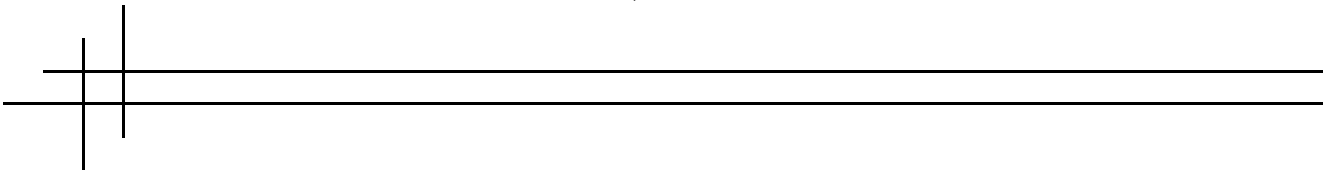




STATE OF NEW MEXICO
TOWN OF ELIDA

ANNUAL FINANCIAL REPORT
June 30, 2009

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



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TOWN OF ELIDA
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STATE OF NEW MEXICO
TOWN OF ELIDA
Official Roster
June 30, 2009

TOWN COUNCIL

Durward Dixon	Mayor
Kay Nuckols	Councilman
Steve Barron	Councilman
Manuel Jasso	Councilman
Glen Schattschneider	Councilman

ADMINISTRATIVE OFFICIALS

Sandra Monks	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 TOWN OF ELIDA

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 TOWN OF ELIDA, (Town), as of and for the year ended June 30, 2009, which collectively comprise the Town's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Town'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 Town'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, business-type activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2009, and the respective changes in financial position, and cash flows where applicable, thereof and the respective budgetary comparison for the general fund and the major special revenue funds 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 Town as of June 30, 2009, and the respective changes in financial position thereof, and the respective budgetary comparisons of the nonmajor governmental funds and the enterprise 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 November 30, 2009, on our consideration of the Town'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 Town 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

November 30, 2009

FINANCIAL SECTION

STATE OF NEW MEXICO
TOWN OF ELIDA
 Government-Wide Statement of Net Assets
 June 30, 2009

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 334,354	\$ 21,168	\$ 355,522
Investments	32,059	0	32,059
Receivables	20,583	7,078	27,661
Total Current Assets	<u>386,996</u>	<u>28,246</u>	<u>415,242</u>
Capital Assets			
Land	11,707	104,994	116,701
Infrastructure	605,716	0	605,716
Building & Improvements	352,031	1,762,088	2,114,119
Equipment & Vehicles	1,171,944	106,851	1,278,795
Less: Accumulated Depreciation	<u>(1,300,988)</u>	<u>(620,561)</u>	<u>(1,921,549)</u>
Total Noncurrent Assets	<u>840,410</u>	<u>1,353,372</u>	<u>2,193,782</u>
Total Assets	<u>1,227,406</u>	<u>1,381,618</u>	<u>2,609,024</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	1,447	0	1,447
Current Portion of Long-Term Debt	18,651	0	18,651
Total Current Liabilities	<u>20,098</u>	<u>0</u>	<u>20,098</u>
Noncurrent Liabilities			
Notes Payable	15,639	0	15,639
Customer Deposits	0	6,280	6,280
Total Noncurrent Liabilities	<u>15,639</u>	<u>6,280</u>	<u>21,919</u>
Total Liabilities	<u>35,737</u>	<u>6,280</u>	<u>42,017</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	806,120	1,353,372	2,159,492
Unrestricted	385,549	21,966	407,515
Total Net Assets	<u>\$ 1,191,669</u>	<u>\$ 1,375,338</u>	<u>\$ 2,567,007</u>

