
Revenue accrual		-		
Expenditure accrual		<u>-</u>	<u>-</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ (7,889)</u>	

See independent auditors' report and accompanying notes to financial statements.

PROPRIETARY FUND

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS - JOINT UTILITIES
JUNE 30, 2009

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 337,801
Accounts receivable	<u>75,039</u>

Total current assets	412,840
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NON-CURRENT ASSETS:

Capital assets	12,217,338
Less accumulated depreciation	<u>(4,445,027)</u>

Total non-current assets	<u>7,772,311</u>
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Total assets	<u>\$ 8,185,151</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	\$ 3,248
Accrued salaries	2,087
Compensated absences	<u>430</u>

Total current liabilities	5,765
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NON-CURRENT LIABILITIES::

Customer deposits	1,550
Compensated absences	<u>3,138</u>

Total non-current liabilities	<u>4,688</u>
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Total liabilities	<u>10,453</u>
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NET ASSETS

Invested in capital assets, net of related debt	7,772,311
Restricted for:	
Unrestricted	<u>402,387</u>

Total net assets	<u>8,174,698</u>
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Total liabilities and net assets	<u>\$ 8,185,151</u>
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See independent auditors' report and accompanying notes to financial statements.

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS - JOINT UTILITIES
FOR THE YEAR ENDED JUNE 30, 2009**

OPERATING REVENUES

Charges for services	\$ 407,753
Gross receipts tax municipal	15,921
Intergovernmental	<u>9,591</u>

Total operating revenues 433,265

OPERATING EXPENSES

Personnel services	214,251
Other operating expenses	139,208
Depreciation expense	<u>531,682</u>

Total operating expenses 885,141

Operating income (loss) (451,876)

Transfers in (out) 30,000

Change in net assets (421,876)

Net assets, beginning of year 8,596,574

Net assets, end of year \$ 8,174,698

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - JOINT UTILITIES
FOR THE YEAR ENDED JUNE 30, 2009

Cash flows from operating activities:

Cash received from agencies and customers	\$ 465,658
Cash used for goods and services	(135,960)
Cash used for salaries and operating expenses	<u>(215,808)</u>

Net cash provided by operating activities 113,890

Cash flows from investing activities:

Intergovernmental transfers	<u>30,000</u>
-----------------------------	---------------

Net cash used in investing activities 30,000

Net decrease in cash and cash equivalents 143,890

Cash and cash equivalents - beginning 193,911

Cash and cash equivalents - ending \$ 337,801

Reconciliation of operating loss to net cash provided by operating activities:

Operating income (loss) \$ (451,876)

Adjustments to operating loss to net cash provided by operating activities:

Depreciation 531,682

Changes in net assets and liabilities:

Accounts receivables 32,393

Accounts payable 1,988

Accrued expenses and other liabilities (297)

Net cash provided by operating activities \$ 113,890

See independent auditors' report and accompanying notes to financial statements.

FIDUCIARY FUNDS

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**FIDUCIARY FUNDS LISTING
JUNE 30, 2009**

AGENCY FUNDS:

These funds are used to account for monies held by the Village in a custodial capacity.

Cemetery Trust

To account for the collection and distribution of funds

Municipal Court Funds - To account for the collection and disbursement of funds.

See independent auditors' report and accompanying notes to financial statements.

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2009**

	<u>Private-Purpose Trust Fund</u>	<u>Municipal Court</u>	<u>Total</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ <u>3,709</u>	\$ <u>2,524</u>	\$ <u>6,233</u>
Total assets	<u>\$ 3,709</u>	<u>\$ 2,524</u>	<u>\$ 6,233</u>
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable	\$ <u>-</u>	\$ <u>2,524</u>	\$ <u>2,524</u>
Total liabilities	<u>-</u>	<u>2,524</u>	<u>2,524</u>
NET ASSETS			
Held in trust for private purpose	<u>3,709</u>	<u>-</u>	<u>3,709</u>
Total net assets	<u>\$ 3,709</u>	<u>\$ -</u>	<u>\$ 3,709</u>

See independent auditors' report and accompanying notes to financial statements.

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Private-Purpose Trust Fund</u>
ADDITIONS	
Miscellaneous	\$ -
Total additions	<u>-</u>
DEDUCTIONS	
Administrative expenses	<u>-</u>
Total deductions	<u>-</u>
Change in net assets	-
Net assets beginning of year	<u>3,709</u>
Net assets end of year	<u>\$ 3,709</u>

See independent auditors' report and accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Columbus (the "Village") was established by the laws of the State of New Mexico in 1913, under the provisions of the act now referred to as Sections 4-9-1 and 4-9-2 of the New Mexico Statutes Annotated, 1978 Compilation. The Village operates under the Board of Trustees form of government and provides the following services as authorized in the grant of powers: public safety (police, fire, and emergency medical), public works (highways and streets), water, sewer and sanitation, health and welfare services, culture and recreation, public improvements, planning and zoning, and general administration services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial reporting standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the Village's accounting policies are described below.

The Village (the primary government) for financial reporting purposes consists of funds, departments, and programs for which the Village is financially accountable.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body, and either it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens, on the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, activities, or level of services performed or provided by the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

A. Reporting Entity

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB-34. The first criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight

responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the Village has no component units, and is not a component unit of another governmental agency.

B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net assets and the statement of activities and changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these 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 is 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 for utility and other services provided, fines and forfeitures from the courts, licenses and permits issued and funds from the small city assistance program. 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular department or function of the Village. 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 proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

C. Measurement Focus, Basis of Accounting, and Fund Financial Statements

Government-wide and Fiduciary Financial Statements - The government-wide, proprietary, and fiduciary fund 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. Non-exchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include gross receipts taxes and property taxes, grants and entitlements. On an accrual basis, revenue from property taxes, net of estimated refunds and uncollectible amounts, is recognized as revenues in the year for which they are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements are met.

All governmental and business-type activities of the Village follow FASB Statements and interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The Village has elected not to follow FASB Statements and interpretations issued after November 30, 1989.

Fund Financial Statements - Governmental funds 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. The Village considers all revenues to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues not considered available are recorded as deferred revenues. Property taxes, gross receipts taxes, franchise taxes, and interest are considered susceptible to accrual. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government because they are not measurable or reasonably estimable.

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 due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Government funds are used to account for the Village's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general capital assets and the servicing of general long-term debt. Governmental funds include:

General Fund - This is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided through property and other taxes, federal sources, state sources, charges for services, licenses and fees, and other miscellaneous recoveries and revenue. Expenditures include all costs associated with the daily operation of the Village except for items included in other funds.

Special Revenue Funds - To account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - To account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB No. 34, the County is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund), which includes funds that were not required to be presented as major but were at the discretion of management:

Fire Fund - To account for the revenues allocated by the state to the Village and the expenditure for maintaining and operating a volunteer fire department authorized by NMSA Section 59A-53-1.

Additionally, the government reports the following fund types:

The **Fiduciary Funds** are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The Village's fiduciary funds are used to account for the collection and payment of property taxes and special fees to other governmental agencies.

Private-sector standards of accounting and financial reporting issued prior to December 1,

1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Village has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes, because elimination of these charges would distort the direct costs and program revenues reported in the Statement of Activities.

Amounts reported as *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 and 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.

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

The Village reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The Village does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function.

Proprietary funds distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues, such as charges for services, result from exchange transactions in which each party receives and gives up essentially equal values. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues or expenses. These include operating subsidies, investment earnings, interest expense, and transactions that result from non-exchange transactions.

The proprietary funds account for services to the general public where all or most of the costs including depreciation are to be financed or recovered from users of such services. The Village maintains separate funds for gas, water, sewer and solid waste utility operations. These are reported as the Joint Utility Fund and are considered a major fund.

Those revenues susceptible to accrual are property taxes, gross receipts taxes, investment income and charges for services. Grant revenues are recognized as revenues when the related costs are incurred. 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. Expenditures are recorded as liabilities when they are incurred, except for non-matured interest on general long-term debt which is recognized when due, and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The accrual basis of accounting is utilized by the proprietary fund. Under this method,

revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Village reports unearned revenue on its combined balance sheet. Unearned revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Village before it has legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods when both revenue recognition criteria methods are met or when the Village has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments:

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

- a. State statutes authorize the Village to invest in Certificates of Deposit, obligations of the U.S. Government, and fully collateralized repurchase agreements.
- b. Investments for the Village are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

2. Receivables and Payables:

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as inter-fund balance. Long term advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable from available resources.

