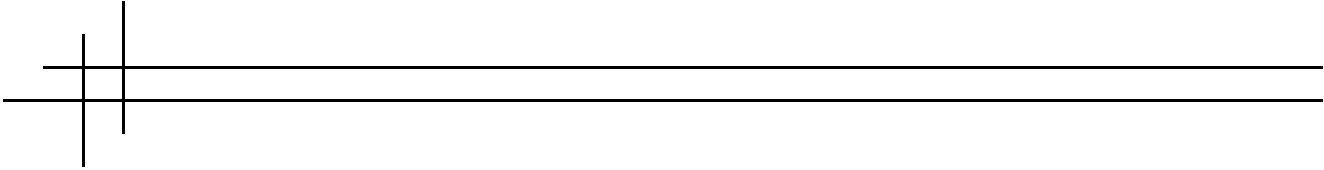




STATE OF NEW MEXICO
VILLAGE OF DORA

ANNUAL FINANCIAL REPORT
June 30, 2009

De'Aun Willoughby CPA, PC
Certified Public Accountant
Melrose, New Mexico



	<u>Page</u>
Official Roster.....	4
Independent Auditor's Report.....	5-6

FINANCIAL SECTION

Basic Financial Statements

Government Wide Financial Statements	
Statement of Net Assets.....	8
Statement of Activities.....	9
Fund Financial Statements	
Government Funds - Balance Sheet.....	10
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets.....	11
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	12
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities.....	13

MAJOR FUNDS

General Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Non-GAAP-Budgetary Basis)	14-15
--	-------

Fire Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Non-GAAP-Budgetary Basis)	16
--	----

Proprietary Funds

Statement of Net Assets.....	17
Statement of Revenues, Expenses and Changes in Fund Net Assets.....	18
Statement of Cash Flows.....	19

Notes to Financial Statements.....	20-30
------------------------------------	-------

SUPPLEMENTAL INFORMATION

Non-major Special Revenue Funds

Combining Balance Sheet.....	33-34
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	35-36

EMS & Ambulance

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Non-GAAP-Budgetary Basis)	37
--	----

Municipal Street Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget and Actual (Non-GAAP-Budgetary Basis)	38
---	----

Recreation Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Non-GAAP-Budgetary Basis)	39
--	----

Senior Citizens Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Non-GAAP-Budgetary Basis)	40
--	----

PROPRIETARY FUND

Water Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Non-GAAP-Budgetary Basis)	42
--	----

OTHER SUPPLEMENTAL INFORMATION

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	43-44
---	-------

Schedule of Findings and Responses.....	45
---	----

STATE OF NEW MEXICO
VILLAGE OF DORA
Official Roster
June 30, 2009

BOARD OF TRUSTEES

Mickey Burkett	Mayor
Jack Manis	Trustee
Lewis Walker	Trustee
Bill Cathey	Trustee
Jessie Edmonds	Trustee

ADMINISTRATIVE OFFICIAL

Becky Frazee	Clerk/Treasurer
--------------	-----------------

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Independent Auditor's Report

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the Village of Dora

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Dora, (Village), as of and for the year ended June 30, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. We also have 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 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, the business-type 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 cash flows where applicable, thereof and the respective budgetary comparisons for the general fund and the major special revenue 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 cash flows, where applicable, thereof and the respective budgetary comparisons for all the nonmajor 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 September 16, 2009, 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 *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The Village has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be a 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. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

De'Ann Willoughby, CPA PC

September 16, 2009

FINANCIAL SECTION

STATE OF NEW MEXICO
VILLAGE OF DORA
 Government-Wide Statement of Net Assets
 June 30, 2009

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 314,296	\$ 86,452	\$ 400,748
Investments	140,000	0	140,000
Taxes Receivable	2,109	0	2,109
Accounts Receivable	0	739	739
Total Current Assets	<u>456,405</u>	<u>87,191</u>	<u>543,596</u>
Noncurrent Assets			
Restricted Cash	0	1,140	1,140
Capital Assets	1,681,528	826,055	2,507,583
Less: Accumulated Depreciation	<u>(832,347)</u>	<u>(293,324)</u>	<u>(1,125,671)</u>
Total Noncurrent Assets	<u>849,181</u>	<u>533,871</u>	<u>1,383,052</u>
Total Assets	<u>1,305,586</u>	<u>621,062</u>	<u>1,926,648</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	5,551	0	5,551
Current Portion of Long Term Debt	<u>12,031</u>	<u>0</u>	<u>12,031</u>
Total Current Liabilities	<u>17,582</u>	<u>0</u>	<u>17,582</u>
Noncurrent Liabilities			
Customer Deposits	0	1,140	1,140
Non Current Portion of Long Term Debt	<u>82,716</u>	<u>0</u>	<u>82,716</u>
Total Noncurrent Liabilities	<u>82,716</u>	<u>1,140</u>	<u>83,856</u>
Total Liabilities	<u>100,298</u>	<u>1,140</u>	<u>101,438</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	754,434	533,871	1,288,305
Unrestricted	<u>450,854</u>	<u>86,051</u>	<u>536,905</u>
Total Net Assets	<u>\$ 1,205,288</u>	<u>\$ 619,922</u>	<u>\$ 1,825,210</u>

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

STATE OF NEW MEXICO
VILLAGE OF DORA
 Government-Wide Statement of Activities
 For the Year Ended June 30, 2009

