

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
AUDIT REPORT  
JUNE 30, 2009**

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
JUNE 30, 2009**

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## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
JUNE 30, 2009**

**OFFICAL ROSTER**

**Mayor and Councilmen**

<u>Name</u>	<u>Title</u>
Phillip Gasteyer	Mayor
John P. Alsobrook II	Councilor
Sayre Gerhart	Councilor
Patricia S. Clauser	Councilor
James F. Fahey, Jr.	Councilor
Gerard A. Gaglian	Councilor
Bonnie L. Gonzales	Councilor

**Administrative Officials**

Nora Scherzinger	Village Administrator
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## **FINANCIAL STATEMENTS SECTION**



PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

Phillip Gasteyer, Mayor  
Village Council  
Village of Corrales  
Corrales, New Mexico  
and  
Hector H. Balderas  
New Mexico State Auditor  
Santa Fe, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Village of Corrales, New Mexico (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 have also audited the financial statements of each of the Village's nonmajor governmental funds 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's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village, as of June 30, 2009, and the respective changes in financial position and the respective budgetary comparisons for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Village as of June 30, 2009, and the respective changes in financial position and the respective budgetary comparisons for the Farmland Preservation Fund, Far North West Sector Fund, General Obligation Bond Fund, Sewer Project Fund, and all nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2010, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Village has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not a required part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Village. The additional schedules listed as "other supplementary information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Pattillo, Brown & Hill LLP*

Pattillo, Brown & Hill, L.L.P.

Albuquerque, New Mexico

January 6, 2010



**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
STATEMENT OF NET ASSETS  
JUNE 30, 2009**

	Governmental Activities
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 3,072,854
Receivables (net of allowance for uncollectibles)	310,160
Prepaid expenses	337
Total current assets	3,383,351
Other assets:	
Restricted cash	126,078
Noncurrent assets	
Other assets-bond issue costs	100,138
Capital assets not being depreciated	
Land	5,396,950
Water Rights	230,621
Construction in progress	307,185
Capital assets being depreciated, net	9,969,278
Total noncurrent assets	16,004,172
Total assets	19,513,601
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	55,386
Accrued payroll liabilities	82,349
Accrued interest payable	29,348
Current portion of long term debt	300,000
Total current liabilities	467,083
Noncurrent liabilities:	
Compensated absences	67,140
Bonds and notes less current portion	2,670,000
Total noncurrent liabilities	2,737,140
Total liabilities	3,204,223
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	12,934,034
Restricted for:	
Capital projects	973,880
Debt service	632,243
Unrestricted	1,769,221
Total net assets	\$ 16,309,378

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2009**

Functions/Programs	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities				
General Government	\$ 1,616,903	\$ 170,213	\$ 55,000	\$ 431,932
Public Safety	2,555,957	35,048	655,632	1,012,244
Culture and Recreation	580,849	58,497	-	451,244
Public Works	951,782	-	-	551,213
Debt Service	103,922	-	-	-
Total Governmental Activities	\$ 5,809,413	\$ 263,758	\$ 710,632	\$ 2,446,633

General revenues:

Taxes:

- Gross receipt taxes and fees
- Property taxes, levied for general purposes
- Franchise taxes
- State shared taxes and fees
- Lodgers tax
- Other taxes

- Fines and forfeitures
- Investment earnings
- Loss on sale of fixed assets
- Miscellaneous

Total general revenues

Change in net assets

Net assets, beginning

Restatement

Net assets, beginning as restated

Net assets, ending

Net (Expense) Revenue  
and Changes in Net  
Assets

Primary Government

Governmental Activities

\$ (959,758)  
(853,033)  
(71,108)  
(400,569)  
(103,922)  
\$ (2,388,390)

1,179,793  
1,065,873  
259,787  
951,824  
7,491  
42,494  
160,181  
25,451  
(302)  
26,200

3,718,792  
1,330,402

14,844,387  
134,589

14,978,976

\$ 16,309,378

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2009**

	General Fund	Farmland Preservation	Far North West Sector	General Obligation Bonds	Sewer Project
<b>ASSETS</b>					
Cash	\$ 1,020,732	\$ 308,120	\$ 521,653	\$ 604,414	\$ -
Accounts receivable (net of allowance for uncollectibles)	187,243	-	-	39,488	21,410
Due from other funds	111,765	-	-	-	-
Cash-restricted	-	-	126,078	-	-
Prepaid expenses	337	-	-	-	-
<b>Total assets</b>	<b>\$ 1,320,077</b>	<b>\$ 308,120</b>	<b>\$ 647,731</b>	<b>\$ 643,902</b>	<b>\$ 21,410</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 30,477	\$ -	\$ 6,947	\$ -	\$ 5,119
Accrued payroll liabilities	82,217	-	-	-	-
Deferred revenue	24,289	-	-	11,659	5,119
Due to other funds	-	-	6,680	-	45,369
<b>Total liabilities</b>	<b>136,983</b>	<b>-</b>	<b>13,627</b>	<b>11,659</b>	<b>55,607</b>
<b>Fund balances:</b>					
Reserved for:					
Debt service	-	-	-	632,243	-
Capital projects	-	308,120	634,104	-	(34,197)
Unreserved, undesignated, reported in:					
General fund	1,183,094	-	-	-	-
Special revenue funds	-	-	-	-	-
<b>Total fund balance</b>	<b>1,183,094</b>	<b>308,120</b>	<b>634,104</b>	<b>632,243</b>	<b>(34,197)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,320,077</b>	<b>\$ 308,120</b>	<b>\$ 647,731</b>	<b>\$ 643,902</b>	<b>\$ 21,410</b>

Long term liabilities, including loans payable, are not due and payable in the current period and therefore are not reported in the funds.

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

A portion of accounts receivable are not available to pay for current period expenditures and, therefore, is deferred in the funds.

A portion of property taxes receivable is not available to pay current period expenditures and, therefore, is deferred in the funds.

<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 617,935	\$ 3,072,854
62,019	310,160
-	111,765
-	126,078
-	337
<u>\$ 679,954</u>	<u>\$ 3,621,194</u>

\$ 12,843	\$ 55,386
132	82,349
975	42,042
<u>59,716</u>	<u>111,765</u>
<u>73,666</u>	<u>291,542</u>

-	632,243
65,853	973,880
-	1,183,094
<u>540,435</u>	<u>540,435</u>
<u>606,288</u>	<u>3,329,652</u>
<u>\$ 679,954</u>	

(2,966,350)

15,904,034

6,094

35,948

\$ 16,309,378

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	General Fund	Farmland Preservation	Far North West Sector	General Obligation Bonds	Sewer Project
<b>REVENUES</b>					
Taxes:					
Gross receipts taxes	\$ 1,179,793	\$ -	\$ -	\$ -	\$ -
Property taxes	667,937	-	-	385,504	-
Franchise taxes	259,787	-	-	-	-
State-shared taxes	943,376	-	-	-	-
Lodgers taxes	-	-	-	-	-
Other taxes	16,870	-	-	-	-
Licenses and permits	118,123	-	-	-	-
Intergovernmental	597,530	697,410	-	-	167,476
Charges for services	91,011	-	19,576	-	-
Fines and Forfeitures	94,469	-	-	-	-
Interest on investments	21,085	-	4,366	-	-
Sale of fixed assets	5,540	-	-	-	-
Miscellaneous	17,762	-	-	-	-
<b>Total revenues</b>	<u>4,013,283</u>	<u>697,410</u>	<u>23,942</u>	<u>385,504</u>	<u>167,476</u>
<b>EXPENDITURES</b>					
<b>Current operations:</b>					
General government	1,161,673	-	-	4,286	-
Public safety	2,118,705	-	-	-	-
Public works	516,561	13,680	23,936	-	-
Culture and recreation	370,358	-	-	-	-
<b>Debt service:</b>					
Debt service principal	-	-	-	100,000	-
Debt service interest	-	-	37,683	55,423	-
Bond issuance cost	-	53,169	-	-	-
<b>Capital outlay</b>	<u>248,689</u>	<u>1,504,875</u>	<u>62,505</u>	<u>-</u>	<u>172,596</u>
<b>Total expenditures</b>	<u>4,415,986</u>	<u>1,571,724</u>	<u>124,124</u>	<u>159,709</u>	<u>172,596</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(402,703)</u>	<u>(874,314)</u>	<u>(100,182)</u>	<u>225,795</u>	<u>(5,120)</u>
<b>Other financing sources (uses):</b>					
Bond proceeds	-	800,000	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(66,536)	-	(154,212)	-	-
<b>Total other financing sources (uses):</b>	<u>(66,536)</u>	<u>800,000</u>	<u>(154,212)</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(469,239)</u>	<u>(74,314)</u>	<u>(254,394)</u>	<u>225,795</u>	<u>(5,120)</u>
<b>Fund balances, beginning of year:</b>	<u>1,652,333</u>	<u>382,434</u>	<u>888,498</u>	<u>406,448</u>	<u>(29,077)</u>
<b>Fund balances, end of year</b>	<u>\$ 1,183,094</u>	<u>\$ 308,120</u>	<u>\$ 634,104</u>	<u>\$ 632,243</u>	<u>\$ (34,197)</u>

The notes to the financial statements are an integral part of this statement.

**Nonmajor  
Governmental**

<u>Funds</u>	<u>Total</u>
\$ -	\$ 1,179,793
-	1,053,441
-	259,787
8,448	951,824
7,491	7,491
25,624	42,494
-	118,123
2,219,871	3,682,287
35,048	145,635
65,712	160,181
-	25,451
-	5,540
8,438	26,200
<u>2,370,632</u>	<u>7,658,247</u>
7,415	1,173,374
359,213	2,477,918
114,357	668,534
174,558	544,916
-	100,000
(3)	93,103
-	53,169
<u>1,417,742</u>	<u>3,406,407</u>
<u>2,073,282</u>	<u>8,517,421</u>
<u>297,350</u>	<u>(859,174)</u>
-	800,000
309,032	309,032
<u>(88,284)</u>	<u>(309,032)</u>
<u>220,748</u>	<u>800,000</u>
518,098	(59,174)
<u>88,190</u>	<u>3,388,826</u>
<u>\$ 606,288</u>	<u>\$ 3,329,652</u>