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

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

Functions/Programs	Expenses	Program Revenues		Net(Expenses) Revenue and Changes in Net Assets			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
General Government	\$ 169,094	\$ 0	\$ 89,312	\$ 0	\$ (79,782)	\$ 0	\$ (79,782)
Public Safety	315,313	0	114,358	0	(200,955)	0	(200,955)
Public Works	27,177	0	0	0	(27,177)	0	(27,177)
Culture & Recreation	12,998	0	8,652	0	(4,346)	0	(4,346)
Interest on Long-Term Obligations	2,423	0	0	0	(2,423)	0	(2,423)
Depreciation (unallocated)	67,809	0	0	0	(67,809)	0	(67,809)
Total Governmental Activities	<u>594,814</u>	<u>0</u>	<u>212,322</u>	<u>0</u>	<u>(382,492)</u>	<u>0</u>	<u>(382,492)</u>
Business-type Activities							
Utility	128,578	73,867	837,221	0	0	782,510	782,510
Total Business-type Activities	<u>128,578</u>	<u>73,867</u>	<u>837,221</u>	<u>0</u>	<u>0</u>	<u>782,510</u>	<u>782,510</u>
Total Primary Government	<u>\$ 723,392</u>	<u>\$ 73,867</u>	<u>\$ 1,049,543</u>	<u>\$ 0</u>	<u>(382,492)</u>	<u>782,510</u>	<u>400,018</u>
General Revenues							
Gross Receipts Taxes					\$ 67,439	\$ 0	\$ 67,439
Gasoline Taxes					13,377	0	13,377
Property Taxes					2,241	0	2,241
Other Taxes					1,785	0	1,785
Interest Income					4,500	0	4,500
Miscellaneous					241,442	0	241,442
Total General Revenues and Transfers					<u>330,784</u>	<u>0</u>	<u>330,784</u>
Change in Net Assets					(51,708)	782,510	730,802
Net Assets - beginning					<u>1,243,377</u>	<u>592,828</u>	<u>1,836,205</u>
Net Assets - ending					<u>\$ 1,191,669</u>	<u>\$ 1,375,338</u>	<u>\$ 2,567,007</u>

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

STATE OF NEW MEXICO
TOWN OF ELIDA
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2009

	General Fund	Fire Fund	Correction Fund
ASSETS			
Cash and Cash Equivalents	\$ 91,501	\$ 94,439	\$ 53,374
Investments	26,500	5,559	0
Receivables (Net of Allowance for Uncollectibles if Applicable)			
Interfund Balance	2,163	0	0
Taxes	18,420	0	0
Due from Grantor	0	0	0
Total Assets	<u>\$ 138,584</u>	<u>\$ 99,998</u>	<u>\$ 53,374</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Current Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	399	1,048	0
Total Liabilities	<u>399</u>	<u>1,048</u>	<u>0</u>
Fund Balances			
Unreserved Reported In:			
General Fund	138,185	0	0
Special Revenue Fund	0	98,950	53,374
Total Fund Balances	<u>138,185</u>	<u>98,950</u>	<u>53,374</u>
Total Liabilities and Fund Balances	<u>\$ 138,584</u>	<u>\$ 99,998</u>	<u>\$ 53,374</u>

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

STATE OF NEW MEXICO
TOWN OF ELIDA
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2009

	Senior Citizens Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 95,040	334,354
Investments	0	0	32,059
Receivables (Net of Allowance for Uncollectibles if Applicable)			0
Interfund Balance	0	0	2,163
Taxes	0	0	18,420
Due from Grantor	2,163	0	2,163
Total Assets	\$ 2,163	\$ 95,040	\$ 389,159
LIABILITIES AND FUND BALANCE			
Liabilities			
Current Liabilities			
Interfund Balance	\$ 2,163	\$ 0	\$ 2,163
Accounts Payable	0	0	1,447
Total Liabilities	2,163	0	3,610
Fund Balances			
Unreserved Reported In:			
General Fund	0	0	138,185
Special Revenue Fund	0	95,040	247,364
Total Fund Balances	0	95,040	385,549
Total Liabilities and Fund Balances	\$ 2,163	95,040	389,159