Functions/Programs	Program Revenues				Net(Expenses) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 86,951	\$ 0	\$ 60,000	\$ 0	\$ (26,951)	\$ 0	\$ (26,951)
Public Safety	160,508	8,873	87,179	46,090	(18,366)	0	(18,366)
Culture & Recreation	29,010	0	7,092	0	(21,918)	0	(21,918)
Interest on Long-Term Obligations	4,272	0	0	0	(4,272)	0	(4,272)
Total Governmental Activities	\$ 280,741	\$ 8,873	\$ 154,271	\$ 46,090	\$ (71,507)	\$ 0	\$ (71,507)
Business-type Activities							
Utilities	\$ 46,754	\$ 31,319	\$ 0	\$ 0	\$ 0	\$ (15,435)	\$ (15,435)
Total Business-type Activities	\$ 46,754	\$ 31,319	\$ 0	\$ 0	\$ 0	\$ (15,435)	\$ (15,435)
General Revenues							
Taxes							
Property				\$ 942	\$ 0	\$ 0	\$ 942
Gross Receipts				20,766	0	0	20,766
Gasoline				5,574	0	0	5,574
Motor Vehicle				268	0	0	268
Miscellaneous				34,324	752	0	35,076
Interest Income				9,471	1,162	0	10,633
Total General Revenues and Transfers				71,345	1,914	0	73,259
Change in Net Assets				(162)	(13,521)	0	(13,683)
Net Assets - beginning				1,205,450	633,443	0	1,838,893
Net Assets - ending				\$ 1,205,288	\$ 619,922	\$ 0	\$ 1,825,210

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

STATE OF NEW MEXICO
VILLAGE OF DORA
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2009

	<u>General Fund</u>	<u>Fire Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 215,102	\$ 38,671	\$ 60,523	\$ 314,296
Investments	140,000	0	0	140,000
Receivables	0	0	0	0
Taxes	1,599	0	510	2,109
Interfund Balance	54,000	0	0	54,000
Total Assets	<u>\$ 410,701</u>	<u>\$ 38,671</u>	<u>\$ 61,033</u>	<u>\$ 510,405</u>
 LIABILITIES AND FUND BALANCE				
Liabilities				
Current Liabilities				
Interfund Balance	\$ 0	\$ 54,000	\$ 0	\$ 54,000
Accounts Payable	<u>2,239</u>	<u>2,256</u>	<u>1,056</u>	<u>5,551</u>
Total Liabilities	<u>2,239</u>	<u>56,256</u>	<u>1,056</u>	<u>59,551</u>
 Fund Balances				
Unreserved Reported In:				
General Fund	408,462	0	0	408,462
Special Revenue Fund	<u>0</u>	<u>(17,585)</u>	<u>59,977</u>	<u>42,392</u>
Total Fund Balances	<u>408,462</u>	<u>(17,585)</u>	<u>59,977</u>	<u>450,854</u>
Total Liabilities and Fund Balances	<u>\$ 410,701</u>	<u>\$ 38,671</u>	<u>\$ 61,033</u>	<u>\$ 510,405</u>

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

STATE OF NEW MEXICO
VILLAGE OF DORA
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2009

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

Total Fund Balance - Governmental Funds	\$	450,854
---	----	---------

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

The cost of capital assets	\$	1,681,528	
Accumulated depreciation is		<u>(832,347)</u>	849,181

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

Notes Payable		<u>(94,747)</u>
---------------	--	-----------------

Total net assets - governmental activities	\$	<u><u>1,205,288</u></u>
--	----	-------------------------

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

STATE OF NEW MEXICO
VILLAGE OF DORA
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	General Fund	Fire Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues				
Taxes				
Property	\$ 942	\$ 0	\$ 0	\$ 942
Gross Receipts	20,766	0	0	20,766
Gasoline	0	0	5,574	5,574
Motor Vehicle	268	0	0	268
Charge for Services	0	0	8,748	8,748
Federal Grants	25,000	0	1,470	26,470
State & Local Grants	35,000	125,851	13,040	173,891
Licenses, Fees, & Fines	125	0	0	125
Interest Income	8,003	593	875	9,471
Miscellaneous	334	33,831	159	34,324
Total Revenues	<u>90,438</u>	<u>160,275</u>	<u>29,866</u>	<u>280,579</u>
Expenditures				
Current				
General	83,656	0	0	83,656
Public Safety	4,950	68,736	20,741	94,427
Culture & Recreation	7,906	0	9,693	17,599
Capital Outlay	0	49,653	0	49,653
Debt Service				
Principal	0	11,613	0	11,613
Interest	0	4,272	0	4,272
Total Expenditures	<u>96,512</u>	<u>134,274</u>	<u>30,434</u>	<u>261,220</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(6,074)</u>	<u>26,001</u>	<u>(568)</u>	<u>19,359</u>
Other Financing Sources (Uses)				
Transfers In/(Out)	<u>(6,863)</u>	<u>4,363</u>	<u>2,500</u>	<u>0</u>
Total Other Sources (Uses)	<u>(6,863)</u>	<u>4,363</u>	<u>2,500</u>	<u>0</u>
Net Change in Fund Balance	(12,937)	30,364	1,932	19,359
Fund Balance at Beginning of year	<u>421,399</u>	<u>(47,949)</u>	<u>58,045</u>	<u>431,495</u>
Fund Balance End of Year	<u>\$ 408,462</u>	<u>\$ (17,585)</u>	<u>\$ 59,977</u>	<u>\$ 450,854</u>

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

STATE OF NEW MEXICO

VILLAGE OF DORA

Reconciliation of the Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balance

To the Statement of Activities

June 30, 2009

Net Change in Fund Balance	\$	19,359
----------------------------	----	--------

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which depreciation exceeds capital outlays in the period.

