

**STATE OF NEW MEXICO  
VILLAGE OF DORA**

**Independent Accountant's Report on  
Applying Agreed-Upon Procedures  
JUNE 30, 2017**

*Woodard, Cowen & Co.*

Certified Public Accountants

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STATE OF NEW MEXICO  
VILLAGE OF DORA

OFFICIAL ROSTER

June 30, 2017

VILLAGE COUNCIL

Mr. Mickey Burkett	Mayor
Mr. Jack Manis	Member
Mr. Lewis Walker	Member
Mr. Bill Cathey	Member
Mr. Bobbie Victor	Member

VILLAGE ADMINISTRATION

Ms. Becky Frazee	Clerk/Treasurer
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# Woodard, Cowen & Co.

Certified Public Accountants

## Independent Accountant's Report on Applying Agreed-Upon Procedures

To: Village of Dora  
Honorable Wayne A. Johnson  
New Mexico State Auditor

We have performed the procedures enumerated below for the Village of Dora (Village), for the year ended June 30, 2017. The Village was determined to be a Tier 6 entity under the Audit Act, Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC. The procedures were agreed to by the Village through the Office of the New Mexico State Auditor. The Village of Dora's management is responsible for the organization's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings are as follows:

### 1. Verify the local public body's revenue calculation and determination documented on the form provided at [www.osanm.org](http://www.osanm.org) under "Tier System Reporting Main Page."

- a) The Village of Dora's revenue calculation and tier determination were documented on the form provided at [www.osanm.org](http://www.osanm.org) under the "Tier System Reporting Main Page" it per that calculation, it was determined that the Village of Dora is under the Tier 6 reporting procedures.

### 2. Cash

- a) Determine whether bank reconciliations are being performed in a timely manner and whether all bank and investment statements for the fiscal year are complete and on-hand.
- b) Perform a random test of bank reconciliations for accuracy. Also, trace ending balances to the general ledger, supporting documentation, and the financial reports submitted to DFA-Local Government Division.
- c) Determine whether the local public body's financial institutions have provided it with the 50% of pledged collateral on all uninsured deposits as required by Section 6-10-17 NMSA 1978, NM Public Money Act, if applicable.

### Findings

- a) The Village has one checking account, nine certificates of deposit, and eight savings accounts. The Village uses QuickBooks to process its transactions and financial information. All bank reconciliations for the fiscal year were completed timely and were on-hand.
- b) The tested bank reconciliations were accurately completed and all ending balances agreed to the general ledger. Each financial report was submitted to DFA on a timely basis.
- c) The Village's bank accounts are held at four different financial institutions (three banks and one credit union). None of the accounts exceed the \$250,000 FDIC limit or the \$250,000 NCUSIF share insurance limit.

### **3. Capital Assets**

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

#### **Findings**

- a) The Village performs a yearly inventory by fund of its capital assets as required by Section 12-6-10 NMSA 1978.

### **4. Debt**

If the local public body has any debt, verify that the required payments were made during the year. If the debt agreement requires reserves, verify that the local public body is in compliance with those requirements.

#### **Findings**

- a) The Village has a loan agreement with the New Mexico Finance authority. The annual payment of \$24,579 is paid directly from the Village's State Fire Fund revenues.

### **5. Revenue**

Identify the nature and amount of revenue from sources by reviewing the budget, agreements, rate schedules, and underlying documentation.

- a) Perform an analytical review; test actual revenue compared to budgeted revenue for the year for each type of revenue.

Select a sample of revenue based on auditor judgment using the following attributes:

- b) Amount recorded in the general ledger agrees to the supporting documentation and the bank statement.
- c) Proper recording of classification, amount, and period per review of supporting documentation and the general ledger. Perform this revenue work on the same accounting basis that the local public body keeps its accounting records on, cash basis, modified accrual basis, or accrual basis.

#### **Findings**

- a) The analytical review and test of actual compared to budgeted revenue for each type of revenue were within expected results.
- b) Amounts for revenue recorded to the general ledger agreed with the supporting documentation and to the bank statement.
- c) The revenues tested were properly recorded by classification, amount, and within the proper period in the general ledger.

### **6. Expenditures**

Select a sample of cash disbursements based on auditor judgment using the following attributes:

- a) Determine that amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to the vendor's invoice, purchase order, contract and canceled check, as appropriate.
- b) Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.
- c) Determine that the bid process (or request for proposal process if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code

(Section 13-1-28 through 13-1-199 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

### **Findings**

- a) The amounts recorded as disbursed agreed to adequate supporting documentation. The amount, payee, date and description agree to the vendor invoice, purchase order, and canceled check.
- b) The disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.
- c) The bid process (or request for proposal process, if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code (Section 13-1-28 through 13-1-199 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

### **7. Journal Entries**

If non-routine journal entries, such as adjustments or reclassifications, are posted to the general ledger, test significant items for the following attributes:

- a) Journal entries appear reasonable and have supporting documentation.
- b) The local public body has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed.

### **Findings**

- a) Journal entries appear reasonable and have supporting documentation.
- b) The Village has procedures in place that require journal entries to be reviewed and there is evidence the review are being performed.

### **8. Budget**

Obtain the original fiscal year budget and all budget amendments made throughout the fiscal year and perform the following:

- a) Verify, through a review of the minutes and correspondence, that the original budget and subsequent budget adjustments were approved by the local public body's governing body and DFA-LGD.
- b) Determine if the total actual expenditures exceeded the final budget at the legal level of budgetary control; if so, report a compliance finding.
- c) From the original and final approved budgets and general ledger, prepare a schedule of revenues and expenditures – budget and actual on the budgetary basis used by the local public body (cash, accrual or modified accrual basis) for each individual fund.

### **Findings**

- a) Per review of the council minutes and correspondence with DFA, the original budget and subsequent budget adjustments were approved by the village council and DFA.
- b) There were no instances of the actual expenditures exceeding the final budget at the legal level of budgetary control.
- c) Schedules of revenues and expenditures – budget and actual on the budgetary basis for each of the Village's funds have been prepared.

## 9. Capital Outlay Appropriations\*

Request and review all state-funded capital outlay awards, joint powers agreements, correspondence and other relevant documentation for any capital outlay award funds expended by the recipient during the fiscal year. Test all capital outlay expenditures during the fiscal year to:

- a) Determine that the amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to the purchase order, contract, vendor's invoice and canceled check, as appropriate.
- b) Determine that the cash disbursements were properly authorized and approved in accordance with the budget, legal requirements and established policies and procedures.
- c) Determine that the bid process (or request for proposal process if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code and State Purchasing Regulations (Section 13-1-28 through 13-1-199 NMSA 1978 and 1.4.1 NMAC).
- d) Determine the physical existence (by observation) of the capital asset based on expenditures to date.
- e) Verify that status reports were submitted to the state agency per terms of agreement and amounts in the status report agree with the general ledger and other supporting documentation.
- f) If the project was funded in advance, determine if the award balance (and cash balance) appropriately reflects the percentage of completion based on the project schedule and expenditures to date.
- g) If the project is complete, determine if there is an unexpended balance and whether it was reverted per statute and agreement with the grantor.
- h) Determine whether cash received for the award was accounted for in a separate fund or separate bank account that is non-interest bearing if so required by the capital outlay award agreement.
- i) Determine whether reimbursement requests were properly supported by costs incurred by the recipient. Determine whether the costs were paid by the local public body prior to the request for reimbursement.