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
JUNE 30, 2009**

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

Net change in fund balances - total governmental funds	\$ (59,174)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded the depreciation expense.	2,582,492
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transactions however, has any effect on net assets. Also governmental funds report the effect of issuance of costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(646,831)
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In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.	(5,842)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(27,652)
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Under the modified accrual basis of accounting used in the governmental funds, revenue is recognized when available to provide financing resources for the current period. In the statement of activities, however, which is presented on accrual basis, revenues and related receivables are reported regardless of when financial resources are available. This adjustment combines the net changes of balances.	<u>(512,591)</u>
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Change in net assets of governmental activities	<u>\$ 1,330,402</u>
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**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Gross receipts taxes	\$ 1,238,000	\$ 1,238,000	\$ 1,158,313	\$ (79,687)
Property taxes	630,420	630,420	675,172	44,752
Franchise taxes	225,000	225,000	259,787	34,787
State-shared taxes	950,000	950,000	943,376	(6,624)
Other taxes	3,500	3,500	16,870	13,370
Licenses and permits	206,435	206,435	118,123	(88,312)
Intergovernmental	383,385	383,385	597,530	214,145
Charges for services	233,500	233,500	185,280	(48,220)
Fines and forfeits	-	-	200	200
Investments and interest	80,000	80,000	21,085	(58,915)
Sale of fixed assets	3,000	3,000	5,540	2,540
Miscellaneous	203,900	223,900	17,762	(206,138)
<b>Total revenues</b>	<u>4,157,140</u>	<u>4,177,140</u>	<u>3,999,038</u>	<u>(178,102)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
General government	1,368,894	1,397,616	1,228,763	168,853
Public safety	2,079,113	2,127,643	2,118,705	8,938
Public works	527,058	530,827	516,561	14,266
Culture and recreation	384,231	446,133	370,358	75,775
<b>Capital outlay</b>	<u>103,000</u>	<u>100,816</u>	<u>248,689</u>	<u>(147,873)</u>
<b>Total expenditures</b>	<u>4,462,296</u>	<u>4,603,035</u>	<u>4,483,076</u>	<u>119,959</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(305,156)	(425,895)	(484,038)	(58,143)
<b>Other financing sources (uses):</b>				
Transfers out	<u>(135,000)</u>	<u>(146,000)</u>	<u>(66,536)</u>	<u>79,464</u>
<b>Net change in fund balances</b>	<u>\$ (440,156)</u>	<u>\$ (571,895)</u>	<u>\$ (550,574)</u>	<u>\$ 21,321</u>
<b>Beginning cash balance</b>	<u>\$ 1,556,018</u>	<u>\$ 1,556,018</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
Net increase (decrease) in fund balances budget basis			\$ (550,574)	
Change in receivables			21,480	
Change in payables			67,090	
Change in deferred revenue			<u>(7,235)</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ (469,239)</u>	

The notes to the financial statements are an intergral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
JUNE 30, 2009**

**ASSETS**

Cash	\$ 2,456
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**LIABILITIES**

Deposits payable	\$ 2,456
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The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2009**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Corrales was incorporated under the provisions of the Municipal Code of the State of New Mexico (Sec. 14-2-1 et-Seq. 1971 Comp.) The Village operates under a mayor-council form of government. There are six council members plus the mayor, all of whom are elected at large.

**A. Reporting Entity**

This summary of significant accounting policies of the Village of Corrales is presented to assist in the understanding of Village of Corrales' financial statements. The financial statements and notes are the representation of Village of Corrales' management who is responsible for their integrity and objectivity. 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 government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles (GAAP).

The basic (but not the only) criteria 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, or whether the activity is conducted within the geographic boundaries of the government and is generally available to 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.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* includes 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 revenue are reported instead as *general revenue*.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Sales, franchise, lodgers, gas, cigarette and other similar taxes are recognized when the underlying exchange transaction takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange like transactions are recognized when the exchange takes place. Property taxes, franchise taxes, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

The Village reports the following major governmental funds:

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

The Capital Project- Farmland Preservation to account for the funds used to buy land based on board resolution.

The Capital Project- Far North West Sector to account for funds used to construct the Far North West Sector.

The Capital Project- Sewer Project to account for the funds used for the construction of the sewer system in the Village.

The Debt Service- General Obligation Bonds are issued for the purpose of acquiring conservation easements or other property rights or interests for preservation of farmland, open space, wildlife habitat and recreational opportunities in the Village

Additionally, the Village reports the following fund types:

The Fiduciary Fund accounts for resources held for others in a custodial capacity by the Village in an Agency Fund. The Village's Agency Fund holds bond monies on behalf of the Administrative Office of the Courts and the Judicial Education Center.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenue includes all taxes.

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

D. Assets, Liabilities, and Net Assets or Equity

**Cash and Investments**

Cash and investments include amounts in demand deposits, certificates of deposit and investments with a maturity date within 3 months of the date acquired by the Village.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**D. Assets, Liabilities, and Net Assets or Equity** (continued)

**Capital Assets**

Capital assets, which include property, plant, equipment, and improvements, are reported in the government-wide financial statements. The Village defines capital assets as assets with an initial, individual cost of more than \$5,000 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. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructures, consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are recorded at historical cost.

For depreciation purposes, the Village has identified the following classes of assets and estimated useful lives. Straight-line method is used for the depreciation.

<u>Assets</u>	<u>Years</u>
Buildings and Building Improvements	40
Land Improvements	20
Infrastructure	20
Equipment and Machinery	3-20
Fire Protection Equipment	15
Furniture and Fixtures	15
Vehicles	5-10
Software	3
Library Books	5

**Receivables**

Accounts receivable at June 30, 2009 consist of receivables from grantors and various taxes and receivables.

**Compensated Absences**

Compensated absences are accrued in governmental funds. As of June 30, 2009 those liabilities were approximately \$67,140.

Employees may receive one day's pay for each three days of sick leave for accrued sick leave in excess of 240 hours. All other sick leave is to be forfeited upon termination of the employee. Upon termination, separation or dismissal, the employee shall be paid all accrued annual vacation leave at the pay rate last held.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In accordance with generally accepted accounting principles, an accrual for compensated absences is reflected in the accompanying general-purpose financial statements. Accumulation of vacation leave has been recorded as a liability in the basic financial statements.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**D. Assets, Liabilities, and Net Assets or Equity** (continued)

**Long-term Obligations**

The long-term obligations are reported in the government-wide financial statements as long-term debt if it is due in over one year. In the fund level financial statement, long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as fund liability of a governmental fund.

**Fund Balances**

In the fund financial statements, governmental funds report reservations of fund balance for amounts 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.

**Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors or regulations of other governments.

**Estimates**

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

2. **RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets**

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, “long-term liabilities, including loans payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bond and loans payable - current	\$	300,000
Bonds and loans - long term		2,670,000
Less: Bond issue costs (amortized over the life of debt)		(100,138)
Accrued interest payable		29,348
Compensated absences		67,140
		<hr/>
<i>Net adjustment to reduce fund balance - total governmental funds to arrive at net assets of governmental activities</i>	\$	<u>2,966,350</u>

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**  
 (Continued)

**Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “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. The details of this difference are as follows:

Capital outlay	\$ 3,406,407
Depreciation expense	<u>(823,915)</u>
<i>Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ 2,582,492</u>

Another element of the reconciliation explains that, the issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect of net assets. The details of this difference are as follows:

Proceeds from issuance of debt	\$ (800,000)
Bond issuance cost	53,169
Principal payment of long-term debt	<u>100,000</u>
<i>Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ (646,831)</u>

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Compensated absences - increase	\$ (6,598)
Amortization of bond issue cost	(10,234)
Accrued interest - increase	<u>(10,820)</u>
<i>Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ (27,652)</u>



## 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

### Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

Under the modified accrual basis of accounting used in the governmental funds, revenue is recognized when available to provide financing resources for the current period. In the statement of activities, which is presented on the accrual basis, revenues and related receivables are reported regardless of when financial resources are available.

Gross receipts taxes	\$ 12,432
Grant revenues	<u>(525,023)</u>
<i>Net adjustment to decrease net changes in fund balances-</i> <i>total governmental funds to arrive at changes in net</i> <i>assets of governmental activities</i>	<u>\$ (512,591)</u>

## 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### Budgetary Information

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the Village Governing Body adopts a proposed operating budget for the fiscal year commencing July 1. The operating budgets include proposed expenditures and the means of financing them based on previous years history. The budget is legally enacted through passage of an ordinance.
2. The Village Finance Officer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any funds must be approved by the Village Council and New Mexico Department of Finance, Division of Local Governments. The original budget that was adopted in July 2008 was amended during the fiscal year in a legally permissible manner.
3. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds.
4. Encumbrances are not reported in the budgets or financial statements.
5. The level of classifications detail in which expenditures or expenses may not legally exceed appropriations for each budget is in fund total. Appropriations lapse at year-end.
6. Budgets for the General, Special Revenue and Capital Project Funds are adopted on a basis not consistent with generally accepted accounting principles. Throughout the year the accounting records are maintained on the non-GAAP basis of cash receipts and disbursements. Accordingly, certain revenues and the related assets are recognized when paid rather than when the obligation is incurred. The financial statements are presented on the modified accrual basis of accounting. Budgetary comparisons presented for General, Special Revenue and Capital Projects Funds in this report are on the non-GAAP budgetary basis and actual (cash basis).

#### 4. DETAILED NOTES ON ALL FUNDS

##### Deposits

The Village invests its funds in accordance with state statutes which require that financial institutions pledge collateral consisting of approved federal or state securities whose market value is equal to at least 50% of the deposits in excess of FDIC insurance coverage. In accordance with state statutes, the Village may have deposits only in financial institutions, federal direct obligations, or the New Mexico State Treasurer's Local Government Pooled Investment Plan. As of June 30, 2009 the Village had \$1,999,941 in financial institutions and \$1,201,197 invested in the New Mexico State Treasurer's Local Government Pooled Investment.

##### Cash and Cash Equivalents

	Balance Per Bank 6-30-09	Add Deposits In Transit	Less Outstanding Checks	Balance Per Books 6-30-09
<b>Wells Fargo Bank</b>				
Checking Accounts				
General	\$ 1,141,230	\$ 905	\$ 95,920	\$ 1,046,215
Farmland	266,507	-	-	266,507
Impact fee	76,026	-	-	76,026
Bosque	3,180	-	-	3,180
Court Bond Account	2,456	-	-	2,456
Certificate of Deposit	<u>33,852</u>	<u>-</u>	<u>-</u>	<u>33,852</u>
Total Cash in Banks	<u>\$ 1,523,251</u>	<u>\$ 905</u>	<u>\$ 95,920</u>	\$ 1,428,236
Plus:				
Cash on Hand				250
Funds Held by the New Mexico Finance Authority:				
Loan funds				445,626
Loan reserve accounts				99,572
Loan Debt service account				26,507
State Treasurer's Office - Investment pool				<u>1,201,197</u>
Total Cash Per Books				<u>\$ 3,201,388</u>
As Reported in Financial Statements:				
Cash				\$ 3,072,854
Restricted cash				126,078
Agency Fund				<u>2,456</u>
				<u>\$ 3,201,388</u>

4. **DETAILED NOTES ON ALL FUNDS** (Continued)

**Deposits and Investments** (continued)

**Pledged Collateral at Banks**

	<u>Wells Fargo Bank</u>	<u>Total</u>
Deposit	\$ 1,523,251	\$1,523,251
FDIC	<u>(250,000)</u>	<u>(250,000)</u>
Total uninsured public funds	1,273,251	1,273,251
<b>Collateral pledged:</b>		
<b>Wells Fargo Bank - California</b>		
FNCL, 06/01/36		
CUSIP, 3141 0MRW2	722,312	722,312
FGIC, 06/01/37		
CUSIP, 3128 MS7G9	167,836	167,836
<b>Wells Fargo Bank - Sioux Falls, SD</b>		
FNCL, 07/01/36		
CUSIP, 3141 0FDS1	<u>810,523</u>	<u>810,523</u>
Pledged collateral held by the pledging bank's trust department or agent, not in the Village's name	<u>1,700,671</u>	<u>1,700,671</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned. The Village does not have a deposit policy for custodial credit risk. As of June 30, 2009 \$1,273,251 of the Village's bank balance of \$1,523,251 was exposed to custodial credit risk as follows:

	<u>Wells Fargo Bank</u>
Uninsured and uncollateralized	\$ -
Uninsured and collateral held by pledging bank's trust department in the Bank's name	<u>1,273,251</u>
Total	<u>\$ 1,273,251</u>

#### 4. DETAILED NOTES ON ALL FUNDS (Continued)

Additionally, three debt service accounts are managed by the New Mexico Finance Authority (NMFA), on deposit with the Bank of Albuquerque and the State Treasurer's office, in NMFA's name for the benefit of the Village. These accounts are exposed to custodial credit risk in the amount of \$571,705.