Depreciation expense	\$	(80,787)	
Capital Outlays		49,653	(31,134)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

	11,613
--	--------

Changes in Net Assets of Governmental Activities	\$	(162)
--	----	-------

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

STATE OF NEW MEXICO

VILLAGE OF DORA

GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes				
Gross Receipts	\$ 17,500	\$ 17,500	\$ 21,033	\$ 3,533
Property	859	859	942	83
Motor Vehicle	218	218	268	50
Licenses, Fines, & Forfeitures	150	150	125	(25)
Small Cities Assistance	35,000	35,000	35,000	0
Federal Grant-CDBG	25,000	25,000	25,000	0
Interest Income	15,000	15,000	8,003	(6,997)
Miscellaneous	300	300	334	34
Total Revenues	<u>94,027</u>	<u>94,027</u>	<u>90,705</u>	<u>(3,322)</u>
Expenditures				
Financial Department				
Personnel Services	27,600	27,600	25,563	2,037
Benefits	10,353	10,353	8,772	1,581
Operating Expenses				
Auditor	2,924	2,924	2,230	694
Dues	700	700	793	(93)
Insurance	6,200	6,200	7,575	(1,375)
Maintenance	3,054	3,054	2,209	845
Office	200	200	154	46
Miscellaneous	4,565	4,565	6,451	(1,886)
Supplies	4,300	4,300	1,414	2,886
Transportation	1,260	1,260	930	330
Travel	300	300	0	300
Utilities	4,000	4,000	3,782	218
Planning Grant	25,000	25,000	25,000	0
Total Financial Department	<u>90,456</u>	<u>90,456</u>	<u>84,873</u>	<u>5,583</u>
Election				
Operating Expenses	<u>400</u>	<u>400</u>	<u>0</u>	<u>400</u>
Total Election	<u>400</u>	<u>400</u>	<u>0</u>	<u>400</u>
Public Safety				
Personnel Services	<u>8,500</u>	<u>8,500</u>	<u>4,950</u>	<u>3,550</u>
Total Public Safety	<u>\$ 8,500</u>	<u>\$ 8,500</u>	<u>\$ 4,950</u>	<u>\$ 3,550</u>

STATE OF NEW MEXICO

VILLAGE OF DORA

GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Economic Development				
Dues	\$ 2,500	\$ 2,500	\$ 2,500	\$ 0
Total Economic Development	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Culture & Recreation				
Community Building				
Maintenance	1,200	1,200	1,185	15
Supplies	200	200	216	(16)
Telephone	2,750	2,750	2,292	458
Small Equipment	1,000	1,000	0	1,000
Total Community Building	<u>5,150</u>	<u>5,150</u>	<u>3,693</u>	<u>1,457</u>
Parks				
Maintenance	2,500	2,525	2,672	(147)
Supplies	300	300	168	132
Utilities	1,400	1,400	1,373	27
Total Parks & Recreation	<u>4,200</u>	<u>4,225</u>	<u>4,213</u>	<u>12</u>
Total Expenditures	<u>108,706</u>	<u>108,731</u>	<u>100,229</u>	<u>11,002</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(14,679)</u>	<u>(14,704)</u>	<u>(9,524)</u>	<u>7,680</u>
Other Financing Sources (Uses)				
Transfers Out to Fire	(4,500)	(4,363)	(4,363)	0
Transfers Out to Senior Citizens	(2,500)	(2,500)	(2,500)	0
Loan Payment from Fire	6,000	6,000	6,000	0
Total Other Sources (Uses)	<u>(1,000)</u>	<u>(863)</u>	<u>(863)</u>	<u>0</u>
Net Change in Cash Balance	(15,679)	(15,567)	(10,387)	5,180
Cash Balance Beginning of Year	<u>365,489</u>	<u>365,489</u>	<u>365,489</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 349,810</u>	<u>\$ 349,922</u>	<u>\$ 355,102</u>	<u>\$ 5,180</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,387)	
Net Change in Taxes Receivables			(266)	
Net Change in Accounts Payables			3,716	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (6,937)</u>	

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

STATE OF NEW MEXICO

VILLAGE OF DORA

SPECIAL REVENUE FUND-FIRE FUND

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Fire Allotment	\$ 61,156	\$ 61,156	\$ 63,945	\$ 2,789
State Fire Suppression	8,000	8,000	9,117	1,117
State Capital Grant	124,407	124,407	46,090	(78,317)
Interest Income	100	100	593	493
Insurance Reimbursement	0	0	30,192	30,192
County Subsidy	6,700	6,700	6,700	0
Miscellaneous	10	10	3,639	3,629
Total Revenues	<u>200,373</u>	<u>200,373</u>	<u>160,276</u>	<u>(40,097)</u>
Expenditures				
Public Safety				
Operating				
Equipment Expenses	19,200	19,200	18,684	516
Insurance	0	0	8,662	(8,662)
Maintenance	0	0	18,586	(18,586)
Office	0	0	42	(42)
Supplies	7,011	7,011	12,376	(5,365)
Travel & Training	7,633	7,633	4,227	3,406
Utilities	0	0	7,485	(7,485)
Miscellaneous	16,473	16,473	307	16,166
Capital Purchases	124,407	124,407	49,653	74,754
Lease Purchase				
Principal	0	0	4,272	(4,272)
Interest	0	0	11,613	(11,613)
Total Expenditures	<u>174,724</u>	<u>174,724</u>	<u>135,907</u>	<u>38,817</u>
Excess (Deficiency) of Revenues Over Expenditures	25,649	25,649	24,369	(1,280)
Other Financing Sources (Uses)				
Transfers In/(Out)	4,500	4,363	4,363	0
Loan Payment to General	(6,000)	(6,000)	(6,000)	0
Total Other Sources (Uses)	<u>(1,500)</u>	<u>(1,637)</u>	<u>(1,637)</u>	<u>0</u>
Net Change in Cash Balance	24,149	24,012	22,732	(1,280)
Cash Balance Beginning of Year	<u>15,939</u>	<u>15,939</u>	<u>15,939</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 40,088</u>	<u>\$ 39,951</u>	<u>\$ 38,671</u>	<u>\$ (1,280)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 22,732	
Net Change in Accounts Payables			1,632	
Loan Payment to General Fund			6,000	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 30,364</u>	

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

STATE OF NEW MEXICO
VILLAGE OF DORA
 PROPRIETARY FUND
 Statement of Net Assets
 June 30, 2009

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 86,452
Receivables (net of allowance for uncollectible accounts)	
Accounts	739
Total Current Assets	<u>87,191</u>

Noncurrent Assets

Restricted Cash	1,140
Capital Assets	826,055
Less Accumulated Depreciation	<u>(293,324)</u>
Total Noncurrent Assets	<u>533,871</u>