3. Capital Assets:

Capital assets, which include land, buildings and improvements, machinery and equipment, and infrastructure assets are reported in the applicable governmental column in the government-wide financial statements. Capital assets including computer software are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government-wide statements. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets that have been disposed of are recorded as deletions on the government-wide financial statements. Accumulated depreciation is removed for all deleted capital assets.

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. No computer software is developed in-house.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

Capital assets of the primary government are depreciated using the straight-line method over their useful lives.

4. Deferred Revenue:

The Village defers revenue from non-exchange transactions. The amount deferred results from the difference between the receivable recognized on an accrual basis and the related revenue recognized on the modified accrual basis. Revenue is recognized as the receivables are collected.

5. Compensated Absences:

Village employees may accumulate limited amounts of vacation pay which are payable to the employee upon termination or retirement. For governmental funds, expenditures are recognized during the period in which vacation cost become payable from available, expendable resources. A liability for amounts earned but not payable from available, expendable resources is reported in the government-wide financial statements.

6. Long-Term Obligations:

In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. The face amount of debt issued is reported as other financing sources.

7. Net Assets:

The government-wide and business-type activities fund financial statements utilize a net assets presentation.

Investment in capital assets, net of related debt - This category reflects the portion of net assets that are associated with capital assets less outstanding capital asset related debt.

Restricted net assets - Restricted net assets result from the constraints placed on the use of net assets when externally imposed by creditors, grantors, laws and regulations of other governments and imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets - This category reflects net assets of the Village, not restricted for any project or other purpose.

8. Fund Equity:

In the fund financial statements, governmental funds report reservations of fund balance that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The Village records reserves to indicate that a portion of fund balance is legally restricted for a specific future use or is not available for appropriation and/or expenditure.

9. Inter-Fund Transactions:

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from 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. All other inter-fund transactions, except quasi-external transactions and reimbursements are reported as transfers. All other inter-fund transfers are reported as operating transfers.

10. Estimates:

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets for the Village are prepared prior to June 1 and must be approved by the Board of Trustees and the New Mexico Department of Finance and Administration. Once the budget has been formally approved, the Village Board of Trustees and the Department of Finance and Administration must also approve any amendments. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Capital Projects Funds.

The Village is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

No budget was adopted for the CDBG Wastewater, SAP LGD 06-545, RUS/WW USDA/RD, SAP 07-l-1146-GF, SAP 07-L-G5572, 35-08-21736, SAP 07-LG-5323-24-25, YCC, and LGD Colonias, because no resolutions were adopted to change the legally adopted budget to include the listed grants.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principals, a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year-ended June 30, 2009 is presented.

3. CASH AND DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Cash and investments - The Village is required by New Mexico State Statute (Section 6-10-17) to be 50 percent collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 250,000
Collateralized:	
Cash held by pledging bank's trust department not in the Village's name	620,000
Uninsured and uncollateralized	<u>144,107</u>
 Total Cash and Investments, Primary Government	 <u>\$ 1,014,107</u>

Custodial Credit Risk - Deposits - Custodial Credit Risk is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. As of June 30, 2009, \$764,107 of the Village's bank balance of \$1,014,107 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 144,107
Uninsured and collateralized held by pledging bank's trust department not in Village's name	
Cash held by pledging bank's trust department not in the Village's name	<u>620,000</u>
 Total Cash and Investments, Primary Government	 <u>\$ 764,107</u>

4. ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2009, consist of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Accounts receivable	\$ 42,509	\$ 75,039	\$ 117,548
Taxes receivable	16,479	-	16,479
Due from other governments	<u>215,962</u>	<u>-</u>	<u>215,962</u>
 Net receivables	 <u>\$ 274,950</u>	 <u>\$ 75,039</u>	 <u>\$ 349,989</u>

All amounts are considered to be collectible.

5. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2009, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and Construction in Progress is not subject to depreciation.

Depreciation expense, for the year ended June 30, 2009 was charged as follows:

General government	\$ 2,155
Public safety	56,244
Public works	15,999
Culture and recreation	<u>70,950</u>
 Total depreciation expense	 <u>\$ 145,348</u>

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2009</u>
Government activities					
Capital assets not being depreciated:					
Land	\$ 505,314	\$ -	\$ -	\$ -	\$ 505,314
Construction in progress	<u>194,036</u>	<u>129,861</u>	<u>-</u>	<u>(315,936)</u>	<u>7,961</u>
Total	<u>699,350</u>	<u>129,861</u>	<u>-</u>	<u>(315,936)</u>	<u>513,275</u>
Other capital assets being depreciated					
Buildings	1,848,261	315,936	-	-	2,164,197
Other improvements	383,829	-	-	-	383,829
Machinery and equipment	<u>633,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>633,959</u>
Total	<u>2,866,049</u>	<u>315,936</u>	<u>-</u>	<u>-</u>	<u>3,181,985</u>
Accumulated depreciation					
Buildings	800,537	58,391	-	-	858,928
Other improvements	69,458	14,767	-	-	84,225
Machinery and equipment	<u>492,176</u>	<u>72,190</u>	<u>-</u>	<u>-</u>	<u>564,366</u>
Total accumulated depreciation	<u>1,362,171</u>	<u>145,348</u>	<u>-</u>	<u>-</u>	<u>1,507,519</u>
Total capital assets	<u>\$ 2,203,228</u>	<u>\$ 300,449</u>	<u>\$ -</u>	<u>\$ (315,936)</u>	<u>\$ 2,187,741</u>

	<u>Balance Ending</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance June 30, 2009</u>
Business-type activities					
Capital assets not being depreciated:					
Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
Capital assets being depreciated					
Utility system	12,130,093	-	-	-	12,130,093
Machinery and equipment	<u>87,245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,245</u>
Total	<u>12,217,338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,217,338</u>
Accumulated depreciation					
Buildings	3,827,792	530,837	-	-	4,358,629
Machinery and equipment	<u>85,553</u>	<u>846</u>	<u>-</u>	<u>-</u>	<u>86,399</u>
Total accumulated depreciation	<u>3,913,345</u>	<u>531,683</u>	<u>-</u>	<u>-</u>	<u>4,445,028</u>
Total capital assets	<u>\$ 8,303,993</u>	<u>\$ (531,683)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,772,310</u>

Depreciation expense relating to business-like activities for the year-ended June 30, 2009 totaled \$531,683.

6. LONG TERM DEBT

During the year-end June 30, 2009, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

Governmental Funds	<u>Balance 6/30/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 06/30/09</u>	<u>Due Within One Year</u>
New Mexico Finance Authority	\$ 31,613	\$ -	\$ 4,397	\$ 27,216	\$ 4,584
Compensated absences	<u>8,842</u>	<u>17,170</u>	<u>16,249</u>	<u>9,763</u>	<u>2,279</u>
Total	<u>\$ 40,455</u>	<u>\$ 17,170</u>	<u>\$ 20,646</u>	<u>\$ 36,979</u>	<u>\$ 6,863</u>

Compensated absences typically have been liquidated in the general and other governmental funds.

The terms of the revenue bond and notes payable for the General Fund are as follows:

\$45,000 loan from the State of New Mexico Finance Authority, during the 2004 fiscal year; the purpose of the loan was to purchase a fire pumper. The note bears no interest and payments begin June 1, 2006 through June 1, 2015. The payment amounts are as follows:

<u>Due in Year Ending</u>	<u>Principal</u>
2010	4,584
2011	4,584
2012	4,584
2013	4,584
2014	4,584
2015	<u>4,296</u>
	<u>\$ 27,216</u>

Proprietary Fund	Balance			Balance	Due Within
	6/30/08	Additions	Reductions	06/30/09	One Year
Compensated absences	\$ 4,463	\$ 4,802	\$ 5,697	\$ 3,568	\$ 430

Compensated absences typically have been liquidated in the proprietary fund.

7. RISK MANAGEMENT

The Village of Columbus is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries and natural disasters.

The Village has joined together with other local governments in the state and obtained insurance through the New Mexico Self-Insured Fund, a public entity risk pool currently operating as a common risk management and insurance program for local government. The Village pays an annual premium to New Mexico Self-Insured Fund for general insurance coverage and all risk of loss is transferred.

8. RETIREMENT PLAN

Plan Description - Substantially all of 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 Employee 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, New Mexico 87504-2123.