Reserve Funds Payable-Bank of Albuquerque	\$ 99,572
Program Funds-Bank of Albuquerque	445,626
Debt Services-Bank of Albuquerque	<u>26,507</u>
Total	<u>\$ 571,705</u>

#### Investments

The Village invests excess cash in the State Treasurer Local Government Investment Pool. The Pool's investments are valued at fair value based on quoted market prices as of the valuation date. The New Mexico State Treasurer Investment Pool is not SEC registered. Section 6-10-10.I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued or backed by the United States Government or by its departments or agencies and are either direct obligations of the United States Government or agencies sponsored by the United States Government. The Local Government Investment Pool investments are monitored by the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per 6-10-10.1 F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested. Participation in the fund is voluntary. The Pool is AAAM rated with a 43-day weighted average maturity.

#### Receivables

Receivables as of June 30, 2009 for the Village's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	General Obligation Bonds	Sewer Project	Non-major Governmental Fund	Total
<b>Receivables:</b>					
Accounts	\$ 34,173	\$ -	\$ -	\$ -	\$ 34,173
Grants	65,082	-	21,410	62,019	148,511
Fines and fees	56,204	-	-	-	56,204
Property taxes	<u>74,622</u>	<u>39,488</u>	-	-	<u>114,110</u>
Gross receivables	230,081	39,488	21,410	62,019	352,998
Less Allowance for uncollectibles	<u>42,838</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,838</u>
Total	<u>\$ 187,243</u>	<u>\$ 39,488</u>	<u>\$ 21,410</u>	<u>\$ 62,019</u>	<u>\$ 310,160</u>

The receivables of the General, Special Revenue, Debt Service, and Capital Projects Funds are composed primarily of earned taxes and federal and state revenues or reimbursements. These receivables are primarily from governmental agencies and an allowance for doubtful accounts is maintained for those receivables deemed to be uncollectible.

#### 4. DETAILED NOTES ON ALL FUNDS (Continued)

##### Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

Primary Government	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 3,892,074	\$ 1,504,876	\$ -	\$ -	\$ 5,396,950
Water rights	230,621	-	-	-	230,621
Construction in progress	81,878	172,596	-	52,711	307,185
Total capital assets not being depreciated	<u>4,204,573</u>	<u>1,677,472</u>	<u>-</u>	<u>52,711</u>	<u>5,934,756</u>
Capital assets, being depreciated:					
Buildings and structures	4,591,286	407,979	-	81,878	5,081,143
Equipment and machinery	1,244,679	159,959	107,268	-	1,297,370
Furniture and fixture	580,828	441,774	-	-	1,022,602
Library books	43,822	17,036	-	-	60,858
Vehicles	1,363,363	72,854	121,949	-	1,314,268
Infrastructure	8,847,525	629,333	-	-	9,476,858
Total capital assets being depreciated	<u>16,671,503</u>	<u>1,728,935</u>	<u>229,217</u>	<u>81,878</u>	<u>18,253,099</u>
Total capital assets	<u>20,876,076</u>	<u>3,406,407</u>	<u>229,217</u>	<u>134,589</u>	<u>24,187,855</u>
Less accumulated depreciation for:					
Buildings and improvements	(1,358,634)	(133,757)	-	-	(1,492,391)
Equipment and machinery	(933,117)	(102,081)	101,541	-	(933,657)
Furniture and fixture	(386,879)	(84,091)	-	-	(470,970)
Library books	(15,273)	(8,764)	-	-	(24,037)
Vehicles	(1,127,124)	(59,817)	121,834	-	(1,065,107)
Infrastructure	(3,862,254)	(435,405)	-	-	(4,297,659)
Total accumulated depreciation	<u>(7,683,281)</u>	<u>(823,915)</u>	<u>223,375</u>	<u>-</u>	<u>(8,283,821)</u>
Total capital assets being depreciated	<u>8,988,222</u>	<u>905,020</u>	<u>5,842</u>	<u>81,878</u>	<u>9,969,278</u>
Governmental activities capital assets, net	<u>\$ 13,192,795</u>	<u>\$ 2,582,492</u>	<u>\$ 5,842</u>	<u>\$ 134,589</u>	<u>\$ 15,904,034</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 358,579
Public safety	163,110
Public works	197,297
Culture and recreation	104,929
Total Depreciation Expense - Governmental Activities	<u>\$ 823,915</u>

**4. DETAILED NOTES ON ALL FUNDS (Continued)**

**Interfund Receivables, Payables and Transfers**

The outstanding balances between funds result mainly from the time lags between the dates the (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The Inter-fund receivables and payables at June 30, 2009 were as follows:

<u>Fund Description</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Governmental Funds:		
General Fund	\$ 111,765	\$ -
Sewer Project	-	45,369
Far North West Sector	-	6,680
Non-Major Governmental Funds:		
Safe Routes to School	-	1,305
Fire-Substation	-	13,720
Public Safety Communication	-	26,697
HWY 528 Access A	-	429
Residential Roads & Drainage	-	2,755
Trails & Safe Routes	-	14,810
	<u>\$ 111,765</u>	<u>\$ 111,765</u>

Transfers and payments within the reporting entity are substantially for the purpose of subsidizing operating functions. All transfers made during the year were considered routine and were consistent with the general characteristics of the Village's transfers.

The following schedule details the net inter-fund transfers made by the Village during the year ended June 30, 2009:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 66,536
Far North West Sector	General Fund	154,212
Nonmajor	Nonmajor	88,284
		<u>\$ 309,032</u>

**Short-term Debt**

The Village had no short-term debt activity during the year.

4. **DETAILED NOTES ON ALL FUNDS** (Continued)

**Long-term Debt**

On June 1, 2007 the Village borrowed \$1,035,000 from New Mexico Finance Authority for equipment and road improvements. The loan bears interest at 3.9060% and is payable in installment payments through May 2027.

Accrued compensated absences are generally liquidated by the General Fund. Notes payable, have been liquidated within the fund in which their corresponding payments have been expensed. The bonds are liquidated within the debt service fund.

The general obligation bonds series 2005 were issued on August 31, 2004 for \$1,700,000. The interest rates range from 2.710% to 4.170%. Portions of the bonds will mature on August 1 of each year commencing on August 1, 2006, and ending no later than August 1, 2018 in amounts to be determined by the Village. The semi-annual payments vary from \$31,440 to \$266,427 and are due on the 1<sup>st</sup> of August and February of each year.

The general obligation bonds series 2008 were issued on August 31, 2008 for \$800,000. The interest rates range from 3.50% to 4.25%. Portions of the bonds will mature on August 1 of each year commencing on August 1, 2009, and ending no later than August 1, 2017 in amounts to be determined by the Village. The semi-annual payments vary from \$1,594 to \$214,609 and are due on the 1<sup>st</sup> of August and February of each year.

Annual debt service requirements for bonds and notes are as follows:

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2010	300,000	65,310	-	37,683
1011	175,000	56,120	-	37,683
2012	175,000	50,999	1,126	37,683
2013	180,000	44,786	11,187	37,644
2014	185,000	38,316	21,616	37,263
2015-2019	920,000	84,804	284,701	165,149
2020-2024	-	-	373,899	106,030
2025-2027	-	-	342,471	25,929
Total	<u>\$ 1,935,000</u>	<u>\$ 340,335</u>	<u>\$ 1,035,000</u>	<u>\$ 485,064</u>

**Changes in Long-term Liabilities**

Long-term liability activity for the year ended June 30, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 1,235,000	\$ 800,000	\$ 100,000	\$ 1,935,000	\$ 300,000
Notes payable	1,035,000	-	-	1,035,000	-
Compensated absences	60,542	100,748	94,150	67,140	-
	<u>\$ 2,330,542</u>	<u>\$ 900,748</u>	<u>\$ 194,150</u>	<u>\$ 3,037,140</u>	<u>\$ 300,000</u>

4. **DETAILED NOTES ON ALL FUNDS** (Continued)

**Reserved Fund Balance / Restricted Net Assets**

Reserved for Capital Projects –Farmland Preservation Fund, Far North West Sector Fund, Loma Larga, Sewer Project Fund– The amounts are to be used for capital project expenditures as restricted by the grant agreements. The restricted amounts of \$308,120, \$634,104, \$65,853 and deficits of \$34,197 are shown as reserved in the government-wide statements in the amount of \$973,880.

Reserved for Debt Service – All Debt Service Funds– The reserve of \$632,243 is to be used for future debt service payments and is restricted by the debt agreement. This amount is restricted in the government-wide statements.

**Deficit Fund Balance**

The following funds had deficit fund balances at June 30, 2009.

Capital Projects Funds	
Sewer Project	\$ 34,197
Special Revenue Funds	
Safe Routes to School	975

Deficit fund balances will be eliminated by monitoring budgets and spending in the future.

**Deferred Compensation Plan**

The Village started a 401(K) plan on July 1, 2005. The Village contributes 3% of the participant compensation. The employees can contribute up to 3% of their compensation to the 401(K) plan. Employee contributions exceeding 3% of compensation go to the 457 plan. The 457 deferred compensation plan was established on July 1, 1993. The 401(K) contribution requirement for the year ended June 30, 2009 was \$46,921 which consisted of \$23,465 for the Village and \$23,465 from employees. The 457 plan contribution from employees was \$36,733 for the year ended June 30, 2009.

The plan assets for the 457 plan and 401(K) plan are held at ICMA-RC Services, LLC.

Starting July 1, 2008, substantially all of the Village’s full-time employees participate in a public employee retirement system authorized under the Public Employees’ Retirement Act. The Public Employees Retirement Association (PERA) is the administrator of the plan. The plan provides for retirement, disability benefits, survivor benefits and cost of living adjustments to plan members and beneficiaries. PERA issues a separate, publically available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA’s website at [www.pera.state.nm.us](http://www.pera.state.nm.us).

Plan members are required to contribute between 7% and 8% of their gross salary, depending upon the department they work in. The Village is required to contribute between 7% and 11% of the gross covered salary depending upon the department the employee work in. The Village’s contributions to PERA for the yearended June 30, 2009 was \$136,019.



**4. DETAILED NOTES ON ALL FUNDS (Continued)**

**Risk Management**

The Village of Corrales is insured through the New Mexico Self Insurer's Fund. Coverage provided included all-peril on buildings and contents; crime coverage; general liability; civil rights and personal injury; motor vehicle and fleet property damage and liability; and statutory workmen compensation coverage. The crime coverage portion of this insurance includes employee fidelity/faithful performance coverage up to \$50,000 each occurrence. The claims have not exceeded the coverage of each of the past three years.

**Joint Powers Agreements**

A Joint Powers Agreement was entered into by and between the City of Rio Rancho, the County of Sandoval, the Town of Bernalillo, the Pueblo of Santa Ana and the Village of Corrales, as of July 1, 2003, to establish and provide a centralized enhanced 911 communication system and thereby improve public emergency medical service, fire, rescue and law enforcement services to their citizens. The term of the Agreement is indefinite unless terminated by any party upon delivery of a written notice. The City of Rio Rancho acts as the fiscal agent and is responsible for operations and the audit of its records. The Village shall pay a pro rata share of the approved total annual budget. The Village's pro rata share is 4.8946%. The Village is responsible for the maintenance of their own 911 equipment. The Village of Corrales contributed \$148,890 for the current year. Revenues and expenditures are reported to DFA.

A Joint Powers Agreement among the Village, Sandoval County, and the EMNRD for wildland fire Protection and Suppression was entered on April 2, 2004. The agreement commits the three entities to wildland fire suppression and management assistance and cooperation. The Village is responsible for operations and the audit of its records. EMNRD reimburses the Village at cost. The Village contributed \$0 during the current year. Revenues and expenditures are reported to DFA.