Total Assets	<u>621,062</u>
--------------	----------------

LIABILITIES

Current Liabilities

Accounts Payable	<u>0</u>
Total Current Liabilities	<u>0</u>

Noncurrent Liabilities

Customer Deposits	<u>1,140</u>
Total Noncurrent Liabilities	<u>1,140</u>

Total Liabilities	<u>1,140</u>
-------------------	--------------

NET ASSETS

Invested in Capital Assets	533,871
Unrestricted	<u>86,051</u>
Total Net Assets	<u>\$ 619,922</u>

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

STATE OF NEW MEXICO
VILLAGE OF DORA
 PROPRIETARY FUND
 Statement of Revenue, Expenses and Changes in Fund Net Assets
 For the Year Ended June 30, 2009

Operating Revenues	
Sales & Service	\$ 31,319
Miscellaneous	1,914
Total Operating Revenues	<u>33,233</u>
Operating Expenses	
Salaries & Benefits	2,400
Dues	111
Insurance	1,481
Maintenance	4,957
Office	1,081
Supplies	2,313
Utilities	2,421
Training	836
Water Conservation Fee	304
Trash Contract	5,072
Water Contract	7,204
Depreciation	18,524
Miscellaneous	50
Total Operating Expenses	<u>46,754</u>
Operating Income (Loss)	(13,521)
Total Net Assets - Beginning	<u>633,443</u>
Total Net Assets - Ending	<u>\$ 619,922</u>

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

STATE OF NEW MEXICO
VILLAGE OF DORA
 PROPRIETARY FUND
 Statement of Cash Flows
 For the Year Ended June 30, 2009

Cash Flows from Operating Activities	
Cash Received From Customers	\$ 31,319
Cash Paid to Suppliers and Employees	<u>(27,706)</u>
Net Cash Provided by Operating Activities	<u>3,613</u>
Net Increase (Decrease) in Cash	3,613
Cash, Beginning of Year	<u>82,839</u>
Cash, End of Year	<u><u>\$ 86,452</u></u>
Reconciliation of Net Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ (13,521)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
Depreciation	18,524
Change in Assets and Liabilities	
(Increase) Decrease in Accounts Receivable	351
Increase (Decrease) in Accounts Payable	<u>(1,741)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 3,613</u></u>

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

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the VILLAGE OF DORA (Village) have been prepared in accordance with general accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the town's accounting policies are described below.

Financial Reporting Entity

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

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Village is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt.

The Village has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected village members are financially accountable. There are no other primary governments with which the Village Board Members are financially accountable. There are no other primary governments with which the Village has a significant relationship.

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the Village are classified into two categories: governmental and proprietary. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follows below:

Basis of Presentation

Government-Wide Financial Statements (GWFS)

The government-wide financial statements (the statement of net assets and the statement of changes in net assets) report information on all of the activities of the Village. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given program such as the fees received for the ambulance service 2) operating grants and contributions that are restricted to meeting the operational requirements of a particular program such as the state grants for fire protection and emergency medical services and 3) capital grants or contributions restricted to meeting capital requirements of a particular program. Taxes and other items not properly included amount program revenues are reported instead as general revenues.

The Village segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Village has presented the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Village and accounts for all revenues and expenditures of the Village not encompassed within other funds.

Fire Fund - To account for operation and maintenance of the Department. Financing is provided by the motor vehicle registration fee of one dollar. Funding is provided under State Statute 24-10A-1 NMSA, 1978 Compilation. Required to be accounted for as a separate fund by New Mexico Department of Health regulation.

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Assets. The Village has presented the following major proprietary funds:

Water Fund - To account for the provision of water service to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to administration, operations, maintenance, financing and related debt service, and billing and collections.

Additionally, the village reports the following non-major funds types:

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

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Derived tax revenue, such as franchise and sales tax revenue, is recognized when the underlying exchange transaction occurs.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given program 2) operating grants and contributions that are restricted to meeting the operational requirements of a particular program and 3) capital grants or contributions restricted to meeting capital requirements of a particular program. Taxes and other items not properly included amount program revenues are reported instead as general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e. when they become both measurable and available. "Measurable means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village considers property taxes as available if they are collected within 30 days after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

Budgetary Control

1. Prior to June 1, the Village's Clerk-Treasurer submits the budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to July 1, the budget is legally enacted through passage of an ordinance and then must be approved by Local Government Division of the State Department of Finance and Administration.
3. The Village treasurer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Village Trustees and the State Department of Finance and Administration.
4. Formal budgetary integration is employed as a management control device during the year for all funds.
5. The level of budget authority is at the fund level.

The Proprietary Funds group accounts for funds received in the course of the operation of self-supporting functions which receive their revenues from providing goods or services to internal or external customers. The two types of funds that make up this category are:

1. Enterprise Funds. Enterprise Funds account for operations carried out and financed like a business operation, usually designated to be self-supporting through fees for services and generating revenues from outside sources. The Village of Dora has two of these funds , including the Water and Sewer Fund as well as the Landfill Fund. Enterprise Funds are budgeted as separate cost centers but as integral parts of the work
2. Internal Service Fund (ISF). An ISF accounts for financing goods or services provided by an organizational unit of the Village to other units of the Village, on a self-liquidating, fee-for-service basis. The Village of Dora does not have an ISF Fund.

Cash and Cash Equivalents

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

The Village is authorized under the provisions of Chapter 6, Article 10, paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

Investments

All money not immediately necessary for the public uses of the Village may be invested in :

- (a) bonds or negotiable securities of the United States, the state or any county, municipality or Village which has a taxable valuation of real property for the last preceding year of at least one million dollars (1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or
- (b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.
- (c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Prepaid Items

Prepaid balances are for payments made by the Village in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of fund balance is not available for other subsequent expenditures.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

Capital Assets

Capital assets, which includes property, plant, equipment (including software), and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the Village as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The construction period interest is not capitalized in the proprietary funds.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings, Improvements and Infrastructure	30-40 Years
Infrastructure	40 Years
Equipment and Vehicles	5-20 Years

Use of Restricted Funds

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

Revenue

The policy for defining the proprietary fund's operating revenues and expenses is how individual transactions would be categorized for purposes of preparing a statement of cash flows. Transactions for which cash flows are reported as capital and related financing activities, noncapital financing activities, or investing activities normally are not reported as components of operating income.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Compensated Absences

There are no compensated absences offered to the Village employees.