### Findings

- a) Amounts for capital outlay as disbursed agrees to adequate supporting documentation. The amount, payee, date and description agree to the purchase order, contract, vendor invoice and cancelled check as appropriate.
- b) Cash disbursements for capital outlay were properly authorized and approved in accordance with the budget, legal requirements and established policies and procedures.
- c) The Village's bid process for capital outlay (or request for proposal process, if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code and State Purchasing Regulations (Section 13-1-28 through 13-1-199 NMSA 1978 and 1.4.1 NMAC).
- d) All new capital asset purchases for the fiscal year were physically verified by observation without exception.
- e) The Village had no capital projects that required status reports.
- f) The Village had no capital projects that was funded in advance.
- g) The Village had no capital projects in progress or completed.
- h) The Village had no capital outlay awards.
- i) The Village had no capital projects requiring reimbursement.

## 10. Other

If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, such instances must be disclosed in the report as required by Section 12-6-6 NMSA 1978. The findings must include the required content per Section 2.2.2.10(I)(3)(C) NMAC.

### Findings

- a) No exceptions were found indicating fraud, illegal acts, non-compliance, or any internal control deficiencies that must be disclosed as required by Section 12-6-6 NMSA 1978.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Village of Dora, the New Mexico State Auditor's Office, the New Mexico Legislature, and the DFA-LGD. This report is not intended to be and should not be used by anyone other than those specified parties.

Handwritten signature in cursive script that reads "Woodard, Cowen & Co.".

Woodard, Cowen & Company  
December 14, 2017



STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)  
AND ACTUAL--GENERAL FUND

Year Ended June 30, 2017

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Taxes	\$ 1,720	\$ 1,720	\$ 1,653	\$ (67)
Licenses and permits	125	125	125	-
State sources	90,000	90,000	90,000	-
State shared taxes	31,104	31,104	24,252	(6,852)
Earnings from investments	1,200	1,200	934	(266)
Miscellaneous	500	500	1,121	621
<b>TOTAL REVENUE</b>	<b>124,649</b>	<b>124,649</b>	<b>\$ 118,085</b>	<b>\$ (6,564)</b>
<b>OTHER FINANCING SOURCES</b>				
Cash Balance	10,842	10,842		
Loan proceeds	-	-		
Operating transfers in	-	-		
<b>Total revenue &amp; other financing sources</b>	<b>\$ 135,491</b>	<b>\$ 135,491</b>		
<b>EXPENDITURES</b>				
General Government	\$ 76,893	\$ 76,893	\$ 71,451	5,442
Public safety	5,000	5,000	1,650	3,350
Highway and Streets	4,100	4,100	3,256	844
Health and welfare	-	-	-	-
Culture and recreation	21,436	21,436	19,074	2,362
Capital outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>107,429</b>	<b>107,429</b>	<b>\$ 95,431</b>	<b>\$ 11,998</b>
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	-	-	131	(131)
Operating transfers out	17,000	17,000	15,855	1,145
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>17,000</b>	<b>17,000</b>	<b>15,986</b>	
<b>Total expenses &amp; other financing sources</b>	<b>\$ 124,429</b>	<b>\$ 124,429</b>		

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

Sources/ Inflows of resources	
Actual amounts (budgetary basis)	118,085
Differences - Budget to GAAP	
Prior Year Receivables	(2,260)
Current Year Receivables	2,505
<b>Total Revenues (GAAP Basis)</b>	<b>118,330</b>
Uses/ Outflows of Resources	
Actual amounts (budgetary basis)	95,431
<b>Total Expenditures (GAAP Basis)</b>	<b>95,431</b>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)  
AND ACTUAL--FIRE PROTECTION

Year Ended June 30, 2017

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Local sources	\$ -	\$ -	\$ 3,500	\$ 3,500
State sources	142,000	142,000	162,676	20,676
Earnings from investments	-	-	338	338
<b>TOTAL REVENUE</b>	<u>142,000</u>	<u>142,000</u>	<u>\$ 166,514</u>	<u>\$ 24,514</u>
<b>OTHER FINANCING SOURCES</b>				
Cash Balance	6,210	6,210		
Loan proceeds	-	-		
Operating transfers in	-	-		
<b>Total revenue &amp; other financing sources</b>	<u>\$ 148,210</u>	<u>\$ 148,210</u>		
<b>EXPENDITURES</b>				
Current				
Public safety	\$ 186,500	\$ 186,500	\$ 128,385	\$ 58,115
Debt Service				
Principal	21,854	21,854	21,854	
Interest	2,725	2,725	2,724	
<b>TOTAL EXPENDITURES</b>	<u>211,079</u>	<u>211,079</u>	<u>\$ 152,963</u>	<u>\$ 58,115</u>
<b>OTHER FINANCING SOURCES</b>				
Sale of Equipment	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total expenditures &amp; other financing sources</b>	<u>\$ 211,079</u>	<u>\$ 211,079</u>		

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

Sources/ Inflows of resources		
Actual amounts (budgetary basis)		166,514
Differences - Budget to GAAP		
Refunds		179
<b>Total Revenues (GAAP Basis)</b>		<u>166,693</u>
Uses/ Outflows of Resources		
Actual amounts (budgetary basis)		152,963
<b>Total Expenditures (GAAP Basis)</b>		<u>152,963</u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)  
AND ACTUAL--EMS

Year Ended June 30, 2017

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Charges for services	\$ -	\$ -	\$ -	\$ -
State sources	7,233	7,235	7,235	-
Miscellaneous	-	5	5	-
<b>TOTAL REVENUE</b>	<u>\$ 7,233</u>	<u>\$ 7,240</u>	<u>\$ 7,240</u>	<u>\$ -</u>
<b>EXPENDITURES</b>				
Current				
Health and welfare	\$ 7,233	\$ 7,240	\$ 7,240	\$ -
<b>TOTAL EXPENDITURES</b>	<u>\$ 7,233</u>	<u>\$ 7,240</u>	<u>\$ 7,240</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

Sources/ Inflows of resources	
Actual amounts (budgetary basis)	\$ 7,240
Differences - Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 7,240</u>
Uses/ Outflows of Resources	
Actual amounts (budgetary basis)	\$ 7,240
Total Expenditures (GAAP Basis)	<u>\$ 7,240</u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)  
AND ACTUAL--AMBULANCE

Year Ended June 30, 2017

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Charges for services	\$ 12,000	\$ 12,000	\$ 4,924	\$ (7,076)
Earnings from investments	2	2	1	(1)
<b>TOTAL REVENUE</b>	<u>12,002</u>	<u>12,002</u>	<u>\$ 4,925</u>	<u>\$ (7,077)</u>
<b>OTHER FINANCING SOURCES</b>				
Cash balance	5,378	5,378		
Loan Proceeds				
Operating transfers In				
<b>Total revenue &amp; other financing sources</b>	<u>\$ 17,380</u>	<u>\$ 17,380</u>		
<b>EXPENDITURES</b>				
Current				
Health and welfare	\$ 17,380	\$ 17,380	\$ 5,844	\$ 11,536
<b>TOTAL EXPENDITURES</b>	<u>\$ 17,380</u>	<u>\$ 17,380</u>	<u>\$ 5,844</u>	<u>\$ 11,536</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