A Joint Powers Agreement between the Village and the Middle Rio Grande Valley Task Force (MRGVTF) is entered into annually where the Village employs Special Class Employees, who are assigned solely to the MRGVTF to conduct narcotics investigations. Sandoval County will reimburse the employment expenses for these employees. Sandoval County reimbursed the Village \$284,791 for the current year.

**Memorandum of Agreement**

A memorandum of Agreement was entered into by and between Sandoval County and the Village on September, 26, 2008 where the County provided \$20,000 to the Village for improvements to La Entrada Park and the Recreational Complex to benefit the residents of Sandoval. According to the scope of work the, Village used the funding to construct shade structures over the benches and playground at the La Entrada Park and the Recreational Complex.

**Special Revenue Fund – Fire**

In the prior year the special revenue funds, Fire Wildland and Fire Protection were both shown as the Fire Fund with an ending balance of \$37,902. For the current fiscal year these funds are shown separately. The prior year ending balance was split as follows:

Fire Wildland   \$23,953  
Fire Protection   13,949

4. **DETAILED NOTES ON ALL FUNDS** (Continued)

**Capital Outlay Appropriation**

Capital Outlay appropriations are as follows:

Capital Project Fund	Project Appropriation	2009 Expenditures	Expenditures to Date	Outstanding Balance	Appropriation Period
Corrales Records Center	\$ 160,000	\$ -	\$ 1,600	\$ 158,400	01/06 - 06/10
Laws of 2006 Chapter 111 Section 18 subsection 261					
Corrales Farmland Preservation	40,000	-	-	40,000	05/08 - 06/12
Laws of 2008 Chapter 92 Section 59 Paragraph 407					
Loma Larga Construction	585,000	83,774	43,841	457,385	08/08 - 06/12
Laws of 2008 Chapter 92 Section 24 subsection 24					
Corrales Sewer System	110,000	21,706	-	88,294	01/06 - 06/10
Laws of 2006 Chapter 111 Section 45 subsection 150					
Corrales Sewer System	77,000	-	-	77,000	01/07 - 06/11
Laws of 2007 Chapter 42 Section 59 subsection 150					
Corrales Emergency Access A	100,000	-	-	100,000	11/07 - 06/11
Laws of 2007 Chapter 142 Section 75 subsection 190					
NM 528 & Northern Blvd	635,000	-	-	635,000	10/05 - 06/10
Laws of 2005 Chapter 347 Section 52 subsection 90					
NM 528 & Northern Blvd	100,000	-	-	100,000	12/07 - 06/10
2005 Severance Tax HB 885 Chapter 347 Section 20 subsection 112					
NM 528 & Northern Signal	100,000	-	-	100,000	11/07 - 06/11
Laws of 2007 Chapter 42 Section 75 subsection 194					
Corrales Public Safety Facility	25,000	-	722	24,278	05/07 - 06/11
Laws of 2007 Chapter 42 Section 68 Paragraph 599					
Corrales Roads & Drainage	275,000	153,270	34,548	87,182	01/06 - 06/10
Laws of 2007 Chapter 42 Section 75 subsection 191					
Corrales Trails System Construction	30,000	-	-	30,000	05/07 - 06/11
Laws of 2007 Chapter 341 Section 45 subsection 270					
	<u>\$ 2,237,000</u>	<u>\$ 258,750</u>	<u>\$ 80,711</u>	<u>\$ 1,897,539</u>	

### **Expenditures in Excess of Budget**

Actual expenditures exceeded budgeted expenditures at the total fund level for the following funds:

Economic Development	(46,187)
Police Special Funds	(13,635)
Far North Sector	(131,071)
Fire Protection Fund	(28,163)
Bosque Fund	(2,970)
Well & Tank-Fire	(70,126)
Road-Coop	(11,642)
General Obligation	(16,866)
Lodgers Tax	(415)
Loma Larga	(414,075)

### **Restatement**

The restatement to the government-wide statement of activities was to record state appropriations and related expenditures that were a direct pass through to the contractor and not recorded by the Village. The expenditures were construction in progress of \$134,589.

**SUPPLEMENTARY INFORMATION**

## **SPECIAL REVENUE FUNDS**

**Local Government Corrections Fund** - This Special Revenue Fund, authorized by State Statute Chapter 35, Section 14-11, is used to account for the proceeds collected from a correction fee of \$10, charged to persons violating an ordinance relating to the operation of a motor vehicle. Expenditures are restricted to constructing, operating and maintaining a municipal jail or restricted for paying the costs of housing municipal prisoners in a county jail.

**Emergency Medical Service (EMS) Fund** - This Special Revenue Fund, authorized by State Statute Chapter 178, Laws of 1978, is used to account for all rescue operations within the fire department. Financing is provided by a state grant and subsidized by the General Fund.

**Fire Wildland Fund** – This Special Revenue Fund is setup to account for the revenues and expenditures of protecting wildlands.

**Fire Protection Fund** – This Special Revenue Fund, authorized by the State Statute Chapter 48, Section 2, Laws of 1963, is used to account for the operations of the Fire Department. Financing is provided by the State Fire Allotment, emergency medical services, interest on investments and miscellaneous revenues.

**FEMA Generator-Fire Fund** - This Special Revenue Fund is used to account for FEMA grant money used to purchase a fire generator.

**Law Enforcement Protection Fund** – This Special Revenue Fund, authorized by State Statute Chapter 289, Laws of 1983, is used to account for the purchase of vehicles, radios, and equipment for the police department. Financing is provided by a grant from the State of New Mexico.

**Traffic Safety Fund** – This Special Revenue Fund is used to account for the traffic safety fee collected under the New Mexico Uniform Traffic Ordinance, Section 12. The fees are expended for traffic safety related equipment.

**Library Fund** - This Special Revenue Fund, authorized by State Statute Chapter 3, Section 1914, is used to account for money received from private and corporate foundations, individuals and other governments in an effort to implement beneficial cooperative projects for Bernalillo, Rio Rancho, and Corrales Libraries.

**Lodgers Tax Fund** – This Special Revenue Fund accounts for revenues and expenditures per the Lodger's Tax Ordinance 500 of the Village. Funds are restricted to the economic development of the Village.

**Economic Development** – A Special Revenue Fund that the Governing Body approved for the Wine & Quilt Festival and Corrales Mainstreet.

**Municipal Streets Fund** – This Special Revenue fund is used to account for 1 cent gasoline tax which is used for repairing and construction of roads. Also included in this fund is revenue from the State Department of Transportation under a municipal arterial project agreement. Authority 7-1-6.9 ANSD 7-1-6.27 NMSA 1978.

**Recreation Fund** – This Special Revenue Fund, authorized by State Statute (7-12-15) is used to account for operations and maintenance of the parks and other recreation type activities. Financing is provided by a cigarette tax, grants, interests on investments and miscellaneous revenues.

**Safe Routes to School** – This Special Revenue Fund is a grant to create a master plan for safe routes to school for school kids.

**Police Special Fund** – This Special Revenue Fund is used to account for a grant from neighborhood watch and drug asset forfeitures. Authority is motion by Village Council.

**Bosque Fund** – This Special Revenue Fund is used to account for contributions by the Nature Conservancy, a non-profit entity that requested accounting for donations.

**Casa San Ysidro Fund** - This Special Revenue Fund is used to account for a joint project with the City of Albuquerque to operate a historical site called Casa San Ysidro.

**Fire Sub-Station Fund** – This Special Revenue Fund is used to construct a building for the fire department and the recycling activities of the Village.

**Public Safety Communication Equip Fund** – This Special Revenue Fund is used to account for legislative funding to purchase various equipment related to public safety.

**Well and Tank-Fire Fund**– This Special Revenue Fund is used to account for a grant to drill wells and purchase and install tanks and equipment for fire suppression in the Village.

### **CAPITAL PROJECT FUNDS**

**Records Center** – This fund is for legislative appropriation to be used to restructure a room in the public works building to store the Village’s records.

**Road Co-op** – This fund is to account for state funding to do Co-op projects. Village will pay 25% and the state pays 75%. Governing Body approves road projects to be completed for the fiscal year. Gasoline tax is reported in this fund to supplement the road projects.

**Loma Larga** – This fund is to account for funds used to construct Loma Larga.

**HWY 528 Access A** – This fund is to account for the legislative appropriation to be used to create a lighted access road from the Village of Corrales to Rio Rancho at intersection of Northern Blvd and Highway 528.

**Residential Roads and Drainage** – This fund is to account for the legislative appropriation to be used to plan, design and construct road and drainage improvement in the Village of Corrales.

**Trails and Safe Routes** - This fund is to account for the legislative appropriation to be used to plan, design and construct trails and safe routes in the Village of Corrales.

**Skate Park Fund** – This fund is used to plan, design and construct a skate park in the Village.

### **DEBT SERVICE FUNDS**

**NMFA 41<sup>st</sup> Supplemental Fire Program** - To account for the accumulation of monies and payment of interest and principals for the Fire Department Brush Truck.

STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2009

	Special Revenue			
	Correction	Fire EMS	Fire Wildland	Fire Protection
<b>ASSETS</b>				
Cash	\$ 227,071	\$ 2,534	\$ -	\$ -
Accounts receivable	-	-	-	-
<b>Total assets</b>	<b>\$ 227,071</b>	<b>\$ 2,534</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,732	\$ 1,185	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>1,732</b>	<b>1,185</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Reserved for capital projects	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved and undesignated	225,339	1,349	-	-
<b>Total fund balances</b>	<b>225,339</b>	<b>1,349</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 227,071</b>	<b>\$ 2,534</b>	<b>\$ -</b>	<b>\$ -</b>

**Special Revenue**

<u>FEMA Generator- Fire</u>	<u>Law Enforcement Protection</u>	<u>Traffic Safety</u>	<u>Library</u>	<u>Lodgers Tax</u>	<u>Economic Development</u>	<u>Municipal Streets</u>
\$ -	\$ 22	\$ 10,533	\$ 230,258	\$ 8,023	\$ -	\$ -
-	-	1,139	-	-	-	-
<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 11,672</u>	<u>\$ 230,258</u>	<u>\$ 8,023</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ 50	\$ 1,268	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	50	1,268	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	22	11,622	228,990	8,023	-	-
-	22	11,622	228,990	8,023	-	-
<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 11,672</u>	<u>\$ 230,258</u>	<u>\$ 8,023</u>	<u>\$ -</u>	<u>\$ -</u>



**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
COMBINING BALANCE SHEET  
JUNE 30, 2009**

	Special Revenue			
	Recreation Fund	Safe Routes To School	Police Special	Bosque
<b>ASSETS</b>				
Cash	\$ 8,483	\$ -	\$ 54,380	\$ 3,180
Accounts receivable	-	2,280	-	-
<b>Total assets</b>	<b>\$ 8,483</b>	<b>\$ 2,280</b>	<b>\$ 54,380</b>	<b>\$ 3,180</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 35	\$ 975	\$ -	\$ -
Accrued payroll liabilities	-	-	132	-
Deferred revenue	-	975	-	-
Due to other funds	-	1,305	-	-
<b>Total liabilities</b>	<b>35</b>	<b>3,255</b>	<b>132</b>	<b>-</b>
<b>Fund Balances:</b>				
Reserved for capital projects	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved and undesignated	8,448	(975)	54,248	3,180
<b>Total fund balances</b>	<b>8,448</b>	<b>(975)</b>	<b>54,248</b>	<b>3,180</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,483</b>	<b>\$ 2,280</b>	<b>\$ 54,380</b>	<b>\$ 3,180</b>