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 by creditors, grantors or laws or regulations of other governments. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available it will first be applied to restricted resources.

NOTE B: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds are presented on each individual Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

Reconciliations are located at the bottom of each budget actual.

NOTE C: CASH AND INVESTMENTS

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

Portales National Bank

<u>Name of Account</u>	Balance Per Bank 06-30-09	Reconciled Balance	Type
Village of Dora CD	\$ 98,735	\$ 98,735	Saving
TOTAL Deposited	98,735	<u>98,735</u>	
Less: FDIC Coverage	98,735		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

Wells Fargo Bank

<u>Name of Account</u>	Balance Per Bank 06-30-09	Reconciled Balance	Type
Village of Dora	\$ 42,035	\$ 42,035	Checking
Village of Dora	3,000	3,000	Checking
Village of Dora	42,057	37,589	Checking
TOTAL Deposited	87,092	<u>82,624</u>	
Less: FDIC Coverage	87,092		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

STATE OF NEW MEXICO
VILLAGE OF DORA
Notes to the Financial Statements
June 30, 2009

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks, and pending bank adjustments.

New Mexico Bank & Trust

<u>Name of Account</u>	Balance Per Bank 06-30-09	Reconciled Balance	Type
Village of Dora CD	\$ 80,000	\$ 80,000	Saving
TOTAL Deposited	80,000	<u>80,000</u>	
Less: FDIC Coverage	<u>80,000</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

First Financial Credit Union

<u>Name of Account</u>	Balance Per Bank 06-30-09	Reconciled Balance	Type
Village of Dora CD .55%	\$ 1,464	\$ 1,464	Saving
Village of Dora CD 1.55%	50,184	50,184	Saving
Village of Dora CD 3.2%	<u>31,306</u>	<u>31,306</u>	Saving
TOTAL Deposited	82,954	<u>82,954</u>	
Less: FDIC Coverage	<u>82,954</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

First Community Bank

<u>Name of Account</u>	Balance Per Bank 06-30-09	Reconciled Balance	Type
Village of Dora CD	\$ 57,575	\$ 57,575	Saving
TOTAL Deposited	57,575	<u>57,575</u>	
Less: FDIC Coverage	<u>57,575</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

Custodial Credit Risk-Deposits

<u>Depository Account</u>	Bank Balance
Insured	\$ 406,356
Collateralized:	
Collateral held by the pledging bank in Village's name	0
Uninsured and uncollateralized	0
Total Deposits	<u>\$ 406,356</u>

STATE OF NEW MEXICO
VILLAGE OF DORA
Notes to the Financial Statements
June 30, 2009

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2009 none of the Village's bank balance of \$406,356 was exposed to custodial credit risk.

State Treasurer

<u>Name of Account</u>	Beginning Balance <u>06/30/08</u>	Ending Balance <u>06/30/09</u>	<u>Type</u>
LGIP Fund-4101	\$ 135,941	\$ 135,941	Investment
Reserve Contingencies Fund-4102	4,059	4,059	Investment
TOTAL Deposited	<u>\$ 140,000</u>	<u>\$ 140,000</u>	

GASB Statement No. 40, Deposit and Investment Risk Disclosures, relates to how deposits and investments are reported in the annual financial statements of governmental entities. GASB Statement No. 40 disclosures inform financial statement users about deposit and investment risks that could affect a government's ability to provide services and meet its obligations as they become due. GASB Statement No. 40 requires governments to disclose deposit and investment risks related to credit risk (including custodial credit risk), concentration of credit risk, interest rate risk, and foreign currency risk. The State Treasurer's Office provides the following information regarding the LGIP:

1. With respect to credit risk, the LGIP, a government investment pool, is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.
2. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure.
3. GASB Statement No. 40 defines interest rate risk as the risk that interest rate variations may adversely affect the fair value of an investment. According to GASB Statement No. 40, an acceptable method for reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.stonm.org. As of June 30, 2009, the LGIP WAM is 43 days.
4. Finally, with respect to foreign currency risk, all investments in the LGIP are in U.S. dollar denominated assets. Therefore, the LGIP has no foreign currency risk.

NOTE D: RESTRICTED CASH

There was \$1,140 in restricted cash in the Water Fund for customer deposits.

STATE OF NEW MEXICO
VILLAGE OF DORA
Notes to the Financial Statements
June 30, 2009

NOTE E: CAPITAL ASSETS

Capital Assets Balances and Activity for the Fiscal year, is as follows:

	Beginning Balance 6/30/08	Increases	Decreases	Ending Balance 6/30/09
Governmental Activities				
Capital Assets, not being Depreciated				
Land	\$ 13,519	\$ 0	\$ 0	\$ 13,519
Construction in Progress	15,000	49,653	0	64,653
Total Capital Assets, not being Depreciated	<u>\$ 28,519</u>	<u>\$ 49,653</u>	<u>\$ 0</u>	<u>\$ 78,172</u>
Capital Assets, being Depreciated				
Buildings & Improvements	\$ 364,653	\$ 0	\$ 0	\$ 364,653
Infrastructure	254,493	0	0	254,493
Equipment	268,533	0	0	268,533
Vehicles	715,677	0	0	715,677
Total Capital Assets, being Depreciated	<u>1,603,356</u>	<u>0</u>	<u>0</u>	<u>1,603,356</u>
Total Capital Assets	<u>1,631,875</u>	<u>49,653</u>	<u>0</u>	<u>1,681,528</u>
Less Accumulated Depreciation				
Buildings & Improvements	201,337	10,142	0	211,479
Infrastructure	144,210	11,778	0	155,988
Equipment	97,856	9,743	0	107,599
Vehicles	308,157	49,124	0	357,281
Total Accumulated Depreciation	<u>751,560</u>	<u>80,787</u>	<u>0</u>	<u>832,347</u>
Capital Assets, net	<u>\$ 880,315</u>	<u>\$ (31,134)</u>	<u>\$ 0</u>	<u>\$ 849,181</u>