Funding Policy - Plan members are required to contribute 7% for municipal employees and 13.5% of gross salaries for law enforcement employees. The Village is required to contribute 9.15% for law enforcement plan members and 9.15% for all other plan members. The contribution requirements of plan members and Village of Columbus 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 contribution to PERA for the year ended June 30, 2009 was \$20,715, which equal the amount of the required contributions for the fiscal year. The fiscal year ended June 30, 2009 was the first year the Village participated in the retirement plan.

9. POST-EMPLOYMENT BENEFITS

The Village of Columbus did not participate in the Retiree Health Care Act Program during the fiscal year ending June 30, 2009.

10. DEFICIT FUND BALANCE

The following funds had deficit fund balances as of June 30, 2009:

Fire	\$ 6,097
Recreation	1,218
Library	33,748
Law Enforcement Protection	983
Gas Tax	364
Community Center	161
Grants	260,783
SAP 07-L-G5572 LGD Colonias	33,938

The general fund had a short fall of available cash. This is normally transferred to the funds to cover the deficient that occurred during the year ending June 30, 2009.

11. FEDERAL AND STATE GRANTS

In the normal course of operations, the Village receives grant funds from various federal and state agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement, which may arise as a result of these audits, is not believed to be material.

12. INTER-FUND TRANSFERS AND BALANCES

The composition of inter-fund transfers during the year ended June 30, 2009 are as follows:

Amount	From	To	Purpose
\$ 36,934	General Fund	Various	To fund operations
7,368	Fire Fund	General Fund	To fund operations
30,000	Utilities	General Fund	To fund operations
6,254	General Fund	Recreation	To fund operations
1,175	General Fund	Cemetery	To fund operations
25,139	General Fund	Gasoline Tax	To fund operations
22,800	Environmental GRT	General Fund	To fund operations
28,025	Infrastructure GRT	General Fund	To fund operations
3,167	Community Center	General Fund	To fund operations
8,142	General Fund	Grants	To transfer capital assets

13. EXCESS EXPENDITURES OVER APPROPRIATIONS

New Mexico State Statutes restricts all officials and governing authorities from approving claims in excess of the approved budget. The Village exceeded its authorized budget by \$659,429 as follows:

Fund	Reason	Budget Expenses	Actual Expenses	Difference
General	Operating expenses	\$ 612,820	\$ 720,847	\$ 108,027
Fire	Operating expenses	89,090	107,836	18,746
Recreation	Operating expenses	20,414	21,027	613
Corrections	Operating expenses	1,300	29,623	28,323
Lodgers Tax	Operating expenses	3,612	9,057	5,445
Cemetery	Operating expenses	1,350	6,204	4,854
Law Enforcement Protection	Operating expenses	21,800	23,095	1,295
CDBG Wastewater	Grant	-	191	191
SAP LGD 06-545	Grant	-	192	192
RUS/WW USDA/RD	Grant	-	369	369
SAP 07-L-1146-GF	Grant	-	100,000	100,000
SAP 0-LG-5572	Grant	-	159,008	159,008
35-08-21736	Grant	-	4,852	4,852
SAP 07-LG-5323-24-25	Grant	-	19,662	19,662
YCC	Grant	-	5,028	5,028
SAP 07-L-G5572 LGD Colonias	Grant	-	181,729	181,729
Joint Utilities	Operating expenses	337,267	358,362	21,095
Totals		\$ 1,087,653	\$ 1,747,082	\$ 659,429

In addition, the Village budgeted deficits in funds as follows:

Fund	Budgeted Deficit
Recreation	\$ 6,741
Library	63,991
Gasoline Tax	420
Grants	282,331

14. SUBSEQUENT EVENTS

The Village has contracts and grant awards for construction projects in various stages of completion. Such contracts, funded principally by federal and state agencies constitute future commitments.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

RECREATION FUND - To account for operations of summer recreation programs. Financing is provided by cigarette tax, a joint powers agreement from Luna County, and service charges (NMSA 7-12-6.11).

LIBRARY FUND - To account for the State grant, a joint powers agreement from Luna County, and private donations, and service charges to be utilized for the acquisition of library materials and operations. (NMSA 18-15-4 and Village Council Ordinance).

EMS FUND - To account for the general operations of the ambulance service (NMSA 24-IOA-3).

CORRECTION FUND - To account for judicial fees and administration costs (NMSA 35-14-11).

LODGER'S TAX FUND - To account for expenditures for the promotion of the Columbus area. Financing is provided by a tax charged on motel rooms in the Village of Columbus (NMSA 3-38-13 to 3-38-24).

CEMETERY FUND - To account for the operations of the Village cemetery. Financing is provided by lot sales, burial permits and the Garden Club (NMSA 3-40-1 to 3-40-9).

LAW ENFORCEMENT PROTECTION FUND - State Statutes Section 29-13 provides for the distribution of funds from the State Law Enforcement Protection Fund to municipal and village police and sheriff department for the maintenance and improvement of those departments in order to enhance the efficiency and effectiveness of law enforcement services provided. The fund is used to account for specific law enforcement expenditures not included in the general fund. Financing is provided by a state allocation and can only be used for law enforcement equipment and personnel training (NMSA 29-13-3).

GASOLINE TAX - To account for the street and highway improvements of the Village not funded by special sources. Financing is provided by State Gasoline Tax (NMSA 7-1-6.26).

ENVIRONMENTAL GROSS RECEIPTS TAX FUND - To account for the operation and maintenance of funds restricted for the operation and closure of landfills. Funding is provided by a 1/4 of 1% tax on the gross receipts of the Village (NMSA 7-20E-26).

INFRASTRUCTURE GROSS RECEIPTS TAX FUND - To account for the operation and maintenance of funds restricted for the repair and replacement of infrastructure improvements. Funding is provided by a 1/2 of 1% tax on the gross receipts of the Village. The funds may be used only for sewer and street repairs and replacements, or for the acquisition of rights-of-way (NMSA 17-19D- 11).

COMMUNITY CENTER FUND - To account for revenues and expenditures relating to the community center. Authority is by resolution.

GRANTS FUND - To account for grant revenues and expenditures. Authority is by resolution.

CAPITAL PROJECTS FUNDS LISTING

CDBG WASTEWATER - To account for a combination of CDBG Funds, local cash, local in-kind, and Rural Utility Service 98-2 for Wastewater Improvements. Authority is by CDBG grant agreement. No budget was adopted for this fund, because no activity was expected.

SAP LGD-06-545 - To account for grant activity for water and wastewater system improvements from the Local Government Division, Department of Finance and Administration. Authority is by grant agreement. No budget was adopted for this fund, because no resolutions were adopted to change the budget to include the listed grants.

RUS/WW USDA/RD - To account for federal grant activity for wastewater system improvements. Authority is by grant agreement. No budget was adopted for this fund, because no resolutions were adopted to change the budget to include the listed grants.

SAP 07-L-G-5323-24-25 - To account for grant activity for the purchase of a van, backhoe and improvements of the park and addition of a playground. Authority is by grant agreement. No budget was adopted for this fund, because no resolutions were adopted to change the budget to include the listed grants.

SAP 0-L-G-5572 - To account for grant activity. Authority is by grant agreement. No budget was adopted for this fund, because no resolutions were adopted to change the budget to include the listed grants..

35-08-21736 - To account for grant activity. Authority is by grant agreement. No budget was adopted for this fund, because no resolutions were adopted to change the budget to include the listed grants..

YCC - To account for grant activity. Authority is by grant agreement. No budget was adopted for this fund, because no resolutions were adopted to change the budget to include the listed grants.