**Special Revenue**

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<u>Casa San Ysidro</u>	<u>Fire Sub- Station</u>	<b>Public Safety</b> <u>Communication Equipment</u>	<u>Well and Tank-Fire</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 544,484
-	13,720	26,886	-	44,025
<u>\$ -</u>	<u>\$ 13,720</u>	<u>\$ 26,886</u>	<u>-</u>	<u>588,509</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,245
-	-	-	-	132
-	-	-	-	975
-	13,720	26,697	-	41,722
-	13,720	26,697	-	48,074
-	-	-	-	-
-	-	-	-	-
-	-	189	-	540,435
-	-	189	-	540,435
<u>\$ -</u>	<u>\$ 13,720</u>	<u>\$ 26,886</u>	<u>\$ -</u>	<u>\$ 588,509</u>

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
COMBINING BALANCE SHEET  
JUNE 30, 2009**

Capital Project

	<b>Records Center</b>	<b>Road Co-op</b>	<b>Loma Larga</b>	<b>HWY 528 Access A</b>
<b>ASSETS</b>				
Cash	\$ -	\$ 7,598	\$ 65,853	\$ -
Accounts receivable	-	-	-	429
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 7,598</b>	<b>\$ 65,853</b>	<b>\$ 429</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 7,598	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	429
<b>Total liabilities</b>	<b>-</b>	<b>7,598</b>	<b>-</b>	<b>429</b>
<b>Fund Balances:</b>				
Reserved for capital projects	-	-	65,853	-
Reserved for debt service	-	-	-	-
Unreserved and undesignated	-	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>65,853</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 7,598</b>	<b>\$ 65,853</b>	<b>\$ 429</b>

<u>Capital Project</u>				<u>Debt Service</u>		
<u>Residential Roads/ Drainage</u>	<u>Trails and Safe Routes</u>	<u>Skate Park</u>	<u>Total</u>	<u>NMFA 41St Supp Fire Prog</u>	<u>Total</u>	<u>Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 73,451	\$ -	\$ -	\$ 617,935
2,755	14,810	-	17,994	-	-	62,019
<u>\$ 2,755</u>	<u>\$ 14,810</u>	<u>\$ -</u>	<u>\$ 91,445</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 679,954</u>
\$ -	\$ -	\$ -	\$ 7,598	\$ -	\$ -	12,843
-	-	-	-	-	-	132
-	-	-	-	-	-	975
2,755	14,810	-	17,994	-	-	59,716
<u>2,755</u>	<u>14,810</u>	<u>-</u>	<u>25,592</u>	<u>-</u>	<u>-</u>	<u>73,666</u>
-	-	-	65,853	-	-	65,853
-	-	-	-	-	-	-
-	-	-	-	-	-	540,435
-	-	-	65,853	-	-	606,288
<u>\$ 2,755</u>	<u>\$ 14,810</u>	<u>\$ -</u>	<u>\$ 91,445</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 679,954</u>

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<b>Special Revenue</b>			
	<b>Corrections</b>	<b>Fire EMS</b>	<b>Fire Wildland</b>	<b>Fire Protection</b>
<b>REVENUES</b>				
Taxes:				
State-shared taxes	\$ -	\$ -	\$ -	\$ -
Lodgers taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	-	9,409	-	121,158
Charges for services	-	-	-	-
Fines and forfeitures	65,712	-	-	-
Interest Income	-	-	-	-
Miscellaneous	-	-	-	210
<b>Total revenues</b>	<b>65,712</b>	<b>9,409</b>	<b>-</b>	<b>121,368</b>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
General government	-	-	-	-
Public safety	36,244	8,020	5,933	69,447
Public works	-	-	-	-
Culture and recreation	-	-	-	-
<b>Debt service:</b>				
Debt service principal	-	-	-	-
Debt service interest	-	-	-	-
<b>Capital outlay</b>	-	-	5,413	36,797
<b>Total expenditures</b>	<b>36,244</b>	<b>8,020</b>	<b>11,346</b>	<b>106,244</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>29,468</b>	<b>1,389</b>	<b>(11,346)</b>	<b>15,124</b>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	11,346	-
Transfers out	-	-	-	(26,154)
<b>Total other financing sources (uses):</b>	<b>-</b>	<b>-</b>	<b>11,346</b>	<b>(26,154)</b>
<b>Net change in fund balances</b>	<b>29,468</b>	<b>1,389</b>	<b>-</b>	<b>(11,030)</b>
<b>Fund balances, beginning of year</b>	<b>195,871</b>	<b>(40)</b>	<b>-</b>	<b>11,030</b>
<b>Fund balances, end of year</b>	<b>\$ 225,339</b>	<b>\$ 1,349</b>	<b>\$ -</b>	<b>\$ -</b>

The notes to the financial statements are an integral part of this statement.

**Special Revenue**

<u>FEMA Generator-Fire</u>	<u>Law Enforcement Protection</u>	<u>Traffic Safety</u>	<u>Library</u>	<u>Lodgers Tax</u>	<u>Economic Development</u>	<u>Municipal Street</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	7,491	-	-
-	-	-	-	-	-	25,624
38,000	33,200	20,521	7,494	-	50,000	-
-	-	123	-	-	-	34,925
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,520	(1)	-	-
<u>38,000</u>	<u>33,200</u>	<u>20,644</u>	<u>9,014</u>	<u>7,490</u>	<u>50,000</u>	<u>60,549</u>
-	-	-	-	7,415	-	-
-	4,436	16,551	-	-	-	-
-	-	-	-	-	111,187	-
-	-	-	16,158	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
66,946	28,764	-	32,322	-	-	-
<u>66,946</u>	<u>33,200</u>	<u>16,551</u>	<u>48,480</u>	<u>7,415</u>	<u>111,187</u>	<u>-</u>
<u>(28,946)</u>	<u>-</u>	<u>4,093</u>	<u>(39,466)</u>	<u>75</u>	<u>(61,187)</u>	<u>60,549</u>
28,946	-	-	-	-	61,187	-
-	-	-	-	-	-	(60,549)
<u>28,946</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,187</u>	<u>(60,549)</u>
-	-	4,093	(39,466)	75	-	-
-	22	7,529	268,456	7,948	-	-
<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 11,622</u>	<u>\$ 228,990</u>	<u>\$ 8,023</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Special Revenue</u>			
	<u>Recreation Fund</u>	<u>Safe Routes to School</u>	<u>Police Special</u>	<u>Bosque</u>
<b>REVENUES</b>				
Taxes:				
State-shared taxes	\$ 8,448	\$ -	\$ -	\$ -
Lodgers taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	-	7,322	60,923	5,000
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest Income	-	-	-	-
Miscellaneous	-	-	6,709	-
<b>Total revenues</b>	<u>8,448</u>	<u>7,322</u>	<u>67,632</u>	<u>5,000</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
General government	-	-	-	-
Public safety	-	8,297	96,555	-
Public works	-	-	-	2,970
Culture and recreation	-	-	-	-
<b>Debt service:</b>				
Debt service principal	-	-	-	-
Debt service interest	-	-	-	-
<b>Capital outlay</b>	-	-	12,347	-
<b>Total expenditures</b>	<u>-</u>	<u>8,297</u>	<u>108,902</u>	<u>2,970</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>8,448</u>	<u>(975)</u>	<u>(41,270)</u>	<u>2,030</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses):</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	8,448	(975)	(41,270)	2,030
<b>Fund balances, beginning of year</b>	<u>-</u>	<u>-</u>	<u>95,518</u>	<u>1,150</u>
<b>Fund balances, end of year</b>	<u>\$ 8,448</u>	<u>\$ (975)</u>	<u>\$ 54,248</u>	<u>\$ 3,180</u>

The notes to the financial statements are an integral part of this statement.

**Special Revenue**

<u>Casa San Ysidro</u>	<u>Fire Sub-Station</u>	<u>Public Safety Communication Equipment</u>	<u>Well and Tank Fire</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 8,448
-	-	-	-	7,491
-	-	-	-	25,624
123,750	22,188	50,000	399,191	948,156
-	-	-	-	35,048
-	-	-	-	65,712
-	-	-	-	-
-	-	-	-	8,438
<u>123,750</u>	<u>22,188</u>	<u>50,000</u>	<u>399,191</u>	<u>1,098,917</u>
-	-	-	-	7,415
-	16,686	34,088	-	296,257
-	-	-	-	114,157
153,750	-	-	-	169,908
-	-	-	-	-
-	-	-	-	-
-	-	8,839	470,126	661,554
<u>153,750</u>	<u>16,686</u>	<u>42,927</u>	<u>470,126</u>	<u>1,249,291</u>
<u>(30,000)</u>	<u>5,502</u>	<u>7,073</u>	<u>(70,935)</u>	<u>(150,374)</u>
30,000	-	-	70,935	202,414
-	-	-	-	(86,703)
<u>30,000</u>	<u>-</u>	<u>-</u>	<u>70,935</u>	<u>115,711</u>
-	5,502	7,073	-	(34,663)
-	(5,502)	(6,884)	-	575,098
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189</u>	<u>\$ -</u>	<u>\$ 540,435</u>



STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009

Capital Project

	<u>Records Center</u>	<u>Road Co-op</u>	<u>Loma Larga</u>	<u>HWY 528 Access A</u>
<b>REVENUES</b>				
Taxes:				
State-shared taxes	\$ -	\$ -	\$ -	\$ -
Lodgers taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	-	91,210	614,891	49,388
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest Income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>91,210</u>	<u>614,891</u>	<u>49,388</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	200	-	-
Culture and recreation	-	-	-	-
<b>Debt service:</b>				
Debt service principal	-	-	-	-
Debt service interest	-	-	-	-
<b>Capital outlay</b>	<u>-</u>	<u>157,040</u>	<u>83,774</u>	<u>49,388</u>
<b>Total expenditures</b>	<u>-</u>	<u>157,240</u>	<u>83,774</u>	<u>49,388</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>(66,030)</u>	<u>531,117</u>	<u>-</u>
<b>Other financing sources (uses):</b>				
Transfers in	1,592	66,030	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses):</b>	<u>1,592</u>	<u>66,030</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	1,592	-	531,117	-
<b>Fund balances, beginning of year</b>	<u>(1,592)</u>	<u>-</u>	<u>(465,264)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,853</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

Capital Project				Debt Service		Nonmajor Governmental Funds
Residential Roads/ Drainage	Trails and Safe Routes	Skate Park	Total	NMFA 41st Supp Fire Prog	Total	
-	-	-	-	-	-	8,448
-	-	-	-	-	-	7,491
-	-	-	-	-	-	25,624
153,270	62,956	300,000	1,271,715	-	-	2,219,871
-	-	-	-	-	-	35,048
-	-	-	-	-	-	65,712
-	-	-	-	-	-	-
-	-	-	-	-	-	8,438
<u>153,270</u>	<u>62,956</u>	<u>300,000</u>	<u>1,271,715</u>	<u>-</u>	<u>-</u>	<u>2,370,632</u>
-	-	-	-	-	-	7,415
-	62,956	-	62,956	-	-	359,213
-	-	-	200	-	-	114,357
-	-	4,650	4,650	-	-	174,558
-	-	-	-	-	-	-
-	-	-	-	(3)	(3)	(3)
<u>153,270</u>	<u>-</u>	<u>312,716</u>	<u>756,188</u>	<u>-</u>	<u>-</u>	<u>1,417,742</u>
<u>153,270</u>	<u>62,956</u>	<u>317,366</u>	<u>823,994</u>	<u>(3)</u>	<u>(3)</u>	<u>2,073,282</u>
-	-	(17,366)	447,721	3	3	297,350
-	-	38,996	106,618	-	-	309,032
-	-	-	-	(1,581)	(1,581)	(88,284)
-	-	38,996	106,618	(1,581)	(1,581)	220,748
-	-	21,630	554,339	(1,578)	(1,578)	518,098
-	-	(21,630)	(488,486)	1,578	1,578	88,190
-	-	-	65,853	-	-	606,288