Depreciation expense was charged to governmental activities as follows:

General	\$ 3,295
Public Safety	66,081
Culture & Recreation	11,411
Total depreciation expenses	<u>\$ 80,787</u>

	Beginning Balance 6/30/08	Increases	Decreases	Ending Balance 6/30/09
Business-Type Activities				
Capital Assets not being Depreciated				
Land	\$ 25,099	\$ 0	\$ 0	\$ 25,099
Total Capital Assets not being Depreciated	<u>25,099</u>	<u>0</u>	<u>0</u>	<u>25,099</u>
Capital Assets, being Depreciated				
Infrastructure	668,795	0	0	668,795
Equipment	132,161	0	0	132,161
Total Capital Assets at Historical Cost	<u>\$ 826,055</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 826,055</u>

STATE OF NEW MEXICO
VILLAGE OF DORA
Notes to the Financial Statements
June 30, 2009

Less Accumulated Depreciation

Infrastructure	\$	260,934	\$	17,433		0		278,367
Equipment		13,866		1,091		0		14,957
Total Accumulated Depreciation		<u>274,800</u>		<u>18,524</u>	\$	<u>0</u>	\$	<u>293,324</u>
Capital Assets, net	\$	<u>551,255</u>	\$	<u>(18,524)</u>	\$	<u>0</u>	\$	<u>532,731</u>

NOTE F: LONG TERM DEBT

Notes Payable

A summary of activity in the Long-Term Debt is as follows:

	Beginning Balance 6/30/08	Additions	Reductions	Ending Balance 6/30/09	Amounts Due Within One Year
Governmental Activities					
Notes Payable					
NMFA-Fire Truck	\$ 106,360	\$ 0	\$ 11,613	\$ 94,747	\$ 12,031
Total Notes Payable	<u>\$ 106,360</u>	<u>\$ 0</u>	<u>\$ 11,613</u>	<u>\$ 94,747</u>	<u>\$ 12,031</u>

The Village entered into a loan agreement with New Mexico Finance Authority in May, 2006 to purchase a fire truck with annual principal payments and semi-annual interest payments of 4% totaling approximately \$15,889 per fiscal year. The fire truck debt service is paid from the Fire Fund.

The annual requirements to amortize the loans as of the fiscal year, including interest payments are as follows:

	Principal	Interest	Total
2010	\$ 12,031	\$ 3,855	\$ 15,886
2011	12,478	3,409	15,887
2012	12,959	2,930	15,889
2013	13,474	2,415	15,889
2014	14,025	1,865	15,890
2015-2016	29,780	1,941	31,721
	<u>\$ 94,747</u>	<u>\$ 16,415</u>	<u>\$ 111,162</u>

NOTE H: PROPERTY TAXES

The County collects the Village's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the Village on a monthly basis. The Village accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

NOTE I: PENSION PLAN

The Village has elected not to participate in the New Mexico Public Employees Retirement Association retirement system

NOTE J: POST-EMPLOYMENT BENEFITS

The Retiree Health Care Act (10-7C-1 to 10-7C-16 NMSA 1978 provides comprehensive care group health insurance for persons who have retired from certain public service in New Mexico. As authorized under Section 9D. Of Chapter 6 Laws of 1990, the Village has elected not to participate in the program.

NOTE K: RECEIVABLES

Receivables as of June 30, 2009, were as follows:

<u>Receivables</u>	<u>General</u>	<u>Non-Major</u>	<u>Water</u>
Taxes	\$ 1,599	\$ 510	\$ 0
Accounts	0	0	739
	<u>\$ 1,599</u>	<u>\$ 510</u>	<u>\$ 739</u>

NOTE L: INTERFUND TRANSACTIONS

The General Fund loaned the Fire Fund \$60,000 to purchase equipment in the June 30, 2008 year. The Fire Fund paid \$6,000 this year towards that loan leaving a balance of \$54,000. The General Fund transferred \$4,363 to the Fire Fund and \$2,500 to the Senior Citizens Fund to supplement operations.

NOTE M: RISK MANAGEMENT

The Village participates in the New Mexico Self-Insurers Fund for medical insurance coverage for their employees. Commercial Insurance covers all other losses. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. There are no claim liabilities at year end.

NOTE N: SURETY BOND

The officials and certain employees of the Village are covered by a surety bond as required by Section 12-6-7, NMSA, 1978 Compilation.

NOTE P: DEFICIT FUND BALANCE

The Fire Fund had a deficit fund balance of \$(17,585).

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

EMS & Ambulance Fund - To account for the operation and maintenance of the Village EMS Department. Financing is primarily from an annual EMS allotment and fees collected for emergency transportation. The fund was created by the authority of state grant provisions. (NMSA 59A-53-1)

Municipal Street Fund

To account for the one-cent gasoline tax being allocated to the City for the explicit purpose of street repair. The authority for the allocation and setup of the fund is 7-1-6-27, NMSA, 1978 Compilation, 1989 supplement.