SAP 07-L-G-LGD COLONIAS - To account for grant activity. Authority is by grant agreement. No budget was adopted for this fund, because no resolutions were adopted to change the budget to include the listed grants.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL TYPES
JUNE 30, 2009

	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 143,231	\$ 19,174	\$ 162,405
Total assets	<u>\$ 143,231</u>	<u>\$ 19,174</u>	<u>\$ 162,405</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 3,531	\$ -	\$ 3,531
Accrued salaries	1,374	-	1,374
Due to other governments	<u>294,671</u>	<u>33,398</u>	<u>328,069</u>
Total liabilities	299,576	33,398	332,974
Fund balance:			
Reserved for capital projects funds	-	(14,224)	(14,224)
Reserved for special revenue funds	<u>(156,345)</u>	<u>-</u>	<u>(156,345)</u>
Total fund balance	<u>(156,345)</u>	<u>(14,224)</u>	<u>(170,569)</u>
Total liabilities and fund balances	<u>\$ 143,231</u>	<u>\$ 19,174</u>	<u>\$ 162,405</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE
NON-MAJOR GOVERNMENTAL TYPES
FOR THE YEAR ENDED JUNE 30, 2009

	Special Revenue Funds	Capital Project Funds	Total
REVENUES			
Cigarette tax	\$ 158	\$ -	\$ 158
Gross receipts tax environmental	6,311	-	6,311
Gasoline tax municipal	9,922	-	9,922
Lodger's tax	3,317	-	3,317
Charges for services	211,124	-	211,124
Joint power agreements	44,000	-	44,000
State allocation	48,522	-	48,522
State grants	-	443,192	443,192
	<u>323,354</u>	<u>443,192</u>	<u>766,546</u>
Total revenues			
EXPENDITURES			
Current:			
General government	298,550	-	298,550
Public safety	23,095	-	23,095
Public works	61,849	-	61,849
Culture and recreation	21,027	-	21,027
Health and welfare	6,204	-	6,204
Capital outlay	-	471,031	471,031
	<u>410,725</u>	<u>471,031</u>	<u>881,756</u>
Total expenditures			
Excess (deficiency) revenues over (under) expenditures	(87,371)	(27,839)	(115,210)
OTHER FINANCING SOURCES (USES)			
Transfers in	40,710	-	40,710
Transfers out	(53,992)	-	(53,992)
	<u>(13,282)</u>	<u>-</u>	<u>(13,282)</u>
Total other financing sources (uses)			
Net change in fund balance	(100,653)	(27,839)	(128,492)
Fund balance beginning of year	(55,692)	13,615	(42,077)
Fund balance end of year	<u>\$ (156,345)</u>	<u>\$ (14,224)</u>	<u>\$ (170,569)</u>

See independent auditors' report and accompanying notes to financial statements.

SPECIAL REVENUE FUNDS

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Recreation	Library	EMS Ambulance	Corrections	Lodger's Tax	Cemetery	Law Enforcement Protection	Gasoline Tax	Environmental GRT	Infrastructure GRT	Community Center	Grants	Total
ASSETS													
Cash and cash equivalents	\$ -	\$ -	\$ 91,246	\$ 31,273	\$ 6,702	\$ -	\$ 312	\$ -	\$ 11,346	\$ 1,332	\$ -	\$ 1,020	\$ 143,231
Total assets	\$ -	\$ -	\$ 91,246	\$ 31,273	\$ 6,702	\$ -	\$ 312	\$ -	\$ 11,346	\$ 1,332	\$ -	\$ 1,020	\$ 143,231
LIABILITIES AND FUND BALANCE													
Liabilities													
Accounts payable	\$ 553	\$ 880	\$ 619	\$ -	\$ -	\$ -	\$ 1,295	\$ 23	\$ -	\$ -	\$ 161	\$ -	\$ 3,531
Accrued salaries	665	-	368	-	-	-	-	341	-	-	-	-	1,374
Due to other governments	-	32,868	-	-	-	-	-	-	-	-	-	261,803	294,671
Total liabilities	1,218	33,748	987	-	-	-	1,295	364	-	-	161	261,803	299,576
Fund balance													
Reserved for special revenue funds	(1,218)	(33,748)	90,259	31,273	6,702	-	(983)	(364)	11,346	1,332	(161)	(260,783)	(156,345)
Reserved for accounts payable and accrued salaries	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balance	(1,218)	(33,748)	90,259	31,273	6,702	-	(983)	(364)	11,346	1,332	(161)	(260,783)	(156,345)
Total liabilities and fund balance	\$ -	\$ -	\$ 91,246	\$ 31,273	\$ 6,702	\$ -	\$ 312	\$ -	\$ 11,346	\$ 1,332	\$ -	\$ 1,020	\$ 143,231

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Recreation	Library	EMS Ambulance	Correction	Lodger's Tax	Cemetery	Law Enforcement Protection	Gasoline Tax	Environmental GRT	Infrastructure GRT	Community Center	Grants	Total
REVENUES													
Cigarette Tax	\$ 158	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158
Gross receipts tax environmental	-	-	-	-	-	-	-	-	6,311	-	-	-	6,311
Gasoline tax municipal	-	-	-	-	-	-	-	9,922	-	-	-	-	9,922
Lodger's tax	-	-	-	-	3,317	-	-	-	-	-	-	-	3,317
Charges for services	1,884	-	203,330	5,460	-	450	-	-	-	-	-	-	211,124
Joint power agreement	12,000	-	32,000	-	-	-	-	-	-	-	-	-	44,000
State allocation	-	-	7,000	-	-	-	21,800	19,722	-	-	-	-	48,522
Total revenues	14,042	-	242,330	5,460	3,317	450	21,800	29,644	6,311	-	-	-	323,354
EXPENDITURES													
Current:													
General government	-	-	259,870	29,623	9,057	-	-	-	-	-	-	-	298,550
Public safety	-	-	-	-	-	-	23,095	-	-	-	-	-	23,095
Public works	-	-	-	-	-	-	-	54,727	-	-	-	7,122	61,849
Culture and recreation	21,027	-	-	-	-	-	-	-	-	-	-	-	21,027
Health and welfare	-	-	-	-	-	6,204	-	-	-	-	-	-	6,204
Total expenditures	21,027	-	259,870	29,623	9,057	6,204	23,095	54,727	-	-	-	7,122	410,725
Excess (deficiency) of revenues over (under) expenditures	(6,985)	-	(17,540)	(24,163)	(5,740)	(5,754)	(1,295)	(25,083)	6,311	-	-	(7,122)	(87,371)
OTHER FINANCING SOURCES (USES)													
Operating Transfers in	6,254	-	-	-	-	1,175	-	25,139	-	-	-	8,142	40,710
Operating Transfers out	-	-	-	-	-	-	-	-	(22,800)	(28,025)	(3,167)	-	(53,992)
Total other financing source (uses)	6,254	-	-	-	-	1,175	-	25,139	(22,800)	(28,025)	(3,167)	8,142	(13,282)
Net change in fund balance	(731)	-	(17,540)	(24,163)	(5,740)	(4,579)	(1,295)	56	(16,489)	(28,025)	(3,167)	1,020	(100,653)
Fund balance, beginning of year	(487)	(33,748)	107,799	55,436	12,442	4,579	312	(420)	27,835	29,357	3,006	(261,803)	(55,692)
Fund balance, end of year	\$ (1,218)	\$ (33,748)	\$ 90,259	\$ 31,273	\$ 6,702	\$ -	\$ (983)	\$ (364)	\$ 11,346	\$ 1,332	\$ (161)	\$ (260,783)	\$ (156,345)