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**FARMLAND PRESERVATION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 1,119,750	\$ 697,410	\$ (422,340)
<b>Total revenues</b>	<u>-</u>	<u>1,119,750</u>	<u>697,410</u>	<u>(422,340)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public works	-	42,200	13,680	28,520
<b>Debt service</b>				
Bond issuance cost	-	-	53,169	(53,169)
Capital outlay	-	1,877,550	1,504,875	372,675
<b>Total expenditures</b>	<u>-</u>	<u>1,919,750</u>	<u>1,571,724</u>	<u>348,026</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>(800,000)</u>	<u>(874,314)</u>	<u>(74,314)</u>
<b>Other financing sources (uses):</b>				
Bond Proceeds	-	800,000	800,000	-
<b>Total other financing sources</b>	<u>-</u>	<u>800,000</u>	<u>800,000</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (74,314)</u>	<u>\$ (74,314)</u>
<b>Beginning cash balance</b>	<u>\$ 382,434</u>	<u>\$ 382,434</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
FAR NORTH WEST SECTOR FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 19,576	\$ 19,576
Interest on investments	-	-	4,366	4,366
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>23,942</u>	<u>23,942</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public works	-	-	30,883	(30,883)
<b>Debt service:</b>				
Debt service principal	-	-	-	-
Debt service interest	-	-	37,683	(37,683)
Capital outlay	-	-	62,505	(62,505)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>131,071</u>	<u>(131,071)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>(107,129)</u>	<u>(107,129)</u>
<b>Other financing sources (uses):</b>				
Transfer out	-	-	(154,212)	(154,212)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(154,212)</u>	<u>(154,212)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (261,341)</u>	<u>\$ (261,341)</u>
<b>Beginning cash balance</b>	<u>\$ 594,476</u>	<u>\$ 594,476</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ (261,341)	
<b>Change in payables</b>			<u>6,947</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ (254,394)</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
SEWER PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 966,735	\$ 966,735	\$ 151,185	\$ (815,550)
	-	-	-	-
<b>Total revenues</b>	<u>966,735</u>	<u>966,735</u>	<u>151,185</u>	<u>(815,550)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public works	300,000	300,000	-	300,000
Capital outlay	<u>666,735</u>	<u>666,735</u>	<u>167,477</u>	<u>499,258</u>
<b>Total expenditures</b>	<u>966,735</u>	<u>966,735</u>	<u>167,477</u>	<u>799,258</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	<u>(16,292)</u>	<u>(16,292)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,292)</u>	<u>\$ (16,292)</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ (16,292)	
<b>Change in receivables</b>			21,410	
<b>Change in payables</b>			(5,119)	
<b>Change in deferred revenue</b>			<u>(5,119)</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ (5,120)</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
GENERAL OBLIGATION BOND FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property tax	\$ 364,154	\$ 364,154	\$ 382,781	\$ 18,627
<b>Total revenues</b>	<u>364,154</u>	<u>364,154</u>	<u>382,781</u>	<u>18,627</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
General government	-	-	4,286	(4,286)
<b>Debt service:</b>				
Debt service principal	100,000	100,000	100,000	-
Debt service interest	42,843	42,843	55,423	(12,580)
<b>Total expenditures</b>	<u>142,843</u>	<u>142,843</u>	<u>159,709</u>	<u>(16,866)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>221,311</u>	<u>221,311</u>	<u>223,072</u>	<u>1,761</u>
<b>Net change in fund balances</b>	<u>\$ 221,311</u>	<u>\$ 221,311</u>	<u>\$ 223,072</u>	<u>\$ 1,761</u>
<b>Beginning cash balance</b>	<u>\$ 381,342</u>	<u>\$ 381,342</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ 223,072	
<b>Change in receivables</b>			7,920	
<b>Change in deferred revenue</b>			(5,197)	
<b>Net change in fund balances GAAP basis</b>			<u>\$ 225,795</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
CORRECTIONS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Fines and forfeitures	\$ 74,200	\$ 74,200	\$ 65,712	(8,488)
<b>Total revenues</b>	<u>74,200</u>	<u>74,200</u>	<u>65,712</u>	<u>(8,488)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	74,200	74,200	36,355	37,845
<b>Total expenditures</b>	<u>74,200</u>	<u>74,200</u>	<u>36,355</u>	<u>37,845</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>29,357</u>	<u>29,357</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,357</u>	<u>\$ 29,357</u>
<b>Beginning cash balance</b>	<u>\$ 197,714</u>	<u>\$ 197,714</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
Net increase (decrease) in fund balances budget basis			\$ 29,357	
Change in payables			<u>111</u>	
Net change in fund balances GAAP basis			<u>\$ 29,468</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
FIRE EMS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 9,778	\$ 9,778	\$ 9,409	\$ (369)
<b>Total revenues</b>	<u>9,778</u>	<u>9,778</u>	<u>9,409</u>	<u>(369)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	9,778	9,778	9,183	595
<b>Total expenditures</b>	<u>9,778</u>	<u>9,778</u>	<u>9,183</u>	<u>595</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>226</u>	<u>226</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 226</u>	<u>\$ 226</u>
<b>Beginning cash balance</b>	<u>\$ 2,348</u>	<u>\$ 2,348</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
Net increase (decrease) in fund balances budget basis			\$ 226	
Change in payables			<u>1,163</u>	
Net change in fund balances GAAP basis			<u>\$ 1,389</u>	

The notes to the financial statements are an integral part of this statement.



**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**FIRE WILDLAND FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public works	\$ -	\$ 10,784	\$ 5,933	\$ 4,851
Capital Outlay	-	5,413	5,413	-
<b>Total expenditures</b>	<u>-</u>	<u>16,197</u>	<u>11,346</u>	<u>4,851</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>(16,197)</u>	<u>11,346</u>	<u>4,851</u>
<b>Other financing sources (uses):</b>				
Transfer in	-	-	11,346	11,346
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>11,346</u>	<u>11,346</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ (16,197)</u>	<u>\$ -</u>	<u>\$ 16,197</u>
<b>Beginning cash balance</b>	<u>\$ 23,953</u>	<u>\$ 23,953</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
FIRE PROTECTION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 111,002	\$ 121,158	\$ 129,312	\$ 8,154
Miscellaneous	-	-	210	210
<b>Total revenues</b>	<u>111,002</u>	<u>121,158</u>	<u>129,522</u>	<u>8,364</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	109,002	69,683	104,473	(34,790)
Capital outlay	-	43,424	36,797	6,627
<b>Total expenditures</b>	<u>109,002</u>	<u>113,107</u>	<u>141,270</u>	<u>(28,163)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,000</u>	<u>8,051</u>	<u>(11,748)</u>	<u>(19,799)</u>
<b>Other financing sources (uses):</b>				
Transfer in	(2,000)	(10,000)	(26,154)	(16,154)
<b>Total other financing sources</b>	<u>(2,000)</u>	<u>(10,000)</u>	<u>(26,154)</u>	<u>(16,154)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ (1,949)</u>	<u>\$ (37,902)</u>	<u>\$ (35,953)</u>
<b>Beginning cash balance</b>	<u>\$ 13,949</u>	<u>\$ 13,949</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ (37,902)	
<b>Change in receivables</b>			(8,154)	
<b>Change in payables</b>			<u>35,026</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ (11,030)</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**FEMA GENERATOR-FIRE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 38,000	\$ 38,000	\$ 38,000	\$ -
<b>Total revenues</b>	<u>38,000</u>	<u>38,000</u>	<u>38,000</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	-	-	-	-
Capital outlay	40,000	68,000	66,946	1,054
<b>Total expenditures</b>	<u>40,000</u>	<u>68,000</u>	<u>66,946</u>	<u>1,054</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,000)</u>	<u>(30,000)</u>	<u>(28,946)</u>	<u>1,054</u>
<b>Other financing sources (uses):</b>				
Transfer in	2,000	30,000	28,946	(1,054)
<b>Total other financing sources</b>	<u>2,000</u>	<u>30,000</u>	<u>28,946</u>	<u>(1,054)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**LAW ENFORCEMENT PROTECTION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 33,200	\$ 33,200	\$ 33,200	\$ -
<b>Total revenues</b>	<u>33,200</u>	<u>33,200</u>	<u>33,200</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	-	4,436	4,436	-
Capital outlay	33,200	28,764	28,764	-
<b>Total expenditures</b>	<u>33,200</u>	<u>33,200</u>	<u>33,200</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Beginning cash balance</b>	<u>\$ 22</u>	<u>\$ 22</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
TRAFFIC SAFETY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 123	\$ 123
Intergovernmental	18,889	18,889	22,862	3,973
<b>Total revenues</b>	<u>18,889</u>	<u>18,889</u>	<u>22,985</u>	<u>4,096</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	27,698	27,698	16,501	11,197
<b>Total expenditures</b>	<u>27,698</u>	<u>27,698</u>	<u>16,501</u>	<u>11,197</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(8,809)</u>	<u>(8,809)</u>	<u>6,484</u>	<u>15,293</u>
<b>Other financing sources (uses):</b>				
Transfer in	1,500	1,500	-	1,500
<b>Total other financing sources</b>	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
<b>Net change in fund balances</b>	<u>\$ (7,309)</u>	<u>\$ (7,309)</u>	<u>\$ 6,484</u>	<u>\$ 16,793</u>
<b>Beginning cash balance</b>	<u>\$ 4,308</u>	<u>\$ 4,308</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ 6,484	
<b>Change in receivables</b>			(2,341)	
<b>Change in payables</b>			(50)	
<b>Net change in fund balances GAAP basis</b>			<u>\$ 4,093</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
LIBRARY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 15,119	\$ 15,119	\$ 7,494	\$ (7,625)
Miscellaneous	-	-	1,520	1,520
<b>Total revenues</b>	<u>15,119</u>	<u>15,119</u>	<u>9,014</u>	<u>(6,105)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Culture and recreation	11,500	30,231	15,258	14,973
Capital outlay	103,619	84,888	32,322	52,566
<b>Total expenditures</b>	<u>115,119</u>	<u>115,119</u>	<u>47,580</u>	<u>67,539</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(38,566)</u>	<u>61,434</u>
<b>Net change in fund balances</b>	<u>\$ (100,000)</u>	<u>\$ (100,000)</u>	<u>\$ (38,566)</u>	<u>\$ 61,434</u>
<b>Beginning cash balance</b>	<u>\$ 268,824</u>	<u>\$ 268,824</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ (38,566)	
<b>Change in payables</b>			<u>(900)</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ (39,466)</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
LODGERS TAX FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Lodgers' taxes	\$ 7,000	\$ 7,000	\$ 7,491	\$ 491
Miscellaneous	-	-	(1)	(1)
<b>Total revenues</b>	<u>7,000</u>	<u>7,000</u>	<u>7,490</u>	<u>490</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
General government	<u>7,000</u>	<u>7,000</u>	<u>7,415</u>	<u>(415)</u>
<b>Total expenditures</b>	<u>7,000</u>	<u>7,000</u>	<u>7,415</u>	<u>(415)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>75</u>	<u>75</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 75</u>
<b>Beginning cash balance</b>	<u>\$ 7,948</u>	<u>\$ 7,948</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**ECONOMIC DEVELOPMENT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 50,000	\$ 50,000
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	65,000	65,000	111,187	(46,187)
<b>Total expenditures</b>	<u>65,000</u>	<u>65,000</u>	<u>111,187</u>	<u>(46,187)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(65,000)</u>	<u>(65,000)</u>	<u>(61,187)</u>	<u>3,813</u>
<b>Other financing sources (uses):</b>				
Transfer in	65,000	65,000	61,187	(3,813)
<b>Total other financing sources</b>	<u>65,000</u>	<u>65,000</u>	<u>61,187</u>	<u>(3,813)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		

The notes to the financial statements are an integral part of this statement.