Recreation Fund

To account for the operation and maintenance of the Village's youth recreation program. Financing is provided by the state shared cigarette tax. The fund was created by the authority of state statute. (NMSA 7-12-15)

Senior Citizens Fund

To account for the receipts and expenditures of the Senior Citizens. Financing is provided by the Area on Aging. The fund was created by the authority of state statute. (NMSA 7-12-15)

STATE OF NEW MEXICO
VILLAGE OF DORA
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2009

	EMS & Ambulance Fund	Municipal Street Fund	Recreation Fund
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 9,158	\$ 50,306	\$ 179
Receivables	0		
Taxes	0	510	0
Total Assets	<u>\$ 9,158</u>	<u>\$ 50,816</u>	<u>\$ 179</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 1,056	\$ 0	\$ 0
Total Liabilities	<u>1,056</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved Reported In:			
Special Revenue	<u>8,102</u>	<u>50,816</u>	<u>179</u>
Total Fund Balance	<u>8,102</u>	<u>50,816</u>	<u>179</u>
 Total Liabilities and Fund Balance	 <u>\$ 9,158</u>	 <u>\$ 50,816</u>	 <u>\$ 179</u>

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

STATE OF NEW MEXICO
VILLAGE OF DORA
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2009

	Senior Citizens Fund	Total
	<u> </u>	<u> </u>
ASSETS		
Cash and Cash Equivalents	\$ 880	\$ 60,523
Receivables		
Taxes	0	510
Total Assets	<u>\$ 880</u>	<u>\$ 61,033</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	\$ 0	\$ 1,056
Total Liabilities	<u>0</u>	<u>1,056</u>
Fund Balance		
Unreserved Reported In:		
Special Revenue	<u>880</u>	<u>59,977</u>
Total Fund Balance	<u>880</u>	<u>59,977</u>
Total Liabilities and Fund Balance	<u>\$ 880</u>	<u>\$ 61,033</u>

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

STATE OF NEW MEXICO
VILLAGE OF DORA
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	EMS & Ambulance Fund	Municipal Street Fund	Recreation Fund
Revenues			
Taxes			
Gasoline	\$ 0	\$ 5,574	\$ 0
Charge for Services	8,748	0	0
Federal Grants	0	0	0
State Grants	7,418	0	0
Interest Income	120	755	0
Miscellaneous	144	0	0
Total Revenues	<u>16,430</u>	<u>6,329</u>	<u>0</u>
Expenditures			
Current			
Public Safety	20,741	0	0
Culture & Recreation	0	0	0
Total Expenditures	<u>20,741</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,311)</u>	<u>6,329</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(4,311)	6,329	0
Fund Balances at Beginning of Year	<u>12,413</u>	<u>44,487</u>	<u>179</u>
Fund Balance End of Year	<u>\$ 8,102</u>	<u>\$ 50,816</u>	<u>\$ 179</u>

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

STATE OF NEW MEXICO
VILLAGE OF DORA
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Senior Citizens Fund	Total
	<u> </u>	<u> </u>
Revenues		
Taxes		
Gasoline	\$ 0	\$ 5,574
Charge for Services	0	8,748
Federal Grants	1,470	1,470
State Grants	5,622	13,040
Interest Income	0	875
Miscellaneous	15	159
Total Revenues	<u> 7,107</u>	<u> 29,866</u>
Expenditures		
Current		
Public Safety	0	20,741
Culture & Recreation	9,693	9,693
Total Expenditures	<u> 9,693</u>	<u> 30,434</u>
Excess (Deficiency) of Revenues Over Expenditures	<u> (2,586)</u>	<u> (568)</u>
Other Financing Sources (Uses)		
Transfers In/(Out)	2,500	2,500
Total Other Sources (Uses)	<u> 2,500</u>	<u> 2,500</u>
Net Change in Fund Balance	(86)	1,932
Fund Balances at Beginning of Year	<u> 966</u>	<u> 58,045</u>
Fund Balance End of Year	<u> 880</u>	<u> 59,977</u>

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

STATE OF NEW MEXICO

VILLAGE OF DORA

SPECIAL REVENUE FUND-EMS & AMBULANCE FUND

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State EMS Grant	\$ 2,200	\$ 2,200	\$ 7,418	\$ 5,218
State Trauma Grant	9,980	9,980	0	(9,980)
Interest Income	4	4	120	116
Charge for Services	18,000	18,000	8,748	(9,252)
Miscellaneous	200	20	144	124
Total Revenues	30,384	30,204	16,430	(13,774)
Expenditures				
Public Safety				
Operating				
Contract Services	1,204	1,204	4,415	(3,211)
Equipment Expense	602	602	451	151
Fees	3,384	3,384	2,384	1,000
Maintenance	1,000	1,000	2,862	(1,862)
Office	1,700	1,700	10	1,690
Per Diem	1,000	1,000	1,103	(103)
Supplies	10,996	10,996	4,279	6,717
Telephone	0	0	951	(951)
Travel	1,000	1,000	0	1,000
Training	1,700	1,700	2,380	(680)
Transportation	2,384	2,384	1,131	1,253
Total Expenditures	24,970	24,970	19,966	5,004
Excess (Deficiency) of Revenues Over Expenditures	5,414	5,234	(3,536)	(8,770)
Cash Balance Beginning of Year	12,694	12,694	12,694	0
Cash Balance End of Year	\$ 18,108	\$ 17,928	\$ 9,158	\$ (8,770)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,536)	
Net Change in Accounts Payables			(775)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ (4,311)	

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

STATE OF NEW MEXICO
VILLAGE OF DORA
SPECIAL REVENUE FUND-MUNICIPAL STREET FUND
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Gasoline Tax	\$ 5,200	\$ 5,200	\$ 5,481	\$ 281
Interest	1,420	1,420	755	(665)
Total Revenues	<u>6,620</u>	<u>6,620</u>	<u>6,236</u>	<u>(384)</u>
Expenditures				
Public Works				
Operating Expenses	4,500	4,500	0	4,500
Total Expenditures	<u>4,500</u>	<u>4,500</u>	<u>0</u>	<u>4,500</u>
Excess (Deficiency) of Revenues Over Expenditures	2,120	2,120	6,236	4,116
Cash Balance Beginning of Year	<u>44,070</u>	<u>44,070</u>	<u>44,070</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 46,190</u>	<u>\$ 46,190</u>	<u>\$ 50,306</u>	<u>\$ 4,116</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,236	
Net Change in Taxes Receivable			93	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 6,329</u>	