Sources/ Inflows of resources	
Actual amounts (budgetary basis)	\$ 4,925
Differences - Budget to GAAP	
Refunds	12
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 4,937</u>
Uses/ Outflows of Resources	
Actual amounts (budgetary basis)	\$ 5,844
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 5,844</u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)  
AND ACTUAL--SENIORS

Year Ended June 30, 2017

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Earnings from investments	-	-	-	-
<b>TOTAL REVENUE</b>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCES</b>				
Cash Balance	2,971	2,971	2,971	-
Loan proceeds	-	-	-	-
Operating transfers in	7,000	7,000	5,855	1,145
<b>Total revenue &amp; other financing sources</b>	<u>\$ 9,971</u>	<u>\$ 9,971</u>	<u>\$ 8,826</u>	<u>1,145</u>
<b>EXPENDITURES</b>				
Current				
Culture and recreation	\$ 9,971	\$ 9,971	\$ 8,710	\$ 1,261
<b>TOTAL EXPENDITURES</b>	<u>\$ 9,971</u>	<u>\$ 9,971</u>	<u>\$ 8,710</u>	<u>\$ 1,261</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

Sources/ Inflows of resources	
Actual amounts (budgetary basis)	\$ -
Differences - Budget to GAAP	
Refunds	15
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 15</u>
Uses/ Outflows of Resources	
Actual amounts (budgetary basis)	\$ 8,710
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 8,710</u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)  
AND ACTUAL--WATER

Year Ended June 30, 2017

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Sales and services	\$ 38,300	\$ 38,300	\$ 34,322	\$ (3,978)
Interest Income	200	200	296	96
<b>TOTAL REVENUE</b>	<u>38,500</u>	<u>38,500</u>	<u>34,618</u>	<u>(3,882)</u>
<b>OTHER FINANCING SOURCES</b>				
Cash Balance	-	-	-	-
Loan proceeds	-	-	-	-
Operating transfers in	10,000	10,000	10,000	-
<b>Total revenue &amp; other financing sources</b>	<u>48,500</u>	<u>48,500</u>	<u>44,618</u>	<u>(3,882)</u>
<b>EXPENDITURES</b>				
Personal services	\$ -	\$ -	\$ -	\$ -
Maintenance and operations	38,930	38,930	28,131	10,799
<b>TOTAL EXPENDITURES</b>	<u>38,930</u>	<u>38,930</u>	<u>28,131</u>	<u>10,799</u>
<b>Excess (deficiency) revenue over expenditures &amp; other financing sources</b>	<u>\$ 9,570</u>	<u>\$ 9,570</u>	<u>\$ 16,487</u>	<u>\$ 6,917</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

<b>Sources/ Inflows of resources</b>	
Actual amounts (budgetary basis)	\$ 34,618
<b>Differences - Budget to GAAP</b>	
Prior Year Receivables	(3,723)
Current Year Receivables	3,845
Collection of customer meter deposits	(100)
Refunds	120
<b>Total Revenues (GAAP Basis)</b>	<u>34,760</u>
<b>Uses/ Outflows of Resources</b>	
Actual amounts (budgetary basis)	28,131
Capitalization of new infrastructure	
Current Year Depreciation	24,800
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 52,931</u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)  
AND ACTUAL--SOLID WASTE

Year Ended June 30, 2017

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Sales and services	\$ 9,765	\$ 9,765	\$ 9,175	\$ (590)
Interest Income	2	1	1	-
Other	504	504	504	-
<b>TOTAL REVENUE</b>	<u>\$ 10,271</u>	<u>\$ 10,270</u>	<u>\$ 9,680</u>	<u>\$ (590)</u>
<b>EXPENDITURES</b>				
Personal services	\$ -	\$ -	\$ -	\$ -
Maintenance and operations	10,000	10,000	9,016	984
<b>TOTAL EXPENDITURES</b>	<u>10,000</u>	<u>10,000</u>	<u>9,016</u>	<u>984</u>
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) revenue over expenditures & other financing sources	<u>\$ 271</u>	<u>\$ 270</u>	<u>664</u>	<u>\$ 394</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

<b>Sources/ Inflows of resources</b>	
Actual amounts (budgetary basis)	9,680
Differences - Budget to GAAP	
Prior Year Receivables	(812)
Current Year Receivables	941
<b>Total Revenues (GAAP Basis)</b>	<u>9,809</u>
<b>Uses/ Outflows of Resources</b>	
Actual amounts (budgetary basis)	9,016
<b>Total Expenditures (GAAP Basis)</b>	<u>9,016</u>

The accompanying footnotes are an integral part of these financial statements.

**2016-001: Interfund cash transfer booked incorrectly – Internal Control Deficiency**

Condition: During the preparation of the financial statement, the Ambulance Fund and Trash Fund were found to be out-of-balance. After a thorough review of the Village's general ledger, an entry to record a transfer of cash from checking to savings in the Trash Fund was found to be in error. The transaction was intended to record a cash transfer from the Trash Fund checking account to the Trash Fund savings account. However, the transaction was posted as a transfer from Trash Fund checking account to the Ambulance Fund checking account.

Recommendation: It is recommended that the village clerk add a layer of control to the cash reconciliation process in which the cash is reconciled to the fund level. This would include a schedule of beginning balance, plus receipts, and less disbursements per fund. This will allow the village clerk to investigate any unexpected results and make timely corrections to any errors discovered. This additional layer of control should be applied to all cash accounts including savings and certificates of deposit.

Status: Resolved.

**2016-002: Accumulated depreciation errors on the capital asset inventory – Compliance and Internal Control Deficiency**

Condition: Whereas the capital asset inventory had been maintained, the accumulated depreciation amounts were in error and did not agree with the prior year's disclosure.

Recommendation: The spreadsheet used for the capital asset inventory should be corrected to accurately reflect the accumulated depreciation. The current classification of the capital asset inventory by category and by fund appears to be reasonable and should be maintained.

Status: Resolved.

**2016-003: Late Tier 6 Report – Compliance**

Condition: The Tier 6 Report was not submitted to the Office of the New Mexico State Auditor's Office by the December 15 due date.

Recommendation: Fieldwork will be scheduled for August in the subsequent year to better utilize the auditor's and villages time.

Status: Resolved.



STATE OF NEW MEXICO  
VILLAGE OF DORA  
SCHEDULE OF FINDINGS AND RESPONSES  
June 30, 2017

FINDINGS:

**None:**

STATE OF NEW MEXICO  
VILLAGE OF DORA  
OTHER DISCLOSURES  
June 30, 2017

EXIT CONFERENCE

An exit conference, to discuss the contents of this report, was held on December 14, 2017. In attendance at the 4:00 p.m. meeting were Mr. Mickey Burkett, Mayor and Ms. Becky Frazee, Clerk/Treasurer. John McKinley, Jr., CPA represented our firm at this meeting.