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

STATE OF NEW MEXICO
TOWN OF ELIDA
 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		\$	385,549
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	\$	2,141,398
	Accumulated depreciation is		<u>(1,300,988)</u>
			840,410
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 at year end consist of :			
	Bond payable		<u>(34,290)</u>
Total net assets - governmental activities		\$	<u><u>1,191,669</u></u>

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

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

	General Fund	Fire Fund	Correction Fund
Revenues			
Gross Receipt Taxes	\$ 67,439	\$ 0	\$ 0
Gas Taxes	13,377	0	0
Property Taxes	2,241	0	0
Cigarette Taxes	850	0	0
Motor Vehicle	533	0	0
Charges for Services	3,751	0	0
License, Fees and Fines	124,814	0	30,199
Federal Grants	0	0	0
State & Local Grants	89,312	78,650	0
County Subsidy	0	3,350	0
Interest Income	549	2,773	834
Miscellaneous	42,621	618	0
Sale of Fixed Assets	32,966	0	0
Total Revenues	<u>378,453</u>	<u>85,391</u>	<u>31,033</u>
Expenditures			
Current			
General	164,202	0	0
Public Safety	70,843	34,619	150,000
Public Works	27,177	0	0
Culture & Recreation	3,805	0	0
Capital Outlay	81,411	18,750	0
Lease Purchase			
Principal	0	17,882	0
Interest	0	2,423	0
Total Expenditures	<u>347,438</u>	<u>73,674</u>	<u>150,000</u>
Excess (Deficiency) of Revenues Over Expenditures	31,015	11,717	(118,967)
Other Financing Sources (Uses)			
Transfer In/(Out)	(5,412)	(22,288)	(1,044)
Total Other Sources	<u>(5,412)</u>	<u>(22,288)</u>	<u>(1,044)</u>
Net Change in Fund Balance	25,603	(10,571)	(120,011)
Fund Balances at Beginning of Year	<u>112,582</u>	<u>109,521</u>	<u>173,385</u>
Fund Balance End of Year	<u>\$ 138,185</u>	<u>\$ 98,950</u>	<u>\$ 53,374</u>

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

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

	Senior Citizens Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues			
Gross Receipt Taxes	\$ 0	\$ 0	\$ 67,439
Gas Taxes	0	0	13,377
Property Taxes	0	0	2,241
Cigarette Taxes	0	402	1,252
Motor Vehicle	0	0	533
Charges for Services	0	0	3,751
License, Fees and Fines	0	0	155,013
Federal Grants	1,905	0	1,905
State & Local Grants	6,747	28,508	203,217
County Subsidy	0	3,850	7,200
Interest Income	0	344	4,500
Miscellaneous	538	4,899	48,676
Sale of Fixed Assets	0	1,036	34,002
Total Revenues	<u>9,190</u>	<u>39,039</u>	<u>543,106</u>
Expenditures			
Current			
General	0	4,892	169,094
Public Safety	0	14,013	269,475
Public Works	0	0	27,177
Culture & Recreation	9,193	0	12,998
Capital Outlay	0	8,120	108,281
Lease Purchase			
Principal	0	0	17,882
Interest	0	0	2,423
Total Expenditures	<u>9,193</u>	<u>27,025</u>	<u>607,330</u>
Excess (Deficiency) of Revenues Over Expenditures	(3)	12,014	(64,224)
Other Financing Sources (Uses)			
Transfer In/(Out)	0	28,744	0
Total Other Sources	<u>0</u>	<u>28,744</u>	<u>0</u>
Net Change in Fund Balance	(3)	40,758	(64,224)
Fund Balances at Beginning of Year	<u>3</u>	<u>54,282</u>	<u>449,773</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 95,040</u>	<u>\$ 385,549</u>

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

STATE OF NEW MEXICO

TOWN OF ELIDA

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 \$ (64,224)

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	\$ (67,809)	
Capital Outlays	<u>108,281</u>	40,472

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 17,882

Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (45,838)

Changes in Net Assets of Governmental Activities \$ (51,708)