**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
MUNICIPAL STREETS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Other taxes	\$ -	\$ -	\$ 25,624	\$ 25,624
Charges for services	-	127,000	34,925	(92,075)
<b>Total revenues</b>	-	127,000	60,549	(66,451)
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public works	-	127,000	-	127,000
<b>Total expenditures</b>	-	127,000	-	127,000
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	60,549	60,549
<b>Other financing sources (uses):</b>				
Transfer in		11,000	-	(11,000)
Transfer out	-	-	(60,549)	(60,549)
<b>Total other financing sources (uses)</b>	-	11,000	(60,549)	(71,549)
<b>Net change in fund balances</b>	\$ -	\$ 11,000	\$ -	\$ (11,000)
<b>Beginning cash balance</b>	\$ -	\$ -		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**RECREATION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
State-shared taxes	\$ -	\$ -	\$ 8,448	\$ 8,448
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>8,448</u>	<u>8,448</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>8,448</u>	<u>8,448</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,448</u>	<u>\$ 8,448</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**SAFE ROUTES TO SCHOOL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 13,405	\$ 6,017	\$ (7,388)
<b>Total revenues</b>	<u>-</u>	<u>13,405</u>	<u>6,017</u>	<u>(7,388)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	-	13,405	7,322	6,083
<b>Total expenditures</b>	<u>-</u>	<u>13,405</u>	<u>7,322</u>	<u>6,083</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>(1,305)</u>	<u>(1,305)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,305)</u>	<u>\$ (1,305)</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
Net increase (decrease) in fund balances budget basis			\$ (1,305)	
Change in receivables			2,280	
Change in payables			(975)	
Change in deferred revenue			(975)	
<b>Net change in fund balances GAAP basis</b>			<u>\$ (975)</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
POLICE SPECIAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 16,400	\$ 34,370	\$ 62,588	\$ 28,218
Miscellaneous	-	4,053	6,709	2,656
<b>Total revenues</b>	<u>16,400</u>	<u>38,423</u>	<u>69,297</u>	<u>30,874</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	29,272	85,800	96,902	(11,102)
Capital outlay	-	9,814	12,347	(2,533)
<b>Total expenditures</b>	<u>29,272</u>	<u>95,614</u>	<u>109,249</u>	<u>(13,635)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(12,872)</u>	<u>(57,191)</u>	<u>(39,952)</u>	<u>17,239</u>
<b>Other financing sources (uses):</b>				
Transfer in	1,500	1,500	-	1,500
<b>Total other financing sources</b>	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
<b>Net change in fund balances</b>	<u>\$ (11,372)</u>	<u>\$ (55,691)</u>	<u>\$ (39,952)</u>	<u>\$ 18,739</u>
<b>Beginning cash balance</b>	<u>\$ 95,126</u>	<u>\$ 95,126</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ (39,952)	
<b>Change in receivables</b>			(1,665)	
<b>Change in payables</b>			347	
<b>Net change in fund balances GAAP basis</b>			<u>\$ (41,270)</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**BOSQUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 5,000	\$ 5,000
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public works	-	-	2,970	(2,970)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>2,970</u>	<u>(2,970)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>2,030</u>	<u>2,030</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,030</u>	<u>\$ 2,030</u>
<b>Beginning cash balance</b>	<u>\$ 1,150</u>	<u>\$ 1,150</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**CASA SAN YSIDRO FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 123,750	\$ 123,750	\$ -
<b>Total revenues</b>	<u>-</u>	<u>123,750</u>	<u>123,750</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Culture and recreation	30,000	153,750	153,750	-
<b>Total expenditures</b>	<u>30,000</u>	<u>153,750</u>	<u>153,750</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
<b>Other financing sources (uses):</b>				
Transfer in	30,000	30,000	30,000	-
<b>Total other financing sources</b>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
FIRE SUB-STATION FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 13,191	\$ 22,491	\$ 8,468	\$ (14,023)
<b>Total revenues</b>	<u>13,191</u>	<u>22,491</u>	<u>8,468</u>	<u>(14,023)</u>
<b>EXPENDITURES</b>				
Public safety	-	16,898	22,188	(5,290)
Capital outlay	13,191	5,593	-	5,593
<b>Total expenditures</b>	<u>13,191</u>	<u>22,491</u>	<u>22,188</u>	<u>303</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>(13,720)</u>	<u>(13,720)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,720)</u>	<u>\$ (13,720)</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ (13,720)	
<b>Change in receivables</b>			13,720	
<b>Change in payables</b>			<u>5,502</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ 5,502</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**PUBLIC SAFETY COMM EQUIP FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 23,114	\$ (26,886)
<b>Total revenues</b>	<u>50,000</u>	<u>50,000</u>	<u>23,114</u>	<u>(26,886)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	-	34,088	34,088	-
Capital outlay	50,000	15,912	8,839	7,073
<b>Total expenditures</b>	<u>50,000</u>	<u>50,000</u>	<u>42,927</u>	<u>7,073</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>(19,813)</u>	<u>(19,813)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,813)</u>	<u>\$ (19,813)</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
Net increase (decrease) in fund balances budget basis			\$ (19,813)	
Change in receivables			<u>26,886</u>	
Net change in fund balances GAAP basis			<u>\$ 7,073</u>	

The notes to the financial statements are an integral part of this statement.



**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
WELL AND TANK-FIRE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 399,191	\$ (809)
<b>Total revenues</b>	<u>400,000</u>	<u>400,000</u>	<u>399,191</u>	<u>(809)</u>
<b>EXPENDITURES</b>				
Capital outlay	400,000	400,000	470,126	(70,126)
<b>Total expenditures</b>	<u>400,000</u>	<u>400,000</u>	<u>470,126</u>	<u>(70,126)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>(70,935)</u>	<u>(70,935)</u>
<b>Other financing sources (uses):</b>				
Transfer in	-	-	70,935	70,935
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>70,935</u>	<u>70,935</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
RECORD CENTER FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 200,000	\$ 200,000	\$ -	\$ (200,000)
<b>Total revenues</b>	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Capital outlay	198,500	198,500	-	198,500
<b>Total expenditures</b>	<u>198,500</u>	<u>198,500</u>	<u>-</u>	<u>198,500</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>(1,500)</u>
<b>Other financing sources (uses):</b>				
Transfer in	-	-	1,592	1,592
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>1,592</u>	<u>1,592</u>
<b>Net change in fund balances</b>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,592</u>	<u>\$ 92</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
ROAD CO-OP FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Other taxes	\$ 36,000	\$ 36,000	\$ -	\$ (36,000)
Intergovernmental	91,000	91,000	93,607	2,607
<b>Total revenues</b>	<u>127,000</u>	<u>127,000</u>	<u>93,607</u>	<u>(33,393)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public works	18,000	18,000	200	17,800
Capital outlay	109,000	120,000	149,442	(29,442)
<b>Total expenditures</b>	<u>127,000</u>	<u>138,000</u>	<u>149,642</u>	<u>(11,642)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>(11,000)</u>	<u>(56,035)</u>	<u>(45,035)</u>
<b>Other financing sources (uses):</b>				
Transfer in	-	11,000	66,030	55,030
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>11,000</u>	<u>66,030</u>	<u>55,030</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,995</u>	<u>\$ 9,995</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ 9,995	
<b>Change in receivables</b>			(2,397)	
<b>Change in payables</b>			<u>(7,598)</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ -</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
LOMA LARGA FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 200,817	\$ 200,817	\$ 1,419,463	\$ 1,218,646
<b>Total revenues</b>	<u>200,817</u>	<u>200,817</u>	<u>1,419,463</u>	<u>1,218,646</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>200,817</u>	<u>200,817</u>	614,892	(414,075)
<b>Total expenditures</b>	<u>200,817</u>	<u>200,817</u>	<u>614,892</u>	<u>(414,075)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>804,571</u>	<u>804,571</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 804,571</u>	<u>\$ 804,571</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ 804,571	
<b>Change in receivables</b>			(804,572)	
<b>Change in payables</b>			<u>531,118</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ 531,117</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
HWY 528 ACCESS A FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 988,358	\$ 988,358	\$ 52,302	\$ (936,056)
<b>Total revenues</b>	<u>988,358</u>	<u>988,358</u>	<u>52,302</u>	<u>(936,056)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public works	-	67,829	-	67,829
Capital outlay	988,358	920,529	49,388	871,141
<b>Total expenditures</b>	<u>988,358</u>	<u>988,358</u>	<u>49,388</u>	<u>938,970</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>2,914</u>	<u>2,914</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,914</u>	<u>\$ 2,914</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
Net increase (decrease) in fund balances budget basis			\$ 2,914	
Change in receivables			<u>(2,914)</u>	
Net change in fund balances GAAP basis			<u>\$ -</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
RESIDENTIAL ROADS/DRAINAGE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 241,417	\$ 241,417	\$ 150,515	\$ (90,902)
<b>Total revenues</b>	<u>241,417</u>	<u>241,417</u>	<u>150,515</u>	<u>(90,902)</u>
<b>EXPENDITURES</b>				
Capital outlay	241,417	241,417	153,270	88,147
<b>Total expenditures</b>	<u>241,417</u>	<u>241,417</u>	<u>153,270</u>	<u>88,147</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>(2,755)</u>	<u>(2,755)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,755)</u>	<u>\$ (2,755)</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ (2,755)	
<b>Change in receivables</b>			<u>2,755</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ -</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
TRAILS AND SAFE ROUTES FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 105,000	\$ 105,000	\$ 48,146	\$ (56,854)
<b>Total revenues</b>	<u>105,000</u>	<u>105,000</u>	<u>48,146</u>	<u>(56,854)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Public safety	25,000	62,956	62,956	-
Capital outlay	80,000	42,044	-	42,044
<b>Total expenditures</b>	<u>105,000</u>	<u>105,000</u>	<u>62,956</u>	<u>42,044</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>(14,810)</u>	<u>(14,810)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,810)</u>	<u>\$ (14,810)</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ (14,810)	
<b>Change in receivables</b>			<u>14,810</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ -</u>	

The notes to the financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
SKATE PARK FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Miscellaneous	55,000	55,000	-	(55,000)
<b>Total revenues</b>	<u>355,000</u>	<u>355,000</u>	<u>300,000</u>	<u>(55,000)</u>
<b>EXPENDITURES</b>				
<b>Current operations:</b>				
Culture and recreation	-	21,588	4,650	16,938
Capital outlay	395,000	373,412	313,451	59,961
<b>Total expenditures</b>	<u>395,000</u>	<u>395,000</u>	<u>318,101</u>	<u>76,899</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(40,000)</u>	<u>(40,000)</u>	<u>(18,101)</u>	<u>21,899</u>
<b>Other financing sources (uses):</b>				
Transfer in	40,000	40,000	38,996	(1,004)
<b>Total other financing sources (uses)</b>	<u>40,000</u>	<u>40,000</u>	<u>38,996</u>	<u>(1,004)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,895</u>	<u>\$ 20,895</u>
<b>Beginning cash balance</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>RECONCILIATION TO GAAP BASIS</b>				
<b>Net increase (decrease) in fund balances budget basis</b>			\$ 20,895	
<b>Change in payables</b>			<u>735</u>	
<b>Net change in fund balances GAAP basis</b>			<u>\$ 21,630</u>	

The notes to the financial statements are an integral part of this statement.