# Woodard, Cowen & Co.

Certified Public Accountants

## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Village of Dora  
P.O. Box 308  
Dora, NM 88115

Management is responsible for the accompanying financial statements of the Village of Dora, which comprise the Statement of Net Position – Governmental Funds, Balance Sheet – Governmental Funds, Combining Balance Sheet – Non-Major Governmental Funds, and Statement of Net Position – Proprietary Funds, as of June 30, 2017 and the related Statement of Activities – Governmental Funds, Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Governmental Funds, Statement of Revenues, Expenditures, and Changes in Fund Net Position – Proprietary Funds, and Statement of Cashflows – Proprietary Funds and the related notes to the financial statements in accordance with the requirements of Section 2.2.2.16 New Mexico Administrative Code (NMAC). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.



Woodard, Cowen & Company  
December 14, 2017

**Portales:** PO Box 445, 118 E. 2<sup>nd</sup> Street Portales NM, 88130 Phone: 575-356-8564 Fax: 575-356-2453  
**Clovis:** PO Box 1874, 116 E. Grand Avenue Clovis NM, 88101 Phone: 575-762-3811 Fax: 575-762-3866

STATE OF NEW MEXICO  
VILLAGE OF DORA  
STATEMENT OF NET POSITION

June 30, 2017

	Governmental Activities	Business Type Activities	Total
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents	\$ 495,053	\$ 55,997	\$ 551,050
Accounts Receivable	-	-	-
Due From Other Agencies	2,505	4,786	7,291
<b>Total Current Assets</b>	<b>497,558</b>	<b>60,783</b>	<b>558,341</b>
Restricted Assets (Cash)			
	115	1,010	1,125
<b>Total Restricted Assets</b>	<b>115</b>	<b>1,010</b>	<b>1,125</b>
Capital Assets			
Land	13,519	25,099	38,618
Equipment	172,591	21,729	194,320
Vehicles	1,324,720	-	1,324,720
Buildings and Improvements	601,245	-	601,245
Plant/Infrastructure	266,708	805,230	1,071,938
<b>Total Capital Assets</b>	<b>2,378,783</b>	<b>852,058</b>	<b>3,230,841</b>
Less Accumulated depreciation	(1,388,973)	(467,430)	(1,856,403)
<b>Total Capital Assets (net of accumulated depreciation)</b>	<b>989,810</b>	<b>384,628</b>	<b>1,374,438</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,487,483</b>	<b>\$ 446,421</b>	<b>\$ 1,933,904</b>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ -	\$ -	\$ -
Customer Meter Deposits	-	1,010	1,010
NMFA Loan ( current portion)	22,149	-	22,149
Non-current:			
NMFA Loan payable	92,776	-	92,776
<b>TOTAL LIABILITIES</b>	<b>114,925</b>	<b>1,010</b>	<b>115,935</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	874,885	384,628	1,259,513
Restricted for:			
Special Revenue Funds	82,929	-	82,929
General Fund	57,164	-	57,164
Unrestricted	357,580	60,783	418,363
<b>TOTAL NET POSITION</b>	<b>1,372,558</b>	<b>445,411</b>	<b>1,817,969</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 1,487,483</b>	<b>\$ 446,421</b>	<b>\$ 1,933,904</b>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA  
STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 71,451	\$ 125	\$ -	\$ -	\$ (71,326)	\$ -	\$ (71,326)
Highways and streets	3,256	-	-	-	(3,256)	-	(3,256)
Public safety	76,232	4,924	173,411	-	102,103	-	102,103
Health and welfare	27,784	-	-	-	(27,784)	-	(27,784)
Culture and recreation	31,156	-	-	-	(31,156)	-	(31,156)
Interest	2,724	-	-	-	(2,724)	-	(2,724)
Depreciation-unallocated	93,889	-	-	-	(93,889)	-	(93,889)
<b>Total governmental activities</b>	<b>306,492</b>	<b>5,049</b>	<b>173,411</b>	<b>-</b>	<b>(128,032)</b>	<b>-</b>	<b>(128,032)</b>
Business-type activities:							
Water services	52,931	34,760	-	-	-	(18,171)	(18,171)
Solid waste services	9,016	9,809	-	-	-	793	793
<b>Total business-type activities</b>	<b>61,947</b>	<b>44,569</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17,378)</b>	<b>(17,378)</b>
<b>Total all activities</b>	<b>\$ 368,439</b>	<b>\$ 49,618</b>	<b>\$ 173,411</b>	<b>\$ -</b>	<b>\$ (128,032)</b>	<b>\$ (17,378)</b>	<b>\$ (145,410)</b>
General revenues:							
Property taxes					\$ 1,747	\$ -	\$ 1,747
Gross receipts taxes					24,403	-	24,403
State aid not restricted to special purpose					90,000	-	90,000
General					-	-	-
Transfers					(10,000)	10,000	-
Refunds					1,332	-	1,332
Investment earnings					1,273	-	1,273
			Total general revenues		<u>108,755</u>	<u>10,000</u>	<u>118,755</u>
			Change in net position		(19,277)	(7,378)	(26,655)
			Net position - beginning		1,392,119	452,789	1,844,908
			Restatement		(284)	-	(284)
			Restated Beginning Net Position		<u>1,391,835</u>	<u>452,789</u>	<u>1,844,624</u>
			Net position - ending		<u>\$ 1,372,558</u>	<u>\$ 445,411</u>	<u>\$ 1,817,969</u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
 VILLAGE OF DORA

BALANCE SHEET-- GOVERNMENTAL FUNDS

June 30, 2017

	GENERAL	FIRE PROTECTION	OTHER GOVERNMENTAL FUNDS	Total GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash on Deposit	\$ 412,239	\$ 78,926	\$ 4,003	\$ 495,168
Due from Other Funds	-	-	-	-
Due from Other Governments	-	-	-	-
Due From External Funds	-	-	-	-
Accounts Receivable	2,505	-	-	2,505
<b>TOTAL ASSETS</b>	<b>\$ 414,744</b>	<b>\$ 78,926</b>	<b>\$ 4,003</b>	<b>\$ 497,673</b>
<b>LIABILITIES</b>				
Due to Other Funds	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unearned Revenue	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>				
Non-spendable	-	-	-	-
Restricted	57,164	78,926	4,003	140,093
Comitted	-	-	-	-
Unassigned	357,580	-	-	357,580
<b>TOTAL FUND BALANCE</b>	<b>414,744</b>	<b>78,926</b>	<b>4,003</b>	<b>497,673</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 414,744</b>	<b>\$ 78,926</b>	<b>\$ 4,003</b>	<b>\$ 497,673</b>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
 VILLAGE OF DORA  
 RECONCILIATION OF THE BALANCE SHEET  
 ALL GOVERNMENTAL FUNDS TO THE  
 STATEMENT OF NET POSITION

June 30, 2017

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

Fund Balances - total governmental funds		\$	497,673
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds			
Total cost of capital assets	2,378,783		
Accumulated depreciation	<u>(1,388,973)</u>		
			989,810
Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities and year-end consist of:			
NMFA Loan			<u>(114,925)</u>
Net positon of governmental activities		\$	<u><u>1,372,558</u></u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE-- GOVERNMENTAL FUNDS