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

STATE OF NEW MEXICO

TOWN OF ELIDA

GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (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	\$ 69,439	\$ 69,439	\$ 67,439	\$ (2,000)
Gasoline Taxes	14,872	14,872	13,377	(1,495)
Property Taxes	2,384	2,384	2,241	(143)
Cigarette Taxes	522	522	850	328
Motor Vehicle	675	675	533	(142)
Charges for Services	4,000	4,000	3,751	(249)
License, Fees and Fines	121,150	121,150	124,814	3,664
Small Cities Assistance	35,000	35,000	35,000	0
Interest Income	300	300	549	249
State & Local Grants	78,764	78,764	64,312	(14,452)
Sale of Fixed Assets	0	0	32,966	32,966
Miscellaneous	22,500	22,500	7,621	(14,879)
Total Revenues	<u>349,606</u>	<u>349,606</u>	<u>353,453</u>	<u>3,847</u>
Expenditures				
Financial				
Personnel Services	129,120	129,120	49,434	79,686
Travel	0	0	2,973	(2,973)
Maintenance	0	0	24,376	(24,376)
Utilities	0	0	2,524	(2,524)
Office	0	0	852	(852)
Insurance	0	0	18,777	(18,777)
Professional Fees	0	0	11,413	(11,413)
Other	0	0	12,017	(12,017)
Total Financial	<u>129,120</u>	<u>129,120</u>	<u>122,366</u>	<u>6,754</u>
Judicial				
Personnel Services	41,600	41,600	23,220	18,380
Operating Expenses	0	0	7,043	(7,043)
Fees	0	0	11,573	(11,573)
Total Judicial	<u>41,600</u>	<u>41,600</u>	<u>41,836</u>	<u>(236)</u>
Public Safety				
Personnel Services	102,944	102,944	56,362	46,582
Operating Expenses	0	0	14,481	(14,481)
Total Public Safety	<u>\$ 102,944</u>	<u>\$ 102,944</u>	<u>\$ 70,843</u>	<u>\$ 32,101</u>

STATE OF NEW MEXICO

TOWN OF ELIDA

GENERAL FUND

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

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Highway & Streets				
Personnel Services	\$ 82,146	\$ 82,146	\$ 14,725	\$ 67,421
Operating Expenses	0	0	12,451	(12,451)
Capital Purchases	0	0	56,411	(56,411)
Total Highway & Streets	<u>82,146</u>	<u>82,146</u>	<u>83,587</u>	<u>(1,441)</u>
Parks & Recreation				
Personnel Services	5,804	5,804	1,810	3,994
Operating Expenses	0	0	1,996	(1,996)
Total Parks & Recreation	<u>5,804</u>	<u>5,804</u>	<u>3,806</u>	<u>1,998</u>
Total Expenditures	<u>361,614</u>	<u>361,614</u>	<u>322,438</u>	<u>39,176</u>
Excess (Deficiency) of Revenues Over Expenditures	(12,008)	(12,008)	31,015	43,023
Other Financing Sources (Uses)				
Transfer from Corrections	0	0	1,044	(1,044)
Transfer to EMS	0	0	(6,456)	6,456
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(5,412)</u>	<u>6,456</u>
Net Change in Cash Balance	(12,008)	(12,008)	25,603	(37,611)
Cash Balance Beginning of Year	<u>94,560</u>	<u>94,560</u>	<u>94,560</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 82,552</u>	<u>\$ 82,552</u>	<u>\$ 120,163</u>	<u>\$ (37,611)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ <u>25,603</u>	
Net Change in Fund Balance			\$ <u>25,603</u>	