**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**NMFA 41ST SUPP FIRE PROG FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES**  
**BUDGET (Non-GAAP Basis) and ACTUAL on BUDGETARY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Debt service:</b>				
Debt service interest	-	-	(3)	3
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>(3)</u>	<u>3</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
<b>Other financing sources (uses):</b>				
Transfer out	-	-	(1,581)	(1,581)
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>(1,581)</u>	<u>(1,581)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,578)</u>	<u>\$ (1,578)</u>
<b>Beginning cash balance</b>	<u>\$ 1,578</u>	<u>\$ 1,578</u>		

The notes to the financial statements are an integral part of this statement.

**OTHER SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND**  
**JUNE 30, 2009**

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
<b>ASSETS</b>				
Cash	\$ 3,586	\$ 8,886	\$ (10,016)	\$ 2,456
<b>Total assets</b>	<u>\$ 3,586</u>	<u>\$ 8,886</u>	<u>\$ (10,016)</u>	<u>\$ 2,456</u>
<b>LIABILITIES</b>				
Deposits payable	\$ 3,586	\$ 8,886	\$ (10,016)	\$ 2,456
<b>Total liabilities</b>	<u>\$ 3,586</u>	<u>\$ 8,886</u>	<u>\$ (10,016)</u>	<u>\$ 2,456</u>

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDING JUNE 30, 2009**

Grantor Agency and Grant Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
Executive Office of the President; Office of Nat'l Drug Control Policy			
Direct			
High Intensity Drug Trafficking Area (HIDTA)	UNKNOWN	I8PSNP578Z	\$ 328,121
U.S. Department of Homeland Security			
Direct			
Federal Emergency Management Agency	97.044	EMW-2007-FO-11592	38,000
U.S. Department of Transportation			
Pass Through - New Mexico Department of Transportation			
Operation DWI	20.608	09-AL-64-026	4,620
Operation DWI	20.608	08-AL-64026	<u>3,000</u>
			<u>7,620</u>
U.S. Department of Justice			
Direct			
U.S. Marshall's Service	16.xxx		31,621
U.S. Marshall's Service	16.xxx		<u>29,302</u>
			<u>60,923</u>
U.S. Department of Agriculture			
Direct			
Farm and Ranchland Preservation	10.913	68-8C30-06-10028	291,353
Farm and Ranchland Preservation	10.913	68-8C30-07-006	<u>203,647</u>
			<u>495,000</u>
Total Expenditures of Federal Awards			<u>\$ 929,664</u>

**NOTE A SIGNIFICANT ACCOUNTING POLICY**

The accompnay schedule of federal awards is prepared on the modified accrual basis of accounting.



PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**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***

Phillip Gasteyer, Mayor  
Village Council  
Village of Corrales  
Corrales, New Mexico  
and  
Hector H. Balderas  
New Mexico State Auditor  
Santa Fe, New Mexico

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparison for the general fund, and the combining and individual funds presented as supplemental information of Village of Corrales, New Mexico (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 January 6, 2010. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Village's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Village's financial statements that is more than inconsequential will not be prevented or detected by the Village's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. 2007-A, 2008-A, 2009-A and 2009-B.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 2009-B to be a material weakness.

#### 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 findings and questioned costs as items 2009-A and 2009-C.

The Village's response to the findings identified in our audit is 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 management, Village Council, others within the entity, the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Pattillo, Brown & Hill LLP*

Pattillo, Brown & Hill, L.L.P.

Albuquerque, New Mexico

January 6, 2010



PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Phillip Gasteyer, Mayor  
Village Council  
Village of Corrales  
Corrales, New Mexico  
and  
Hector H. Balderas  
New Mexico State Auditor  
Santa Fe, New Mexico

Compliance

We have audited the compliance of Village of Corrales, New Mexico (Village), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Village's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Village's management. Our responsibility is to express an opinion on the Village's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Village's compliance with those requirements.

In our opinion, the Village, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

## Internal Control Over Compliance

The management of the Village, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Village's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Village Council, others within the entity, the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Pattillo, Brown & Hill LLP*

Pattillo, Brown & Hill, L.L.P.  
Albuquerque, New Mexico  
January 6, 2010



**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2009**

**Section I – Summary of Auditors’ Results**

***Financial Statements***

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting: Material weakness identified?	Yes
Significant deficiency identified not Considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

***Federal Awards***

Internal control over major programs: Material weakness identified?	No
Significant deficiency identified not Considered to be a material weakness?	No
Type of auditors’ report issued on compliance For major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) Of Circular A-133?	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
Unknown	High Intensity Drug Trafficking Area
10.913	Farm and Ranchland Preservation

Dollar threshold used to distinguish Between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2009**

**Section II – Financial Statement Findings**

**Prior Year**

2007-A Excess of Expenditures Over Budget – Repeat  
2008-A Budget Adjustment Request – Repeat

**Current Year**

2007-A Excess of Expenditures Over Budget – Repeat  
2008-A Budget Adjustment Request – Repeat  
2009-A Audit Report Due Date  
2009-B Grant Monitoring and Reporting  
2009-C Missing and Incomplete I-9s

**2007-A Excess of Expenditures Over Budget (Repeat)**

**Condition:** Actual expenditures exceeded budgeted expenditures at the total fund level for the following funds:

Economic Development	\$ 46,187
Police Special Funds	13,635
Far North Sector	131,071
Fire Protection Fund	28,163
Bosque Fund	2,970
Well & Tank-Fire	70,126
Road-Coop	11,642
General Obligation	16,866
Lodgers Tax	415
Loma Larga Fund	414,075

The following fund also budgeted expenditures in excess of revenues after the prior-year cash balance:

	Expenditures in excess of revenues	Prior year cash balance
Traffic Safety	\$ 7,309	\$ 4,308

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2009**

**Criteria:** 6-6-6 NMSA 1978 requires that the Village keep expenditures within the budgeted amounts. NMAC 2.2.2.10 P. (1) requires a finding when actual expenditures exceed budgeted expenditures as well as a finding for budgeted expenditures in excess of budgeted revenues after prior-year cash balances.

**Effect:** The Village's expenditures in the above funds exceeded the approved budgets by the amounts noted above for each fund.

**Cause:** The Village over spent their budget in the funds noted above and did not apply for budget adjustment requests to the Department of Finance and Administration (DFA) when expenditures in excess of budget were necessary.

**Recommendation:** Budget adjustment requests should be presented to and approved by DFA before expending funds in excess of budget.

**Response:** Management agrees with the recommendation.

**2008-A Budget Adjustment Request (Repeat)**

**Condition:** Three Budget Adjustment Requests (BARs) were selected for testing. Of the BARs tested it was noted that the Village made expenditures prior to BARs being approved by the Department of Finance and Administration (DFA). The expenditure prior to DFA approval are as follows:

Fund	Expenditure
Police Special Fund	\$ 27,312
General Fund	77,000

**Criteria:** 6-6-2 G NMSA 1978 allows budget revisions upon approval by the secretary of finance and administration.

**Effect:** The Village expended monies prior to approval by DFA. Per state statute any employee or public official violating this ordinance may be subject to legal action by DFA.

**Cause:** The expenditures out of the funds noted above were made prior to the BAR approvals by DFA. The expenditures were made without informing the finance director that an adjustment to the budget would be required due to an increase in the necessary expenditure.

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**Recommendation:** The purchase order system should be used by each department prior to any expenditures. Use of purchase orders will enable the finance director and each department head to more effectively monitor budgets and request BARs in a timely fashion. Once the finance director makes the necessary BAR the department head should wait until approval by DFA before making the expenditure.

**Response:** The Village agrees with this recommendation.

**2009-A**                      **Audit Report Due Date**

**Condition:** The audit report was not submitted by the due date, December 1, 2009. The report was submitted to the New Mexico Office of the State Auditor on January 11, 2010.

**Criteria:** Section 2.2.9 A(1)(d) NMAC Audit Rule 2009, Requirements for Contracting and Conducting Audits of Agencies, states annual audit reports are to be received in the Office of the State Auditor on or before December 1<sup>st</sup>.

**Effect:** The Village is not in compliance with the New Mexico State Auditor Rule.

**Cause:** Due to employee turnover, a completed trial balance was not ready until mid November. Due to the late start of field work and the necessity of a single audit it was not possible to complete the financial statements for submission to the State Auditor in a timely manner.

**Recommendation:** In the future emphasis should be directed towards completion of the audit by the required due date.

**Response:** The Village agrees with this recommendation.

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**2009-B**

**Grant Monitoring and Reporting**

**Condition:**

During review of state legislative appropriations it was noted that the Village did not have complete files on all appropriations with reports requesting reimbursement of expenditures. Due to this lack of good record keeping there were requests for reimbursement which were not filed timely as follows:

<u>Fund</u>	<u>Date of Expenditure</u>	<u>Date of Request</u>	<u>Amount</u>
Trails and Safe Routes	December 08	August 09	\$ 14,811
Wastewater System	September 08	September 09	4,826
Public Safety Communication Equipment	April 08	November 08	7,072

An additional \$200,000 state appropriation was found that had not been properly recorded. The requests for reimbursements were filed, however the reimbursements by the state were sent directly to the contractor, bypassing the Village. Due to this, the Village did not record either the revenue or the expenditures. \$138,000 of this will be reflected as a prior period adjustment with the remainder being recorded in the current year.

**Criteria:**

Section 12-6-5 NMSA 1978 states "each report shall set out in detail, any violation of law or good accounting practices found by the audit."

**Effect:**

The Village is not effectively monitoring grant expenditures and requests for reimbursement. This could create a situation in which the Village either fails to request reimbursement or the grant deadline expires prior to the request being completed.

**Cause:**

The Village did not have one individual that was responsible for monitoring grants.

**Recommendation:**

The Village should appoint one individual to monitor grants, make sure all reports are being filed timely and that grants are closed out as appropriate. Files should be maintained with all relevant information so that at any point in time the Village can determine what money has been expended and what remains unspent.

**Response:**

The Village has designated an individual that is responsible for monitoring grants. This person has established files for each grant and is maintaining all relevant documents.

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**2009-C**

**Missing and Incomplete I-9s**

**Condition:**

During the review of ten employee personnel files it was noted that one I-9 was unavailable and one I-9 was incomplete.

**Criteria:**

Federal law requires that the all employees hired after November 6, 1986 must complete the appropriate Immigration and Naturalization Service Employment Eligibility Verification forms (I-9).

**Effect:**

The Village is in violation of federal law which requires the Form I-9 be kept by the employer and must be available for inspection by authorized US Government officials.

**Cause:**

Due to employee turnover, I-9s could not either be located or were incomplete.

**Recommendation:**

The Village should verify that each employee has a complete and properly approved and signed I-9 available for inspection.

**Response:**

The Village agrees with this recommendation.

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EXIT CONFERENCE  
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**EXIT CONFERENCE**

An exit conference was held on January 6, 2010 at the Village's offices. In attendance were Phillip Gasteyer, Mayor; John Avila, Village Administrator; and Terri Gray, Finance Director from the Village of Corrales. Cynthia James, CPA, and Regina Gordon, CPA were in attendance for Pattillo, Brown & Hill, L.L.P.