Year Ended June 30, 2017

	GENERAL	FIRE PROTECTION	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUE</b>				
Taxes	\$ 1,747	\$ -	\$ -	\$ 1,747
Charges for services	-	-	4,924	4,924
Licenses and permits	125	-	-	125
Local sources	-	3,500	-	3,500
State sources	90,000	162,676	7,235	259,911
State shared taxes	24,403	-	-	24,403
Earnings from investments	934	338	1	1,273
Refunds	1,121	179	32	1,332
<b>TOTAL REVENUES</b>	<b>118,330</b>	<b>166,693</b>	<b>12,192</b>	<b>297,215</b>
<b>EXPENDITURES</b>				
Current				
General government	71,451	-	-	71,451
Highways and streets	3,256	-	-	3,256
Public safety	1,650	87,508	13,084	102,242
Culture and recreation	19,074	-	8,710	27,784
Capital outlay	-	40,877	-	40,877
NMFA principal	-	21,854	-	21,854
NMFA interest	-	2,724	-	2,724
<b>TOTAL EXPENDITURES</b>	<b>95,431</b>	<b>152,963</b>	<b>21,794</b>	<b>270,188</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>22,899</b>	<b>13,730</b>	<b>(9,602)</b>	<b>27,027</b>
Other Financing Sources				
Bond Proceeds	-	-	-	-
Sale of Equipment	-	-	-	-
Bond Premium	-	-	-	-
Transfers In<Out>	(15,855)	-	5,855	(10,000)
<b>Total Other Financial Sources</b>	<b>(15,855)</b>	<b>-</b>	<b>5,855</b>	<b>(10,000)</b>
<b>Net Change In Fund Balances</b>	<b>7,044</b>	<b>13,730</b>	<b>(3,747)</b>	<b>17,027</b>
<b>FUND BALANCE</b>				
June 30, 2016	407,648	65,150	8,132	480,930
Restatement	52	46	(382)	(284)
<b>Restated Fund Balance June 30, 2015</b>	<b>407,700</b>	<b>65,196</b>	<b>7,750</b>	<b>480,646</b>
<b>FUND BALANCE</b>				
June 30, 2017	\$ 414,744	\$ 78,926	\$ 4,003	\$ 497,673

The accompanying footnotes are an integral part of these financial statements.



STATE OF NEW MEXICO  
 VILLAGE OF DORA  
 RECONCILIATION OF THE STATEMENT OF REVENUES,  
 EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 ALL GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2017

Net change in fund balance - total governmental funds \$ 17,027

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 expense exceeds capital outlays in the period.

Depreciation expense	(93,889)
Capital outlays	<u>35,731</u>

Excess of capital outlay over depreciation expense	<u>(58,158)</u>
--	-----------------

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal of the principal of long-term debt consumes the current financial resources of governmental funds. Repayment of loans payable is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the Statement of Activities

Loan proceeds	-
Repayment of long-term debt	<u>21,854</u>

<u>21,854</u>
---------------

Change in net position of governmental activities	<u>\$ (19,277)</u>
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The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
 VILLAGE OF DORA

BALANCE SHEET-- NON-MAJOR GOVERNMENTAL FUNDS

June 30, 2017

	EMS	AMBULANCE	SENIORS	Total GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash on Deposit	\$ 1	\$ 3,871	\$ 131	\$ 4,003
<b>TOTAL ASSETS</b>	<b>\$ 1</b>	<b>\$ 3,871</b>	<b>\$ 131</b>	<b>\$ 4,003</b>
<b>LIABILITIES</b>				
Due to Other Funds	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unearned Revenue	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>				
Restricted	1	3,871	131	4,003
<b>TOTAL FUND BALANCE</b>	<b>1</b>	<b>3,871</b>	<b>131</b>	<b>4,003</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 1</b>	<b>\$ 3,871</b>	<b>\$ 131</b>	<b>\$ 4,003</b>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE-- NON-MAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2017

	EMS	AMBULANCE	SENIORS	TOTAL GOVERNMENTAL FUNDS
REVENUE				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	4,924	-	4,924
State sources	7,235	-	-	7,235
Earnings from investments	-	1	-	1
Refunds	5	12	15	32
<b>TOTAL REVENUES</b>	<b>7,240</b>	<b>4,937</b>	<b>15</b>	<b>12,192</b>
EXPENDITURES				
Current				
Public safety	7,240	5,844	-	13,084
Culture and recreation	-	-	8,710	8,710
<b>TOTAL EXPENDITURES</b>	<b>7,240</b>	<b>5,844</b>	<b>8,710</b>	<b>21,794</b>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(907)	(8,695)	(9,602)
Other Financing Sources				
Transfers In<Out>	-	-	5,855	5,855
<b>Total Other Financial Sources</b>	<b>-</b>	<b>-</b>	<b>5,855</b>	<b>5,855</b>
Net Change In Fund Balances	-	(907)	(2,840)	(3,747)
FUND BALANCE				
June 30, 2016	1	5,160	2,971	8,132
Restatement	-	(382)	-	(382)
Restated Fund Balance June 30, 2015	1	4,778	2,971	7,750
FUND BALANCE June 30, 2017	<b>\$ 1</b>	<b>\$ 3,871</b>	<b>\$ 131</b>	<b>\$ 4,003</b>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2017

	WATER	SOLID WASTE	TOTAL
<b>ASSETS</b>			
Current Assets			
Cash	\$ 51,962	\$ 4,035	\$ 55,997
Accounts Receivable	3,845	941	4,786
Total Current Assets	<u>55,807</u>	<u>4,976</u>	<u>60,783</u>
Non-Current Assets			
Restricted Assets (Cash)			
Customer Meter Deposits	1,010	-	1,010
Total Non-Current Assets	<u>1,010</u>	<u>-</u>	<u>1,010</u>
Capital Assets			
Land	25,099	-	25,099
Equipment	21,729	-	21,729
Plant/infrastructure	805,230	-	805,230
Accumulated depreciation	(467,430)	-	(467,430)
Total Capital Assets	<u>384,628</u>	<u>-</u>	<u>384,628</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 441,445</b></u>	<u><b>\$ 4,976</b></u>	<u><b>\$ 446,421</b></u>
<b>LIABILITIES</b>			
Current Liabilities			
Due to other Funds	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
Customer Meter Deposits	1,010	-	1,010
Total Current Liabilities	<u>1,010</u>	<u>-</u>	<u>1,010</u>
<b>TOTAL LIABILITIES</b>	<u><b>1,010</b></u>	<u><b>-</b></u>	<u><b>1,010</b></u>
DEFERRED INFLOWS OF RESOURCES			
Unearned Revenue	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>NET POSITION</b>			
Net investment in capital assets	384,628	-	384,628
Restricted	55,807	4,976	60,783
Unrestricted	-	-	-
<b>TOTAL NET POSITION</b>	<u><b>440,435</b></u>	<u><b>4,976</b></u>	<u><b>445,411</b></u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<u><b>\$ 441,445</b></u>	<u><b>\$ 4,976</b></u>	<u><b>\$ 446,421</b></u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2017