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

STATE OF NEW MEXICO
TOWN OF ELIDA
SPECIAL REVENUE FUND-FIRE FUND
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 97,295	\$ 97,295	\$ 78,650	\$ (18,645)
Interest Income	0	0	2,773	2,773
County Subsidy	0	0	3,350	3,350
Miscellaneous	0	0	618	618
Total Revenues	<u>97,295</u>	<u>97,295</u>	<u>85,391</u>	<u>(11,904)</u>
Expenditures				
Public Safety				
Utilities	0	0	6,342	(6,342)
Equipment	0	0	9,888	(9,888)
Insurance	0	0	12,767	(12,767)
Capital Purchases	0	0	18,750	(18,750)
Lease Purchase				
Interest	0	0	2,423	(2,423)
Principal	0	0	17,882	(17,882)
Miscellaneous	0	0	5,622	(5,622)
Total Public Safety	<u>0</u>	<u>0</u>	<u>73,674</u>	<u>(73,674)</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>73,674</u>	<u>(73,674)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>97,295</u>	<u>97,295</u>	<u>11,717</u>	<u>(85,578)</u>
Other Financing Sources (Uses)				
Transfer In/(Out)	0	0	(22,288)	22,288
Total Other Sources	<u>0</u>	<u>0</u>	<u>(22,288)</u>	<u>22,288</u>
Net Change in Cash Balance	97,295	97,295	(10,571)	(107,866)
Cash Balance Beginning of Year	<u>110,569</u>	<u>110,569</u>	<u>110,569</u>	<u>0</u>
Cash Balance End of Year	\$ <u>207,864</u>	\$ <u>207,864</u>	\$ <u>99,998</u>	\$ <u>(107,866)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ <u>(10,571)</u>	
Net Change in Fund Balance			\$ <u>(10,571)</u>	

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

STATE OF NEW MEXICO
TOWN OF ELIDA
SPECIAL REVENUE FUND-CORRECTIONS FUND
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 29,300	\$ 29,300	\$ 30,199	\$ 899
Interest Income	500	500	834	334
Total Revenues	<u>29,800</u>	<u>29,800</u>	<u>31,033</u>	<u>1,233</u>
Expenditures				
Public Safety				
Housing of Prisoners	150,000	150,000	150,000	0
Total Public Safety	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(120,200)</u>	<u>(120,200)</u>	<u>(118,967)</u>	<u>1,233</u>
Other Financing Sources (Uses)				
Transfer to General	0	0	(1,044)	(1,044)
Total Other Sources	<u>0</u>	<u>0</u>	<u>(1,044)</u>	<u>(1,044)</u>
Net Change in Cash Balance	(120,200)	(120,200)	(120,011)	189
Cash Balance Beginning of Year	<u>173,385</u>	<u>173,385</u>	<u>173,385</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 53,185</u>	<u>\$ 53,185</u>	<u>\$ 53,374</u>	<u>\$ 189</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (120,011)	
Net Change in Fund Balance			<u>\$ (120,011)</u>	

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

STATE OF NEW MEXICO
TOWN OF ELIDA
SPECIAL REVENUE FUND-SENIOR CITIZENS FUND
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 6,953	\$ 6,953	\$ 4,584	\$ (2,369)
Federal Grants	1,700	1,700	1,905	205
Miscellaneous	0	0	538	538
Total Revenues	<u>8,653</u>	<u>8,653</u>	<u>7,027</u>	<u>(1,626)</u>
Expenditures				
Culture & Recreation				
Personnel Services	0	0	3,385	(3,385)
Operating Expenses	0	0	5,808	(5,808)
Total Culture & Recreation	<u>0</u>	<u>0</u>	<u>9,193</u>	<u>(5,808)</u>
Excess (Deficiency) of Revenues Over Expenditures	8,653	8,653	(2,166)	(10,819)
Cash Balance Beginning of Year	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 8,656</u>	<u>\$ 8,656</u>	<u>\$ (2,163)</u>	<u>\$ (10,819)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,166)	
Net Change in Accounts Receivables			<u>2,163</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (3)</u>	

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

STATE OF NEW MEXICO
TOWN OF ELIDA
 PROPRIETARY FUND
 Statement of Net Assets
 June 30, 2009