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - RECREATION
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Cigarette tax	\$ 146	\$ 146	\$ 158	\$ 12
Joint powers agreements	12,000	12,000	12,000	-
Charges for services	<u>2,014</u>	<u>2,014</u>	<u>1,884</u>	<u>(130)</u>
Total revenues	<u>14,160</u>	<u>14,160</u>	<u>14,042</u>	<u>(118)</u>
EXPENDITURES:				
Current				
Cultural and recreation	<u>20,414</u>	<u>20,414</u>	<u>21,027</u>	<u>(613)</u>
Total expenditures	<u>20,414</u>	<u>20,414</u>	<u>21,027</u>	<u>(613)</u>
Excess (deficiency) of revenues over expenditures	<u>(6,254)</u>	<u>(6,254)</u>	<u>(6,985)</u>	<u>(731)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	6,254	6,254
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>6,254</u>	<u>6,254</u>
Net changes in fund balance Non-GAAP basis	(6,254)	(6,254)	(731)	5,523
Fund balance - beginning	<u>(487)</u>	<u>(487)</u>	<u>(487)</u>	<u>-</u>
Fund balance - ending	<u>\$ (6,741)</u>	<u>\$ (6,741)</u>	<u>\$ (1,218)</u>	<u>\$ 5,523</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(731)	
Revenue accrual		-		
Expenditure accrual		<u>-</u>	<u>-</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ (731)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - LIBRARY
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Joint powers agreements	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Charges for services	14,945	14,945	-	(14,945)
Total revenues	24,945	24,945	-	(24,945)
EXPENDITURES:				
Current				
Cultural and recreation	55,188	55,188	-	55,188
Total expenditures	55,188	55,188	-	55,188
Excess (deficiency) of revenues over expenditures	(30,243)	(30,243)	-	(80,133)
Net changes in fund balance Non-GAAP basis	(30,243)	(30,243)	-	(80,133)
Fund balance - beginning	(33,748)	(33,748)	(33,748)	-
Fund balance - ending	\$ (63,991)	\$ (63,991)	\$ (33,748)	\$ (80,133)
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			-	
Revenue accrual		-	-	
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			\$ -	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - EMERGENCY MEDICAL SERVICES
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State allocation	\$ 7,000	\$ 7,000	\$ 7,000	\$ -
Joint powers agreements	-	-	32,000	32,000
Charges for services	<u>370,000</u>	<u>370,000</u>	<u>203,330</u>	<u>(166,670)</u>
Total revenues	<u>377,000</u>	<u>377,000</u>	<u>242,330</u>	<u>(134,670)</u>
EXPENDITURES:				
Current				
Public safety	<u>377,000</u>	<u>377,000</u>	<u>259,870</u>	<u>117,130</u>
Total expenditures	<u>377,000</u>	<u>377,000</u>	<u>259,870</u>	<u>117,130</u>
Excess (deficiency) of revenues over expenditures	<u>(17,540)</u>	<u>(17,540)</u>	<u>(17,540)</u>	<u>(17,540)</u>
Net changes in fund balance Non-GAAP basis	(17,540)	(17,540)	(17,540)	(17,540)
Fund balance - beginning	<u>107,799</u>	<u>107,799</u>	<u>107,799</u>	<u>-</u>
Fund balance - ending	<u>\$ 90,259</u>	<u>\$ 90,259</u>	<u>\$ 90,259</u>	<u>\$ (17,540)</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(17,540)	
Revenue accrual		-		
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			<u>\$ (17,540)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - CORRECTIONS
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Correction fees	\$ 9,000	\$ 9,000	\$ 5,148	\$ (3,852)
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>5,148</u>	<u>(3,852)</u>
EXPENDITURES:				
Current				
Public safety	<u>1,300</u>	<u>1,300</u>	<u>29,623</u>	<u>(28,323)</u>
Total expenditures	<u>1,300</u>	<u>1,300</u>	<u>29,623</u>	<u>(28,323)</u>
Excess (deficiency) of revenues over expenditures	<u>7,700</u>	<u>7,700</u>	<u>(24,475)</u>	<u>24,471</u>
Net changes in fund balance Non-GAAP basis	7,700	7,700	(24,475)	24,471
Fund balance - beginning	<u>55,436</u>	<u>55,436</u>	<u>55,436</u>	<u>-</u>
Fund balance - ending	<u>\$ 63,136</u>	<u>\$ 63,136</u>	<u>\$ 30,961</u>	<u>\$ 24,471</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(24,475)	
Revenue accrual		312		
Expenditure accrual		<u>-</u>	<u>312</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ (24,163)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - LODGER'S TAX
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Lodger's tax	\$ 3,612	\$ 3,612	\$ 3,317	\$ (295)
Total revenues	<u>3,612</u>	<u>3,612</u>	<u>3,317</u>	<u>(295)</u>
EXPENDITURES:				
Current				
General government	<u>3,612</u>	<u>3,612</u>	<u>9,057</u>	<u>(5,445)</u>
Total expenditures	<u>3,612</u>	<u>3,612</u>	<u>9,057</u>	<u>(5,445)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(5,740)</u>	<u>(5,740)</u>
Net changes in fund balance Non-GAAP basis	-	-	(5,740)	(5,740)
Fund balance - beginning	<u>12,442</u>	<u>12,442</u>	<u>12,442</u>	<u>-</u>
Fund balance - ending	<u>\$ 12,442</u>	<u>\$ 12,442</u>	<u>\$ 6,702</u>	<u>\$ (5,740)</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(5,740)	
Revenue accrual		-		
Expenditure accrual		<u>-</u>	<u>-</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ (5,740)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - CEMETERY
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Charges for services	\$ 23,628	\$ 23,628	\$ 450	\$ (23,178)
Total revenues	<u>23,628</u>	<u>23,628</u>	<u>450</u>	<u>(23,178)</u>
EXPENDITURES:				
Current				
Health and welfare	<u>1,350</u>	<u>1,350</u>	<u>6,204</u>	<u>(4,854)</u>
Total expenditures	<u>1,350</u>	<u>1,350</u>	<u>6,204</u>	<u>(4,854)</u>
Excess (deficiency) of revenues over expenditures	<u>22,278</u>	<u>22,278</u>	<u>(5,754)</u>	<u>(28,032)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>1,175</u>	<u>1,175</u>	<u>1,175</u>	<u>-</u>
Total other financing sources (uses)	<u>1,175</u>	<u>1,175</u>	<u>1,175</u>	<u>-</u>
Net changes in fund balance Non-GAAP basis	(4,579)	(4,579)	(4,579)	(4,579)
Fund balance - beginning	<u>4,579</u>	<u>4,579</u>	<u>4,579</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,579)</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(4,579)	
Revenue accrual		-		
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			<u>\$ (4,579)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - LAW ENFORCEMENT PROTECTION
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State allocation	\$ 21,800	\$ 21,800	\$ 21,800	\$ -
Total revenues	<u>21,800</u>	<u>21,800</u>	<u>21,800</u>	<u>-</u>
EXPENDITURES:				
Current				
Public safety	<u>21,800</u>	<u>21,800</u>	<u>23,095</u>	<u>(1,295)</u>
Total expenditures	<u>21,800</u>	<u>21,800</u>	<u>23,095</u>	<u>(1,295)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(1,295)</u>	<u>1,295</u>
Net changes in fund balance Non-GAAP basis	-	-	(1,295)	1,295
Fund balance - beginning	<u>312</u>	<u>312</u>	<u>312</u>	<u>-</u>
Fund balance - ending	<u>\$ 312</u>	<u>\$ 312</u>	<u>\$ (983)</u>	<u>\$ 1,295</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(1,295)	
Revenue accrual		-		
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			<u>\$ (1,295)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - GASOLINE TAX
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Gasoline tax municipal	\$ 37,700	\$ 37,700	\$ 29,644	\$ (8,056)
Total revenues	<u>37,700</u>	<u>37,700</u>	<u>29,644</u>	<u>(8,056)</u>
EXPENDITURES:				
Current				
Public works	<u>62,839</u>	<u>62,839</u>	<u>54,727</u>	<u>8,112</u>
Total expenditures	<u>62,839</u>	<u>62,839</u>	<u>54,727</u>	<u>8,112</u>
Excess (deficiency) of revenues over expenditures	<u>(25,139)</u>	<u>(25,139)</u>	<u>(25,083)</u>	<u>56</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>25,139</u>	<u>25,139</u>	<u>25,139</u>	<u>-</u>
Total other financing sources (uses)	<u>25,139</u>	<u>25,139</u>	<u>25,139</u>	<u>-</u>
Net changes in fund balance Non-GAAP basis	-	-	56	56
Fund balance - beginning	<u>(420)</u>	<u>(420)</u>	<u>(420)</u>	<u>-</u>
Fund balance - ending	<u>\$ (420)</u>	<u>\$ (420)</u>	<u>\$ (364)</u>	<u>\$ 56</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			56	
Revenue accrual		-		
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			<u>\$ 56</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - ENVIRONMENTAL GROSS RECEIPTS
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Gross receipts tax environmental	\$ 6,000	\$ 6,000	\$ 6,311	\$ 311
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>6,311</u>	<u>311</u>
EXPENDITURES:				
Current				
Public works	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Total expenditures	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>6,311</u>	<u>6,311</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>(22,800)</u>	<u>(22,800)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(22,800)</u>	<u>(22,800)</u>
Net changes in fund balance Non-GAAP basis	-	-	(16,489)	(16,489)
Fund balance - beginning	<u>27,835</u>	<u>27,835</u>	<u>27,835</u>	<u>-</u>
Fund balance - ending	<u>\$ 27,835</u>	<u>\$ 27,835</u>	<u>\$ 11,346</u>	<u>\$ (16,489)</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(16,489)	
Revenue accrual		-		
Expenditure accrual		<u>-</u>	<u>-</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ (16,489)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - INFRASTRUCTURE GROSS RECEIPTS
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Gross receipts tax infrastructure	\$ 12,000	\$ 12,000	\$ -	\$ (12,000)
Total revenues	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>(12,000)</u>
EXPENDITURES:				
Current				
Public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>(12,000)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>(28,025)</u>	<u>(28,025)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(28,025)</u>	<u>(28,025)</u>
Net changes in fund balance Non-GAAP basis	12,000	12,000	(28,025)	(40,025)
Fund balance - beginning	<u>29,357</u>	<u>29,357</u>	<u>29,357</u>	<u>-</u>
Fund balance - ending	<u>\$ 41,357</u>	<u>\$ 41,357</u>	<u>\$ 1,332</u>	<u>\$ (40,025)</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(16,489)	
Revenue accrual		-		
Expenditure accrual		<u>-</u>	<u>-</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ (16,489)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - COMMUNITY CENTER
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current				
Cultural and recreation	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(3,167)	(3,167)
Total other financing sources (uses)	-	-	(3,167)	(3,167)
Net changes in fund balance Non-GAAP basis	-	-	(3,167)	(3,167)
Fund balance - beginning	3,006	3,006	3,006	-
Fund balance - ending	<u>\$ 3,006</u>	<u>\$ 3,006</u>	<u>\$ (161)</u>	<u>\$ (3,167)</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(3,167)	
Revenue accrual		-		
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			<u>\$ (3,167)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR SPECIAL REVENUE FUND - GRANTS
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State grants	\$ 556,539	\$ 556,539	\$ -	\$ (556,539)
Total revenues	<u>556,539</u>	<u>556,539</u>	<u>-</u>	<u>(556,539)</u>
EXPENDITURES:				
Current				
Public works	<u>577,067</u>	<u>577,067</u>	<u>7,122</u>	<u>569,945</u>
Total expenditures	<u>577,067</u>	<u>577,067</u>	<u>7,122</u>	<u>569,945</u>
Excess (deficiency) of revenues over expenditures	<u>(20,528)</u>	<u>(20,528)</u>	<u>(7,122)</u>	<u>13,406</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>8,142</u>	<u>8,142</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>8,142</u>	<u>8,142</u>
Net changes in fund balance Non-GAAP basis	(20,528)	(20,528)	1,020	21,548
Fund balance - beginning	<u>(261,803)</u>	<u>(261,803)</u>	<u>(261,803)</u>	<u>-</u>
Fund balance - ending	<u>\$ (282,331)</u>	<u>\$ (282,331)</u>	<u>\$ (260,783)</u>	<u>\$ 21,548</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			1,020	
Revenue accrual		-		
Expenditure accrual		<u>-</u>	<u>-</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ 1,020</u>	