	WATER	SOLID WASTE	TOTAL PROPRIETARY FUNDS
OPERATING REVENUE			
Sales and services	\$ 34,760	\$ 9,809	\$ 44,569
Local source			-
State source			-
TOTAL OPERATING REVENUES	<u>34,760</u>	<u>9,809</u>	<u>44,569</u>
OPERATING EXPENSES			
Maintenance and operations	28,131	9,016	37,147
Depreciation	24,800	-	24,800
Total operating expense	<u>52,931</u>	<u>9,016</u>	<u>61,947</u>
Operating income (loss)	<u>(18,171)</u>	<u>793</u>	<u>(17,378)</u>
NON-OPERATING REVENUE (EXPENSE)			
Investment income	-	-	-
Investment expense	-	-	-
State Grant	-	-	-
Federal Grant	-	-	-
Total Non-Operating Revenue (Expense)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(18,171)	793	(17,378)
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN/ TRANSFERS OUT	<u>10,000</u>	<u>-</u>	<u>10,000</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net Change In Net Position	(8,171)	793	(7,378)
NET POSITION			
June 30, 2016	448,606	4,183	452,789
Restatement	-	-	-
NET POSITION	<u>448,606</u>	<u>4,183</u>	<u>452,789</u>
June 30, 2017	<u>\$ 440,435</u>	<u>\$ 4,976</u>	<u>\$ 445,411</u>

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
VILLAGE OF DORA

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
June 30, 2017

	WATER	SOLID WASTE	TOTALS
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 34,343	\$ 9,679	\$ 44,022
Cash payments to employees and to suppliers for goods and services	(28,131)	(9,016)	(37,147)
Net cash provided by operating activities	6,212	663	6,875
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Cash received/(paid) from customer deposits	100	-	100
Operating transfers from other funds	10,000	-	10,000
Net cash provided (used) by noncapital financing activities	10,100	-	10,100
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Investment income	296	1	297
Net cash provided by investing activities	296	1	297
Net increase (decrease) in cash	16,608	664	17,272
Cash, beginning of year	36,364	3,371	39,735
Cash, end of year	\$ 52,972	\$ 4,035	\$ 57,007
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income (loss)	(18,171)	793	(17,378)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	24,800	-	24,800
Investment Income	(296)	(1)	(297)
Customer deposits (received)/paid	(100)	-	(100)
Changes in assets and liabilities:			
(Increase) decrease in receivables	(121)	(129)	(250)
Increase (decrease) in accounts payable	100	-	100
Net cash provided (used) by operating activities	\$ 6,212	\$ 663	\$ 6,875

The accompanying footnotes are an integral part of these financial statements.

STATE OF NEW MEXICO  
 VILLAGE OF DORA

SCHEDULE OF PLEDGED COLLATERAL

JUNE 30, 2017

	TOTAL DEPOSITS	FDIC INSURANCE	UNINSURED DEPOSITS	COLLATERAL REQUIRED	COLLATERAL PLEDGED	UNINSURED & UNCOLLATERALIZED DEPOSITS	PLEDGED COLLATERAL DEFICIT
JAMES POLK STONE BANK	\$ 238,526	\$ 238,526	\$ -	\$ -	\$ -	\$ -	\$ -
US BANK	57,575	57,575	-	-	-	-	-
NEW MEXICO BANK & TRUST	80,000	80,000	-	-	-	-	-
	TOTAL DEPOSITS	NCUA INSURANCE	UNINSURED DEPOSITS	COLLATERAL REQUIRED	COLLATERAL PLEDGED	UNINSURED & UNCOLLATERALIZED DEPOSITS	PLEDGED COLLATERAL DEFICIT
FIRST FINANCIAL CREDIT UNION	196,625	196,625	-	-	-	-	-
NEW MEXICO STATE TREASURER	\$ 83	\$ 83	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ALL INSTITUTIONS	<u>\$ 572,809</u>	<u>\$ 572,809</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO  
VILLAGE OF DORA

BANK SUMMARY

JUNE 30, 2017

Bank	ACCT TYPE	FUND	BANK BALANCE	OUTSTANDING CHECKS	OUTSTANDING DEPOSITS	CASH BALANCE
JAMES POLK STONE BANK	Checking	General *	\$ 59,027	\$ 42,243	\$ 21,440	\$ 38,224
	C.D.	General *	98,735	-	-	98,735
	Savings	General *	44,728	-	-	44,728
	Savings	Water *	12,136	-	-	12,136
	Savings	Ambulance *	2,087	-	-	2,087
	Savings	Fire *	4,119	-	-	4,119
	Savings	Fire *	15,691	-	-	15,691
	Savings	Trash *	2,003	-	-	2,003
Total James Polk Stone Bank			<u>238,526</u>	<u>42,243</u>	<u>21,440</u>	<u>217,723</u>
FIRST COMMUNITY BANK	C.D.	General *	57,575	-	-	57,575
	C.D.	Fire *	-	-	-	-
Total First Community Bank			<u>57,575</u>	<u>-</u>	<u>-</u>	<u>57,575</u>
FIRST FINANCIAL CREDIT UNION	C.D.	Fire *	33,452	-	-	33,452
	C.D.	Fire *	-	-	-	-
	C.D.	Fire *	-	-	-	-
	C.D.	General *	55,630	-	-	55,630
	C.D.	Water *	32,388	-	-	32,388
	C.D.	General *	50,184	-	-	50,184
	Savings	General *	14,489	-	-	14,489
	Savings	Fire *	10,482	-	-	10,482
	Savings	Fire *	-	-	-	-
Total First Financial Credit Union			<u>196,625</u>	<u>-</u>	<u>-</u>	<u>196,625</u>
NEW MEXICO BANK AND TRUST	C.D.	General *	80,000	-	-	80,000
New Mexico State Treas	C.D.	General *	83	-	-	83
Cash on Hand		Water				54
Amount on Deposit			<u>\$ 572,809</u>	<u>\$ 42,243</u>	<u>\$ 21,440</u>	<u>\$ 552,060</u>
Total Cash						
						* Interest Bearing

See Independent Auditor's Report



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Dora is incorporated under Section 3 New Mexico State Statutes Annotated 1978 Compilation operating under a Mayor-Council form of government and provides the following services as authorized: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation and general administrative services.

The financial statements of the Village of Dora 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.

A. Reporting Entity

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 GAAP. The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, 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 of Dora had no component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net position) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which is normally supported by taxes and intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers 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 operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reports using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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 revenues in the year for which they are billed. 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 revenues to be available of they are collected within 30 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 judgements, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental finds:

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

The *Fire Protection Fund* (Special Revenue Fund) is to account for the operations and maintenance of the Fire Department. It is financed by a special allotment from the State Fire Marshall's Office. The authority is NMSA 59Q-53-1.

The Village also reports additional Government funds as non-major. They include:

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

The Village reports the following Proprietary Fund types:

Enterprise Fund – Water Fund – To account for the provision of water services to the residents of Dora, New Mexico. All activities necessary to provide these services are accounted for in this fund.

Enterprise Fund – Solid Waste Fund – To account for revenue and expenditures for the maintenance of the solid waste operations. All activities necessary to provide services are accounted for in this fund.

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of the following subsequent

private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected to follow subsequent private- sector guidance.

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

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Village's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Village's general revenues. Program revenues include: 1) charges for services to taxpayers or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions and 3) program-specified capital grants contributions including special assessments.

Internally dedicated resources are reports as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund is charged to customers for sales and services. The enterprise fund also recognized as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. 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 non-operating revenues and expenses.