ASSETS	<u>Utility</u>
Current Assets	
Cash and Cash Equivalents	\$ 21,168
Receivables (net of allowance for uncollectible accounts)	
Accounts	<u>7,078</u>
Total Current Assets	<u>28,246</u>
Noncurrent Assets	
Land	104,994
Buildings & Improvements	1,762,088
Equipment & Vehicles	106,851
Less: Accumulated Depreciation	<u>(620,561)</u>
Total Noncurrent Assets	<u>1,353,372</u>
Total Assets	<u>1,381,618</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	<u>0</u>
Total Current Liabilities	<u>0</u>
Noncurrent Liabilities	
Customer Deposits	<u>6,280</u>
Total Noncurrent Liabilities	<u>6,280</u>
Total Liabilities	<u>6,280</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	1,353,372
Unrestricted	<u>21,966</u>
Total Net Assets	<u>\$ 1,375,338</u>

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

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

	<u>Utility</u>
Operating Revenues	
Sales & Service	\$ 73,867
Total Operating Revenues	<u>73,867</u>
Operating Expenses	
Salaries & Benefits	19,214
Operating Expense	51,047
Depreciation	<u>58,317</u>
Total Operating Expenses	<u>128,578</u>
Operating Income (Loss)	<u>(54,711)</u>
Nonoperating Revenue (Expenses)	
State & Local Grants	35,000
Federal Grants	296,731
County Subsidy	<u>505,490</u>
Total Nonoperating Revenue (Expenses)	<u>837,221</u>
Change in Net Assets	782,510
Total Net Assets - Beginning	<u>592,828</u>
Total Net Assets - Ending	<u>\$ 1,375,338</u>

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

STATE OF NEW MEXICO
TOWN OF ELIDA
 PROPRIETARY FUND
 Combined Statement of Cash Flows
 For the Year Ended June 30, 2009

	<u>Utility</u>
Cash Flows from Operating Activities	
Cash Received From Customers	\$ 73,409
Cash Paid to Suppliers and Employees	(70,261)
Net Cash Provided by Operating Activities	<u>3,148</u>
Cash Flows from Capital & Related Financing Activities	
State & Local Grants	35,000
Federal Grants	296,731
County Subsidy	505,490
Acquisition and Construction of Capital Assets	<u>(837,307)</u>
Net Cash Provided by Capital & Related Financing Activities	<u>(86)</u>
Net Increase (Decrease) in Cash	3,062
Cash, Beginning of the Year	<u>18,106</u>
Cash, End of the Year	<u>\$ 21,168</u>
Reconciliation of Net Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ (54,711)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
Depreciation	58,317
Change in Assets and Liabilities	
(Increase) Decrease in Accounts Receivable	(758)
Increase (Decrease) in Accounts Payable	0
Increase (Decrease) in Meter Deposits	300
Net Cash Provided by Operating Activities	<u>\$ 3,148</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 Town of Elida (Town) ,has 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. 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.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments. In addition, in June 2001, the GASB issued Statement No. 37, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus - an amendment of GASB Statement No. 21 and No. 34 and Statement No. 38, Certain Financial Note Disclosures. These two statements clarify, modify, establish and rescind certain disclosure requirements under GASB No. 34. Both statements are being implemented in conjunction with GASB Statement No. 34. These statements do not have an impact on the results of operations or the financial position of the Town.

Financial Reporting Entity

The Town was incorporated under the laws of the State of New Mexico. The Town 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 Town 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 Town 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 Town has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected Town members are financially accountable. There are no other primary governments with which the Town Board Members are financially accountable. There are no other primary governments with which the Town has a significant relationship.

The accounts of the Town 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 Town 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 and Basis of Accounting

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 Town. 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 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.

The Town 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 Town has presented the following major governmental funds:

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

Fire Fund - To account for the operation and maintenance of the Town Fire Department. Financing is primarily from an annual state fire allotment. The fund was created by the authority of state grant provisions. (NMSA 59A-53-1).