See independent auditors' report and accompanying notes to financial statements.

CAPITAL PROJECTS FUNDS

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
JUNE 30, 2009

	CDBG Wastewater	SAP LGD 06-545	RUS/WW/ USDW/RD	SAP 07-L- 1146-GF	SAP-0-LG- 5572	35-08-21736	SAP 07-LG 5323-24-25	YCC	SAP 07-L- G5572 LGD Colonias	Total
ASSETS										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,174	\$ -	\$ -	\$ 19,174
Total assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,174	\$ -	\$ -	\$ 19,174
LIABILITIES AND FUND BALANCE										
Liabilities										
Due to other governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,398	\$ 33,398
Total liabilities	-	-	-	-	-	-	-	-	33,398	33,398
Fund balance										
Reserved for capital projects	-	-	-	-	-	-	19,174	-	(33,398)	(14,224)
Total liabilities and fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,174	\$ -	\$ -	\$ 19,174

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	CDBG Wastewater	SAP LGD 06-545	RUS/WW/ USDW/RD	SAP 07-L- 1146-GF	SAP-0-LG- 5572	35-08-21736	SAP 07-LG 5323-24-25	YCC	SAP 07-L- G5572 LGD Colonias	Total
REVENUES										
State grants	\$ -	\$ -	\$ -	\$ 100,000	\$ 159,008	\$ 4,852	\$ 25,973	\$ 5,028	\$ 148,331	\$ 443,192
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>159,008</u>	<u>4,852</u>	<u>25,973</u>	<u>5,028</u>	<u>148,331</u>	<u>443,192</u>
EXPENDITURES										
Capital outlay	191	192	369	100,000	159,008	4,852	19,662	5,028	181,729	471,031
Total expenditures	<u>191</u>	<u>192</u>	<u>369</u>	<u>100,000</u>	<u>159,008</u>	<u>4,852</u>	<u>19,662</u>	<u>5,028</u>	<u>181,729</u>	<u>471,031</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(191)</u>	<u>(192)</u>	<u>(369)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,311</u>	<u>-</u>	<u>(33,398)</u>	<u>(27,839)</u>
Net change in fund balance	(191)	(192)	(369)	-	-	-	6,311	-	(33,398)	(27,839)
Fund balance, beginning of year	191	192	369	-	-	-	12,863	-	-	13,615
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,174</u>	<u>\$ -</u>	<u>\$ (33,398)</u>	<u>\$ (14,224)</u>

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR CAPITAL PROJECTS FUND - CDBG WASTEWATER
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State grants	\$ -	\$ -	\$ -	\$ -
Federal grants	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Current				
Capital outlay	-	-	191	(191)
Total expenditures	-	-	191	(191)
Excess (deficiency) of revenues over expenditures	-	-	(191)	191
Net changes in fund balance Non-GAAP basis	-	-	(191)	191
Fund balance - beginning	191	191	191	-
Fund balance - ending	<u>\$ 191</u>	<u>\$ 191</u>	<u>\$ -</u>	<u>\$ 191</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(191)	
Revenue accrual		-		
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			<u>\$ (191)</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
 VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL ON BUDGETARY BASIS
 NON-MAJOR CAPITAL PROJECTS FUND - SAP LGD 06-545
 FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Federal grants	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current				
Capital outlay	-	-	192	(192)
Total expenditures	-	-	192	(192)
Excess (deficiency) of revenues over expenditures	-	-	(192)	192
Net changes in fund balance Non-GAAP basis	-	-	(192)	192
Fund balance - beginning	192	192	192	-
Fund balance - ending	\$ 192	\$ 192	\$ -	\$ 192
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(192)	
Revenue accrual		-		
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			\$ (192)	

See independent auditors' report and accompanying notes to financial statements.

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR CAPITAL PROJECTS FUND - RUS/WW/USDW/RD
FOR THE YEAR ENDED JUNE 30, 2009**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State grants	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current				
Capital outlay	-	-	369	(369)
Total expenditures	-	-	369	(369)
Excess (deficiency) of revenues over expenditures	-	-	(369)	369
Net changes in fund balance Non-GAAP basis	-	-	(369)	369
Fund balance - beginning	369	369	369	-
Fund balance - ending	<u>\$ 369</u>	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ 369</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(369)	
Revenue accrual		-		
Expenditure accrual		-	-	
Excess of revenues over expenditures - GAAP basis			<u>\$ (369)</u>	

See independent auditors' report and accompanying notes to financial statements.

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR CAPITAL PROJECTS FUND - SAP 07-L-1146-GF
FOR THE YEAR ENDED JUNE 30, 2009**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Federal grants	\$ -	\$ -	\$ 100,000	\$ 100,000
Total revenues	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
EXPENDITURES:				
Current				
Capital outlay	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>(100,000)</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>(100,000)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance Non-GAAP basis	-	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			-	
Revenue accrual		-		
Expenditure accrual		<u>-</u>	<u>-</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ -</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR CAPITAL PROJECTS FUND - SAP 0-LG-5572
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State grants	\$ -	\$ -	\$ 159,008	\$ 159,008
Total revenues	-	-	159,008	159,008
EXPENDITURES:				
Current				
Capital outlay	-	-	159,008	(159,008)
Total expenditures	-	-	159,008	(159,008)
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net changes in fund balance Non-GAAP basis	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			-	
Revenue accrual		-		
Expenditure accrual		-		
Excess of revenues over expenditures - GAAP basis			\$ -	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR CAPITAL PROJECTS FUND 35-08-21736
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State grants	\$ -	\$ -	\$ 4,852	\$ 4,852
Total revenues	-	-	4,852	4,852
EXPENDITURES:				
Current				
Capital outlay	-	-	4,852	(4,852)
Total expenditures	-	-	4,852	(4,852)
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net changes in fund balance Non-GAAP basis	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	-	-	-	-
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			-	
Revenue accrual		-		
Expenditure accrual		-		
Excess of revenues over expenditures - GAAP basis			\$ -	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR CAPITAL PROJECTS FUND -SAP 07-LG-5323-24-25
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State grants	\$ -	\$ -	\$ 25,973	\$ 25,973
Total revenues	-	-	25,973	25,973
EXPENDITURES:				
Current				
Capital outlay	-	-	19,662	(19,662)
Total expenditures	-	-	19,662	(19,662)
Excess (deficiency) of revenues over expenditures	-	-	6,311	6,311
Net changes in fund balance Non-GAAP basis	-	-	6,311	6,311
Fund balance - beginning	12,863	12,863	12,863	-
Fund balance - ending	\$ 12,863	\$ 12,863	\$ 19,174	\$ 6,311
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			6,311	
Revenue accrual		-		
Expenditure accrual		-		
Excess of revenues over expenditures - GAAP basis			\$ 6,311	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR CAPITAL PROJECTS FUND - YCC
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State grants	\$ -	\$ -	\$ 5,028	\$ 5,028
Total revenues	<u>-</u>	<u>-</u>	<u>5,028</u>	<u>5,028</u>
EXPENDITURES:				
Current				
Capital outlay	<u>-</u>	<u>-</u>	<u>5,028</u>	<u>(5,028)</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>5,028</u>	<u>(5,028)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance Non-GAAP basis	-	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			-	
Revenue accrual		-		
Expenditure accrual		<u>-</u>		
Excess of revenues over expenditures - GAAP basis			<u>\$ -</u>	