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

#### D. Budgets and Budgetary Accounting

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

1. Prior to June 1, the Village Clerk-Treasurer submits to the Village Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them based on previous year's history. Public hearings are conducted at the Village Hall to obtain taxpayer comments. Prior to July 1, the budget is legally enacted through passage of an ordinance.
2. The Village Clerk-Treasurer is authorized to transfer budgeted amounts between departments within any fund; however, and revisions that alter the total expenditures of and funds must be approved by the Village Council and New Mexico State Department of Finance, Division of Local Governments. The original budget that was adopted in July, 1 and was amended during the fiscal year in a legally permissible manner.
3. Formal budgetary integration is employed as a management control devise during the year for the General Fund, Special Revenue Funds, and Capital Project Funds.
4. Encumbrances are not reported in the budgets or financial statements.
5. The level of classification detail in which expenditures of expenses may not legally exceed appropriations for each budget is in budget total. Appropriations lapse at year end.

6. Budgets for the General and Special Revenue 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 and Special Revenue Funds in this report are on the Non-GAAP budgetary basis and actual (cash basis). The budget of the Enterprise Fund is adopted on a Non-GAAP cash basis.

E. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity of six months from the date acquired by the government. State statutes authorize the government to invest in obligations of the U.S. Treasury, interest bearing accounts with local financial institutions and the State Treasurer Pool.

New Mexico Statutes require that financial institutions with public monies on deposit pledge collateral, to the owners of such monies, in an amount not less than 50% of the public monies held on deposit. Collateral pledges are held in safekeeping by other financial institutions, with safekeeping receipts held by the Village. The pledged securities remain in the name of the financial institution.

F. Inventories

The cost of inventories is recorded as expenditures when purchased rather than when consumed.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. This is an increase from the \$1,000 threshold reported in prior years. This is a change in accounting estimate. All previously reported Capital Assets that do not meet the updated amount will be depreciated currently and in future periods until they are fully depreciated. Donated Capital Assets are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building	50
Building Improvements	50
Public domain infrastructure	30 – 50
System infrastructure	30 – 50
Vehicles	3 to 15
Equipment	3 to 15

The Village does not capitalize computer software or software developed for internal use (if applicable) unless it exceeds the \$5,000 threshold.

H. Compensated Absences

The Village does not allow any vacation or sick leave to accrue and carry forward at the end of each fiscal year.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

J. Taxes

Motor Vehicle Registration Fees – Under the provisions of Chapter 66, Article 6, NMSA 1978, the State of New Mexico collects various fees for the registration and regulation of motor vehicles in the state. Of the amount collected, certain specified amounts are distributed to various governmental agencies within the State, including; the Motor Vehicle Division, State Road fund, municipalities, and counties. After certain priority payments, as detailed in 66-6-23 NMSA 1978 have been made, a portion of the remaining fees held in the motor vehicle suspense fund are distributed as required in 66-23 B (4) and 66-6-23 B (5). These distributions are commonly referred to as the 10% and 15% motor vehicle tax distributions.

Gasoline Tax – The State of New Mexico, by authority of Chapter 7, Article 13 NMSA 1978, imposed as excise tax on \$0.17 on each gallon of gasoline received in New Mexico. Of the total gasoline taxes received, a portion is distributed to the various municipalities within the State pursuant to Chapter 7, Article 1-6.9 NMSA 1978 and Chapter 7, Article 1-6.27 NMSA 1978.

Municipal Gross Receipts Tax – Under authority of Chapter 7, Articles 19 and 19D, NMSA 1978, The Village adopted gross receipts taxing through ordinance. Said ordinance provide for the imposition of gross receipts taxes on all non-exempt persons engaging in business in the municipality. The tax is collected by the state of New Mexico and remitted to the Village after deducting certain administrative costs.

State Gross Receipts Tax – Under authority of Chapter 7, Article 1, NMSA 1978, the State of New Mexico imposes a gross receipts tax on all businesses within the State. Of the total collected, 1.225% of the taxable gross receipts are distributed to the municipality reporting the taxable receipts.

K. Restricted Assets

Certain long-term assets in the proprietary funds are classified as restricted assets on the balance sheet because their use is limited to payments for debt service or other purpose such as “deposits held in trust for others”.

L. Net Position

The governmental activities and business-type activities financial statements utilize a net assets presentation. Net assets are categorized as follows:

Net Investment in Capital Assets – This category reflects the portion of net assets that are associated with capital assets less outstanding capital asset related debt.

Restricted Net Position – This category reflects the portion of net assets that have third party limitation on their use.

Unrestricted Net Position – This category reflects net assets of the Village not restricted for any project or other purpose.

M. Fund Balance

Fund balance is divided into five classifications based primarily in the extent to which the Village is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

Enabling legislation authorizes the Village to assess, levy, charge, or otherwise mandates payment of resources (from external resource providers) and included legally enforceable requirements that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the Village can be compelled by an external party – such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposed specified by the legislation.

Committed – The committed fund balance classification includes amount that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of the Village Council. Those committed amounts cannot be used for any other purpose unless the Village Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Village Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

N. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

O. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village carries commercial insurance for these risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting for these risks have not exceeded commercial insurance coverage in the current fiscal year.

2. DEPOSITORY COLLATERAL

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the Village's Time deposits, savings deposits and interest bearing NOW accounts of a public until in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

*Custodial Credit Risk – Deposits* – Custodial Credit Risk is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. As of June 30, \$0 of the Village's bank balance of \$572,809 was exposed to custodial credit as follows:

Custodial Credit Risk-Deposits

A. Uninsured and Uncollateralized	
B. Uninsured and collateralized	\$ 0
with securities held by the	
pledging banks trust department	
but not in the Village's name	0
	\$ 0

NM State Statutes require collateral pledged for deposits in excess of federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the cooperative for at least one half of the amount on deposit with the institution.

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by an agency, district or political subdivision of the State of New Mexico.

The amount held at the New Mexico Finance Authority totaling \$83 is collateralized within the NMFA guidelines. The information is not available by individual Agency but the financial statements for the NMFA are available by writing to the New Mexico Finance Authority, 207 Shelby Street, Santa Fe, NM 87501.

The accounts of the State Treasurers Investment Pool are monitored by the State Treasurers Office and the State Treasurer issues separate financial statements which disclose the collateral pledged to secure these deposits.

The investments are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool is not registered with the SEC. 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 by the United States government or by its departments or agencies and are either direct obligations of the United states or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States Government are not considered to have credit risk.

The Local Government Investment Pool does not have unit shares. Per Section 6-10-10, 1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing deposited in the fund and the length of time the amounts in the fund were invested. Participation in the local government investment pool is voluntary.