Correction Fund - To account for the collection of fines which are used to supplement the cost of prisoner housing. The fund was created by the authority of state statute. (Section 29-1301 NASA 1978)

Senior Citizens - 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)

Proprietary Funds - Proprietary Fund Financial Statements include a Statement of Net Assets, a Statement of Revenues, Expenses and Changes in Fund Net Assets, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

The Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non current) are included on the Statement of Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period on which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Additionally, the Town 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 statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resource measurement focus means all assets and liabilities (whether current or noncurrent) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

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 Town 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 specific revenue recognition policy for property taxes are recognized when levied, derived tax revenue (such as gross receipts tax) are recognized when the underlying transaction takes place, and grants are recognized when all of the eligibility requirements have been met.

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 Town'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 Town 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 Town 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. Legal budget control for expenditures is by fund.

Cash and Cash Equivalents

The Town'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 Town 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 Town may be invested in :

- (a) bonds or negotiable securities of the United States, the state or any county, municipality or Town 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 Town 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.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

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 Town 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	20-50 Years
Equipment	3-15 Years

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.

Accumulated Unpaid Vacation and Sick Leave Benefits

Upon retirement or death of certain employees, the Town pays any accrued vacation leave in a lump cash payment to such employee or his/her estate. All amounts as of June 30, 2009 are considered non-current, and any payments are made from the proprietary or general funds, where employee earns vacation pay.

STATE OF NEW MEXICO
TOWN OF ELIDA
Notes to the Financial Statements
June 30, 2009

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 Town 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.

<u>Name of Account</u>	Balance Per Bank 06/30/09	Reconciled Balance	Type
General Fund	\$ 349,473	\$ 283,360	Checking
Corrections	25,994	26,874	Saving
General Fund	10,000	10,000	Saving
Cemetery	13,000	13,000	Saving
Fire Fund	22,288	22,288	Saving
TOTAL Deposited	<u>420,755</u>	<u>\$ 355,522</u>	
Less: FDIC Coverage	<u>(420,755)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	<u>150,000</u>		
Over (Under) requirement	<u>\$ 150,000</u>		

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

STATE OF NEW MEXICO
TOWN OF ELIDA
Notes to the Financial Statements
June 30, 2009

The following securities are pledged:

<u>Description</u>	<u>Type</u>	<u>CUSIP #</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
Cloudcroft SD	Bond	189134DJ5	\$ <u>150,000</u>	8/1/13	TIB, Dallas, TX

Bank of Albuquerque

<u>Name of Account</u>	<u>Balance Per Bank 06/30/09</u>	<u>Reconciled Balance</u>	<u>Type</u>
Elida Program	\$ 5,559	\$ 5,559	Savings
Less: FDIC Coverage Uninsured Amount	(5,559)		
	\$ <u>0</u>		

The funds held at the Bank of Albuquerque are restricted for debt service for a loan with NMFA.

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 426,314
Collateralized:	
Collateral held by the pledging bank in Town's name	0
Uninsured and uncollateralized	0
Total Deposits	\$ <u>426,314</u>

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 Town's bank balance of \$426,314 was exposed to custodial credit risk.

New Mexico State Treasurer

<u>Name of Account</u>	<u>Balance Per Bank 06/30/09</u>	<u>Reconciled Balance</u>	<u>Type</u>
Town of Elida	\$ 25,867	\$ 25,867	Savings
Town of Elida Reserve	633	633	Savings
Total	\$ <u>26,500</u>	\$ <u>26,500</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.