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL ON BUDGETARY BASIS
NON-MAJOR CAPITAL PROJECTS FUND -SAP 07-L-G5572 LGD COLONIAS
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
State grants	\$ -	\$ -	\$ 148,331	\$ 148,331
Total revenues	<u>-</u>	<u>-</u>	<u>148,331</u>	<u>148,331</u>
EXPENDITURES:				
Current				
Capital outlay	<u>-</u>	<u>-</u>	<u>181,729</u>	<u>(181,729)</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>181,729</u>	<u>(181,729)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(33,398)</u>	<u>(33,398)</u>
Net changes in fund balance Non-GAAP basis	-	-	(33,398)	(33,398)
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,398)</u>	<u>\$ (33,398)</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			(33,398)	
Revenue accrual		-		
Expenditure accrual		<u>-</u>	<u>-</u>	
Excess of revenues over expenditures - GAAP basis			<u>\$ (33,398)</u>	

See independent auditors' report and accompanying notes to financial statements.

PROPRIETARY FUND BUDGET

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL ON BUDGETARY BASIS
PROPRIETARY FUND - JOINT UTILITIES
FOR THE YEAR ENDED JUNE 30, 2009

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Water and Sewer:				
Utilities services	\$ 295,800	\$ 295,800	\$ 296,588	\$ 788
Connections	40,500	40,500	53,307	12,807
Reconnections	1,000	1,000	-	(1,000)
Penalties	16,000	16,000	16,308	308
Water conservation fees	1,500	1,500	1,536	36
Interest income	100	100	169	69
Gross receipts taxes	15,500	15,500	44,141	28,641
Intergovernmental	42,000	42,000	-	(42,000)
Miscellaneous	10,500	10,500	9,436	(1,064)
	<u>422,900</u>	<u>422,900</u>	<u>421,485</u>	<u>(1,415)</u>
Landfill:				
Sales	20,736	20,736	16,980	(3,756)
	<u>20,736</u>	<u>20,736</u>	<u>16,980</u>	<u>(3,756)</u>
Total revenue	<u>443,636</u>	<u>443,636</u>	<u>438,465</u>	<u>(5,171)</u>
EXPENDITURES:				
Water and Sewer:				
Personnel	136,705	136,705	117,659	19,046
Operating expenses	119,581	119,581	240,703	(121,122)
	<u>256,286</u>	<u>256,286</u>	<u>358,362</u>	<u>(102,076)</u>
Landfill:				
Personnel	31,615	31,615	-	31,615
Operating expenses	49,366	49,366	-	49,366
	<u>80,981</u>	<u>80,981</u>	<u>-</u>	<u>80,981</u>
Total expenses	<u>337,267</u>	<u>337,267</u>	<u>358,362</u>	<u>(21,095)</u>
Excess (deficiency) of revenues over expenditures	<u>106,369</u>	<u>106,369</u>	<u>80,103</u>	<u>15,924</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	30,000	30,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
Net changes in fund balance Non-GAAP basis	<u>106,369</u>	<u>106,369</u>	<u>110,103</u>	<u>45,924</u>
Fund balance - beginning	<u>8,596,574</u>	<u>8,596,574</u>	<u>8,596,574</u>	<u>-</u>
Fund balance - ending	<u>\$ 8,702,943</u>	<u>\$ 8,702,943</u>	<u>\$ 8,706,677</u>	<u>\$ 45,924</u>
Reconciliation in fund balance - budgetary basis				
Net change in fund balance - budgetary basis			110,103	
Depreciation expense		(531,682)		
Expenditure accrual		(297)	(531,979)	
Excess of revenues over expenditures - GAAP basis			<u>\$ (421,876)</u>	

See independent auditors' report and accompanying notes to financial statements.

OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2009

Municipal Court	Balance 6/30/08	Additions	Reductions	Balance 6/30/09
ASSETS				
Cash and cash equivalents	\$ 2,524	\$ -	\$ -	\$ 2,524
Total assets	\$ 2,524	\$ -	\$ -	\$ 2,524
LIABILITIES				
Accounts payable	\$ 2,524	\$ -	\$ -	\$ 2,524
Total liabilities	\$ 2,524	\$ -	\$ -	\$ 2,524

See independent auditors' report and accompanying notes to financial statements.

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

SCHEDULE OF DEPOSITORIES
JUNE 30, 2009

	Type	Amount Per Bank	Plus DIT	Outstanding Checks	Balance Per Books
First New Mexico Bank					
General - Operating	CK	\$ 635,834	\$ 14,388	\$ 45,097	\$ 605,125
Payroll	CK	254	-	-	254
General	SV	1,362	-	-	1,362
General	CD	-	-	10	(10)
General	CD	62,500	-	-	62,500
General	CD	62,500	-	-	62,500
General	CD	215,945	-	4,347	211,598
Corrections	CK	3,983	-	-	3,983
Corrections	CD	3,768	-	94	3,674
Corrections	CD	7,744	-	156	7,588
Cemetery	CK	5,679	-	300	5,379
USDA H2O	CK	175	-	-	175
Water	CK	8,938	-	42	8,896
SAP LGD 06-545	CK	167	68,855	-	69,022
CDBG Water	CK	171	15	-	186
USDA Wastewater	CK	194	-	-	194
07-L-G-5323	CK	4,893	-	684	4,209
Total		\$ 1,014,107	\$ 83,258	\$ 50,730	\$ 1,046,635
Reconciliation:					
Government-Wide Cash					\$ 1,046,635
Fiduciary Funds					6,233
Total					<u>\$ 1,052,868</u>

Type:
CK= Checking
SV= Savings
CD= Certificate of Deposit

	1st New Mexico Bank
Amount held in bank June 30; 2009	\$ 1,014,107
Less FDIC Insurance	<u>250,000</u>
Uninsured Public Funds	764,107
50% Collateral Requirements (Section 6-10-17 NMSA-1978)	382,054
Pledged Securities	<u>620,000</u>
Over (Under) Collateralized	<u>\$ 237,946</u>

See independent auditors' report and accompanying notes to financial statements.

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2009**

<u>Description of Pledged Collateral</u>	<u>Amount</u>	<u>Name and Location of Safekeeper</u>
Bloomfield NM, CUSIP#094072BE4, Maturing 8/15/2013	\$ 80,000	Federal Home Loan Bank of Dallas
Catron & Cibola Cntys NM ISD #2, CUSIP#149321BQ3, Maturing 7/15/2014	130,000	Federal Home Loan Bank of Dallas
Santa Rosa NM, CUSIP#802751CA3, Maturing 7/1/2012	300,000	Federal Home Loan Bank of Dallas
Tucumcari NM Municipal, CUSIP#898881CB1, Maturing 8/1/2013	<u>110,000</u>	Federal Home Loan Bank of Dallas
Total pledged securities	<u>\$ 620,000</u>	Federal Home Loan Bank of Dallas

See independent auditors' report and accompanying notes to financial statements.