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The credit rating of the investment pool at the New Mexico State Treasurer is as follows:

New Mexico LGIP AAAm Rated [53] day WAM(R); [101] day WAM (F)

3. ACCOUNTS RECEIVABLE

Receivables as of June 30, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities
Receivables from customers	\$ -	\$ 4,786
Less: Allowance for uncollectible accounts	-	-
Subtotal	-	4,786
Property taxes	94	-
Gross receipts taxes	2,411	-
Subtotal	2,505	-
Total	<u>\$ 2,505</u>	<u>\$ 4,786</u>

4. CAPITAL ASSETS

The amount of property, plant and equipment in the Governmental-Type Activities consists of the following:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets not being depreciated				
Land	\$ 13,519	\$ -	\$ -	\$ 13,519
Total Capital Assets not being depreciated	13,519	-	-	13,519
Capital Assets being depreciated				
Buildings and improvements	601,245	-	-	601,245
Infrastructure	256,987	9,721	-	266,708
Vehicles	1,324,720	-	-	1,324,720
Equipment	146,581	26,010	-	172,591
Total Capital Assets being depreciated	2,329,533	35,731	-	2,365,264
Less accumulated depreciation:				
Buildings and improvements	(325,774)	(18,844)	-	(344,618)
Infrastructure	(195,811)	(9,113)	-	(204,924)
Vehicles	(686,418)	(57,371)	-	(743,789)
Equipment	(87,081)	(8,561)	-	(95,642)
Total accumulated depreciation	(1,295,084)	(93,889)	-	(1,388,973)
Net Capital Assets being depreciated	1,034,449	(58,158)	-	976,291
Total Net Capital Assets	<u>\$ 1,047,968</u>	<u>\$ (58,158)</u>	<u>\$ -</u>	<u>\$ 989,810</u>

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June 30, 2017

The amount of property, plant and equipment in the Business-Type Activities consists of the following:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital assets not being depreciated				
Land	\$ 25,099	\$ -	\$ -	\$ 25,099
Total capital assets not being depreciated	25,099	-	-	25,099
Capital assets being depreciated				
Infrastructure	805,230	-	-	805,230
Equipment	21,729	-	-	21,729
Total capital assets being depreciated	826,959	-	-	826,959
Less: Accumulated depreciation				
Infrastructure	(420,900)	(24,800)	-	(445,700)
Equipment	(21,729)	-	-	(21,729)
Total accumulated depreciation	(442,629)	(24,800)	-	(467,429)
Net capital assets being depreciated	384,330	(24,800)	-	359,530
Total Net Capital Assets	<u>\$ 409,429</u>	<u>\$ (24,800)</u>	<u>\$ -</u>	<u>\$ 384,629</u>

5. LONG-TERM LIABILITIES

A. Changes in Long-Term Liabilities

Governmental Funds

During the year ended June 30, the following changes occurred in the liabilities reported in the Governmental Funds:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year
NMFA Loan	\$ 136,779	\$ -	\$ 21,854	\$ 114,925	\$ 22,149
Total	<u>\$ 136,779</u>	<u>\$ -</u>	<u>\$ 21,854</u>	<u>\$ 114,925</u>	<u>\$ 22,149</u>

The Village entered into a loan agreement with the New Mexico Finance Authority evidencing a special limited obligation of the Village to pay a principal amount of \$222,285 and interest for the purpose of defraying the cost or acquiring a fire truck for the Village's fire department. The Village has pledged future State Fire Fund revenues to pay the loan. The yearly payments are to be redirected from the Village's share of the State Fire Fund revenues to the NMFA. Total annual principal and interest payments for the repayment of the loan are expected to require 14% of the yearly State Fire Allotment. The interest rate is 0.410% to 2.660%. The maturity date is May 1, 2022.

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Due Year Ending June 30	Principal	Interest	Total
2018	22,149	2,430	24,579
2019	22,506	2,073	24,579
2020	22,924	1,655	24,579
2021	23,406	1,173	24,579
2022	23,940	639	24,579
Total	<u>\$ 114,925</u>	<u>\$ 7,970</u>	<u>\$ 122,895</u>

The liability will be liquidated by the Fire Protection Fund.

6. DEPOSITS HELD FOR OTHERS, ENTERPRISE FUND

Deposits in the Water Utility Enterprise Fund consist of the following:

Hydrant Meter Deposits	<u>\$ 1,010</u>
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Water meter deposits are charged to new customers and consist of the following:

Residential properties	\$ 100
Commercial properties	\$ 100

7. PROPERTY TAX

Property taxes attach as an enforceable lien on property as of January 1. Property tax rate for the year are set no later than September 1 each year by the Secretary of Finance and Administration. The rates of tax are then used by County Assessors to develop the property tax schedule by October 1. Taxes are payable in equal semi-annual installments by November 10 and April 10 of the subsequent year. Taxes are collected on behalf of the Village by the County Treasurer, and are remitted to the Village in the month following collection. Because the treasurer for the county in which the Village is located is statutorily required to collect taxes as an intermediary agency for all forms of government, distribution of taxes is made through the applicable County to the Village.

The Village is permitted to levy taxes for general operating purposes based on taxable value for both residential and nonresidential property, taxable value being defined as one-third of the fully assessed value. In addition, the Village is allowed to levy taxes for payments of bond principal and interest in amounts approved by voters of the Village.

The Village accounts for its share of property taxes in the General Fund. Only those collections received are recorded as revenues. The Village has no means of determining the amount of delinquent taxes, and no delinquent taxes are recorded on the Villages financial records.

8. RETIREMENT PLAN

The Village has elected not to participate in the New Mexico Public Employees Retirement Association Plan.

STATE OF NEW MEXICO  
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 June 30, 2017

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9. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

The Village has elected not to participate in the New Mexico State Retiree Health Care Plan.

10. TRANSFERS

The composition of interfund transfers for the year is as follows:

<u>Transfers out</u>	<u>Transfers in</u>	
	<u>Seniors Fund</u>	<u>Water Fund</u>
General Fund	\$ 5,855	\$ 10,000
Total Transfers In/Out	<u>\$ 5,855</u>	<u>\$ 10,000</u>

Balance of Transfers

Transfer to	
Seniors Fund	\$ 5,855
Water Fund	10,000
From General Fund	<u>\$ 15,855</u>

In the year ended June 30, 2015 the Village made the following one-time transfers:

- 1) The General Fund transferred monies to the Senior Fund to cover one-time expenditures.
- 2) The General Fund transferred monies to the Water Fund to cover one-time expenditures.

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11. FUND BALANCES CLASSIFIED

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented here.

<u>Fund Balances</u>	<u>General Fund</u>	<u>Fire Protection Fund</u>	<u>Non-Major Governmental Fund</u>	<u>Total</u>
<u>Nonspendable:</u>				
Interfund loans	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-
Total Nonspendable	-	-	-	-
<u>Restricted for:</u>				
Road Improvements	-	-	-	-
Fire Protection	-	78,926	-	78,926
Culture and recreation services	-	-	131	131
Emergency Medical Services	-	-	3,872	3,872
Cemetery Improvements	57,164	-	-	57,164
Total restricted	57,164	78,926	4,003	140,093
<u>Unassigned</u>	357,580	-	-	357,580
Total Fund Balances	<u>\$ 414,744</u>	<u>\$ 78,926</u>	<u>\$ 4,003</u>	<u>\$ 497,673</u>

12. RESTATEMENTS

The net position and fund balance for the General Fund and Fire Fund was increased by \$52 and \$46 for unrecorded interest respectively. The net position and fund balance for the Ambulance Fund was reduced by \$382 for correction of accounts receivable.

Fund balance restatement is as follows:

Fund balance June 30, 2016	\$ 480,930
Prior year interest on CD – General Fund	52
Prior year interest on NMFA – Fire Fund	46
Uncollected prior period receivable – Ambulance Fund	(382)
Restated fund balance July 1, 2016	<u>\$ 480,646</u>

Net Position restatement is as follows:

Net Position June 30, 2016	\$ 1,392,119
Prior year interest on CD – General Fund	52
Prior year interest on NMFA – Fire Fund	46
Uncollected prior period receivable – Ambulance Fund	(382)
Restated Net Position July 1, 2016	<u>\$ 1,391,835</u>