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

STATE OF NEW MEXICO
VILLAGE OF DORA
SPECIAL REVENUE FUND-RECREATION FUND
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Cigarette Tax	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Culture & Recreation				
Operating Expenses	0	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance Beginning of Year	<u>179</u>	<u>179</u>	<u>179</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 179</u>	<u>\$ 179</u>	<u>\$ 179</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO

VILLAGE OF DORA

SPECIAL REVENUE FUND-SENIOR CITIZENS FUND

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 2,500	\$ 2,500	\$ 1,470	\$ (1,030)
State & Local Grants	9,456	9,456	5,622	3,834
Miscellaneous	0	0	15	(15)
Total Revenues	<u>11,956</u>	<u>11,956</u>	<u>7,107</u>	<u>(1,030)</u>
Expenditures				
Culture & Recreation				
Personnel Services	1,625	1,625	1,500	125
Fees	784	784	10	774
Supplies	1,560	1,560	418	1,142
Insurance	0	0	1,010	(1,010)
Telephone	4,125	4,125	3,360	765
Transportation	1,200	1,200	217	983
Maintenance	3,168	3,168	3,618	(450)
Total Expenditures	<u>12,462</u>	<u>12,462</u>	<u>10,133</u>	<u>2,329</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(506)</u>	<u>(506)</u>	<u>(3,026)</u>	<u>(2,520)</u>
Other Financing Sources (Uses)				
Transfers In/(Out)	2,500	2,500	2,500	0
Total Other Sources (Uses)	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Net Change in Cash Balance	1,994	1,994	(526)	(2,520)
Cash Balance Beginning of Year	<u>1,406</u>	<u>1,406</u>	<u>1,406</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,400</u>	<u>\$ 3,400</u>	<u>\$ 880</u>	<u>\$ (2,520)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (526)	
Net Change in Accounts Payables			440	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (86)</u>	

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

ENTERPRISE FUND

Water & Trash

To account for the provision of water & trash service to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to administration, operations, maintenance, financing and related debt service, and billing and collections.

STATE OF NEW MEXICO
VILLAGE OF DORA
 PROPRIETARY FUND-WATER & TRASH
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Non-GAAP-Budgetary Basis)
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Sales & Service	\$ 23,500	\$ 23,500	\$ 31,669	\$ 8,169
Interest Income	3,500	3,500	1,162	(2,338)
Miscellaneous	1,710	1,710	752	(958)
Total Revenues	<u>28,710</u>	<u>28,710</u>	<u>33,583</u>	<u>4,873</u>
Expenditures				
Personnel Services	2,400	2,400	2,400	0
Dues	0	0	111	(111)
Insurance	5,160	5,160	1,481	3,679
Maintenance	9,000	9,000	6,698	2,302
Office	2,000	2,000	1,081	919
Supplies	2,000	2,000	2,313	(313)
Utilities	0	0	2,420	(2,420)
Training	0	0	836	(836)
Miscellaneous	400	400	50	350
Water Conservation Fee	0	0	304	(304)
Trash Contract	2,010	2,010	5,072	(3,062)
Water Contract	11,131	11,131	7,204	3,927
Total Expenditures	<u>34,101</u>	<u>34,101</u>	<u>29,970</u>	<u>4,131</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,391)</u>	<u>(5,391)</u>	<u>3,613</u>	<u>9,004</u>
Cash Balance Beginning of Year	<u>82,839</u>	<u>82,839</u>	<u>82,839</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 77,448</u>	<u>\$ 77,448</u>	<u>\$ 86,452</u>	<u>\$ 9,004</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,613	
Net Change in Accounts Receivables			(351)	
Net Change in Accumulated Depreciation			(18,524)	
Net Change in Accounts Payables			1,741	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (13,521)</u>	

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

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

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*

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the Village of Dora

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of the Village of Dora (Village), as of and for the year ended June 30, 2009, and have issued our report thereon dated September 16, 2009. 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 the audit procedures for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

A 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.

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 or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance 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 responses as items 2008-1.

The Village's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. 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, the New Mexico State Legislature and its committees, the Office of the State Auditor, the New Mexico Department of Finance and Administration - Local Government and federal awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

De'Ann Willoughby CPA PC

September 16, 2009

STATE OF NEW MEXICO
VILLAGE OF DORA
 Schedule of Findings and Responses
 For the Year Ended June 30, 2009

Prior Year Audit Findings

	<u>Status</u>
2007-1 Late Audit Report	Resolved
2008-1 SAS 112 Compliance	Repeated
2008-2 Village pays all of employees' medicare tax	Resolved
2008-3 Payroll Periods	Resolved
2008-4 Vacation	Resolved
2008-5 No SUTA reports filed	Resolved
2008-6 Overtime Hours	Resolved
2008-7 Medical Insurance Benefits	Resolved
2008-8 Bank Statements	Resolved
2008-9 Paid Retirement	Resolved
2008-10 Expenditures Over Budget	Resolved

Current Year Audit Findings

2008-1 SAS 112 Compliance

Condition

The Auditing Standards Board has issued *Statement on Auditing Standards No. 112, Communicating Internal Control Related Matters Identified in an Audit* (SAS 112). The new standard provides guidance to auditors on communicating matters related to an audit of financial statements. The standard requires the auditor to evaluate identified control deficiencies and

Criteria

Statement on Auditing Standards (SAS) 112, Communication of Internal Control Related Matters Identified in an Audit, requires that management clearly accept responsibility for preparing all financial information and company's financial statements.

Effect

The Village's management may not be able to detect errors in reporting or financial presentation if they exist. Management may not be qualified to review the financial statements prepared by the auditor.

Cause

The Villages staff has not been trained on Governmental Accounting Standards and related procedures to prepare financial statements.

Recommendation

We recommend that the employees who participate in the accounting function obtain training in governmental accounting and the preparation of financial statements.

Response

The Village will continue to rely on the auditor to prepare the financial statements.

Financial Statement Preparation

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

Exit Conference

An exit conference was held on September 16, 2009. In attendance was , Mickey Burkett-Mayor, Becky Frazee-Clerk and De'Aun Willoughby, CPA.