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**JOINT POWERS AGREEMENTS
JUNE 30, 2009**

Participants	Village of Columbus and Luna County
Responsible Party	Luna County
Description	Luna County shall continue to provide funding for EMS, Fire, Landfill, Recreation, Library, and the Community Center.
Period	Perpetual
Project Costs	\$115,000
County Contribution	\$115,000
Audit responsibility	Luna County

See independent auditors' report and accompanying notes to financial statements.

COMPLIANCE SECTION

**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
The Board of Trustees
Village of Columbus
Columbus, New Mexico

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of the Village as of and for the year ended June 30, 2009, which collectively comprise the Village's basic financial statements and have issued our report thereon dated September 6, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. (05-02, 05-04, 07-01, 07-02, and 09-01). 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of finds and questioned costs as items (05-02, 05-04, 07-01, 07-02, and 09-01).

We noted certain matters that are required to be required under *Government Auditing Standards January 2007* Revision paragraphs 5.14 and 5.16, Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and responses as findings 05-02, 05-04, 07-01, 07-02, and 09-01).

The Village's response to the finding identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Village's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management, the Board of Trustee, management, the State Auditor, the New Mexico Legislature, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.

White + Samaniego + Campbell, LLP

El Paso, Texas
September 6, 2011

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2009**

Section II - Financial Statements Findings

PRIOR YEAR FINDINGS

05-02	Legal Compliance with Budget	Repeated
05-04	Audit Report submission to the New Mexico State Auditor	Repeated
07-01	Failure to Prepare Accurate Budget	Repeated
07-02	Failure to Apply GAAP	Repeated
08-01	Data Collection not Filed Timely	Resolved

STATE OF NEW MEXICO
VILLAGE OF COLUMBUS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2009

Legal Compliance with Budget (05-02)

CONDITION Section 6-6-6 of the New Mexico state statutes restricts all officials and governing authorities from approving claims in excess of the approved budget. Additionally, Section 6-6-6 prohibits any payments in excess of the approved budget. During the fiscal year ended June 30, 2009, the Village remitted payments for goods and services in excess of the adopted budget as follows:

Fund	Reason	Budget Expenses	Actual Expenses	Difference
General	Operating expenses	\$ 612,820	\$ 720,847	\$ 108,027
Fire	Operating expenses	89,090	107,836	18,746
Recreation	Operating expenses	20,414	21,027	613
Corrections	Operating expenses	1,300	29,623	28,323
Lodgers Tax	Operating expenses	3,612	9,057	5,445
Cemetery	Operating expenses	1,350	6,204	4,854
Law Enforcement Protection	Operating expenses	21,800	23,095	1,295
CDBG Wastewater	Grant	-	191	191
SAP LGD 06-545	Grant	-	192	192
RUS/WW USDA/RD	Grant	-	369	369
SAP 07-L-1146-GF	Grant	-	100,000	100,000
SAP 0-LG-5572	Grant	-	159,008	159,008
35-08-21736	Grant	-	4,852	4,852
SAP 07-LG-5323-24-25	Grant	-	19,662	19,662
YCC	Grant	-	5,028	5,028
SAP 07-L-G5572 LGD Colonias	Grant	-	181,729	181,729
Joint Utilities - Water/Sewer	Operating expenses	337,267	358,362	21,095
Totals		\$ 1,087,653	\$ 1,747,082	\$ 659,429

In addition, the Village budgeted deficits in funds as follows:

Fund	Budgeted Deficit
Recreation	\$ 6,741
Library	63,991
Gasoline Tax	420
Grants	282,331

CRITERIA Section 6-6-6 of the New Mexico State Statutes restricts all officials and governing authorities from approving claims in excess of the approved budget. Additionally, Section 6-6-6 prohibits any payment in excess of the approved budget. The Village officials and governing authorities have the obligation to follow applicable state statutes.

CAUSE Village personnel did not have adequate monitoring process in place to prevent the over-expenditures.

EFFECT Non-compliance with New Mexico state statutes could subject officials and employees to penalties and fines required by state statutes.

RECOMMENDATION We recommend that management closely monitor expenditures and budget limitations to ensure compliance with budget restrictions.

RESPONSE The Village has implemented procedures to insure compliance in the future.

Late Audit Report (05-04)

CONDITION The required submission date of the audit report for the fiscal year ended June 30, 2009 to the New Mexico State Auditor was December 1, 2009. The June 30, 2009 audited financial statements were submitted in September 2011.

CRITERIA New Mexico State Statutes Section 12-6-12 requires the state auditor to promulgate reasonable regulations necessary to carry out the duties of the office. NMAC 2-2-2-9 requires that the County submit the audit report by November 15 following the end of each fiscal year at June 30.

CAUSE The current year auditor's contract was not awarded in the normal course of distribution. Also, additional time was needed by the auditor to assemble the necessary financial information.

EFFECT Delays in the submission of the audit reports affecting the reporting of financial information to other state agencies and governments.

RECOMMENDATION The Village should work in conjunction with the auditors to ensure that the audit is submitted timely.

RESPONSE The Village will work with the auditors to see that the audit is scheduled and started as early as possible to ensure a timely submission.

Failure to Prepare Accurate Budget (07-01)

CONDITION The Village prepared a budget for the year ending June 30, 2009. There were no budgeted line items for revenue to be received from CDBG Wastewater, SAP LGD 06-545, RUS/WW USDA/RD, SAP 07-I-1146-GF, SAP 07-L-G5572, 35-08-21736, SAP 07-LG-5323-24-25, YCC, and LGD Colonias, which are state and federal grants.

CRITERIA NMSA 1978 Section 6-6-2D requires the Village to make corrections, revisions, and amendments as necessary.

CAUSE The Village did not budget any revenue for the CDBG Wastewater, SAP LGD 06-545, RUS/WW USDA/RD, SAP 07-I-1146-GF, SAP 07-L-G5572, 35-08-21736, SAP 07-LG-5323-24-25, YCC, and LGD Colonias. A request to amend its budget was not submitted to the State of New Mexico to include these revenues.

EFFECT The Village is not in compliance with NMSA 1978, Sections 6-6-2D.

RECOMMENDATION The Village should have a process in place to regularly review the budget and prepare corrections as needed.

RESPONSE The Village will monitor budgets in the future and make corrections as needed.

Failure to Apply GAAP (07-02)

CONDITION The Village did not maintain adequate accounting records in accordance with accounting principles generally accepted in the United States of America and could not provide complete, accurate, and timely information.

CRITERIA Key employees or management should be trained in GAAP principles in recording the Village's financial transactions and in preparing its financial statements (Subsection H, 2.2.2.8 NMAC; SAS 112).

CAUSE Key employees were not trained to be able to apply GAAP principles in recording the preparing the Village's financial statements.

EFFECT The key employees were not able to apply GAAP principles when recording transactions and in preparing the Village's financial statements. Due to this problem the employees could not provide complete, accurate, and timely information.

RECOMMENDATION We suggest that management ensure that all employees receive training in applying generally accepted accounting principles when recording daily transactions.

RESPONSE Staff will undergo appropriate training.

Failure to Provide Information (09-01)

CONDITION General ledger detail and subsidiary ledgers of numerous accounts were unable to be generated and provided to the auditors.

CRITERIA Detailed information is required to be provided to the auditors in order to test the detail and accuracy of information.

CAUSE The Village experienced a large amount of turnover while the FY09 audit was being performed.

EFFECT Certain accounts and transactions were not able to be audited.

RECOMMENDATION We recommend that the Village develop procedures for accounting and filing of all Village transactions, as well as cross train employees on these duties.

RESPONSE The recommendation will be adopted.

**STATE OF NEW MEXICO
VILLAGE OF COLUMBUS**

**EXIT CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2009**

An exit conference was held on September 7, 2011 in a closed meeting with Roxie Samaniego, CPA of White + Samaniego + Campbell, LLP, with the following Village officials:

Nicole S. Lawson	Mayor
William E. Canfield	Trustee
Win Mott	Trustee
John Forbes	Treasurer
July McClure	Deputy Clerk
Nina Karen Hartman	Volunteer Assistant Treasurer
Linda Werner	Library Director
Robert Gomez	Public Works Director
Bob Wright	Fire Chief
Natalia Baeza	Municipal Clerk

White + Samaniego + Campbell, LLP

Roxie Samaniego	Partner In-Charge
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The financial statements presented in this report were compiled with the assistance of the auditors, White + Samaniego + Campbell, LLP. However, the contents of the financial statements remain the responsibility of management.