STATE OF NEW MEXICO
TOWN OF ELIDA
Notes to the Financial Statements
June 30, 2009

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: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2009, is as follows:

	Balance 6/30/08	Increases	Decreases	Balance 6/30/09
Governmental Activities				
Capital Assets, not being Depreciated				
Land	\$ 11,707	\$ 0	\$ 0	\$ 11,707
Capital Assets, being Depreciated				
Infrastructure	549,305	56,411	0	605,716
Buildings	333,281	18,750	0	352,031
Equipment	948,021	33,120	0	981,141
Vehicles	236,641	0	45,838	190,803
Total Capital Assets, being Depreciated	<u>2,067,248</u>	<u>108,281</u>	<u>45,838</u>	<u>2,129,691</u>
Total Capital Assets	<u>2,078,955</u>	<u>108,281</u>	<u>45,838</u>	<u>2,141,398</u>
Less Accumulated Depreciation				
Infrastructure	371,784	22,232	0	394,016
Buildings	149,872	13,078	0	162,950
Equipment	635,367	44,320	0	679,687
Vehicles	76,156	17,642	29,463	64,335
Total Accumulated Depreciation	<u>1,233,179</u>	<u>97,272</u>	<u>29,463</u>	<u>1,300,988</u>
Capital Assets, net	<u>\$ 845,776</u>	<u>\$ 11,009</u>	<u>\$ 16,375</u>	<u>\$ 840,410</u>

Depreciation expense was not allocated to governmental activities.

Total depreciation expenses \$ 97,272

STATE OF NEW MEXICO
TOWN OF ELIDA
Notes to the Financial Statements
June 30, 2009

	Balance 6/30/08	Increases	Decreases	Balance 6/30/09
Business-Type Activities				
Capital Assets not being Depreciated				
Land	\$ 104,994	\$ 0	\$ 0	\$ 104,994
Total Capital Assets not being Depreciated	<u>104,994</u>	<u>0</u>	<u>0</u>	<u>104,994</u>
Capital Assets, being Depreciated				
Buildings & Improvements	806,666	802,221	153,201	1,762,088
Machinery & Equipment	224,967	35,085	153,201	106,851
Total Capital Assets	<u>\$ 1,136,627</u>	<u>\$ 837,306</u>	<u>\$ 306,402</u>	<u>\$ 1,973,933</u>
Less Accumulated Depreciation				
Buildings & Improvements	\$ 506,983	\$ 52,015	\$ 0	\$ 558,998
Machinery & Equipment	<u>55,262</u>	<u>6,301</u>	<u>0</u>	<u>61,563</u>
Total Accumulated Depreciation	<u>562,245</u>	<u>58,316</u>	<u>0</u>	<u>620,561</u>
Capital Assets, net	<u>\$ 574,382</u>	<u>\$ 778,990</u>	<u>\$ 306,402</u>	<u>\$ 1,353,372</u>

NOTE E: LONG TERM DEBT

Governmental Funds

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

	Balance 6/30/08	Additions	Reductions	Balance 6/30/09	Amounts Due Within One Year
Notes Payable	\$ <u>52,172</u>	\$ <u>0</u>	\$ <u>17,882</u>	\$ <u>34,290</u>	\$ <u>18,651</u>

All activities of bonds and loans payable at June 30, 2009 are comprised of the following individual issues:

2000 NMFA Loan, due in annual installments of \$20,308 including interest, at 3% to 5.27% through

The annual requirements to amortize the NMFA Loan as of June 30, 2009, including interest payments are as follows:

	Principal	Interest	Total
2010	\$ 18,651	\$ 1,657	\$ 20,308
2011	15,639	850	16,489
	<u>\$ 34,290</u>	<u>\$ 2,507</u>	<u>\$ 36,797</u>

NOTE F: PROPERTY TAXES

The County collects the Town'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 Town on a monthly basis. The Town 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 G: RECEIVABLES

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

	General Funds	Senior Citizen	Utilities	Total
Accounts	\$ 0	\$ 0	\$ 7,078	\$ 7,078
Other Taxes	18,420	0	0	18,420
Due from Grantor	0	2,163	0	2,163
	<u>\$ 18,420</u>	<u>\$ 2,163</u>	<u>\$ 7,078</u>	<u>\$ 27,661</u>

All receivable balances are expected to be collected within one year.

NOTE H: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

As of June 30, 2009, the Town had the following interfund transfers:

Transfer From		Transfer To	
General	\$ 6,456	EMS	\$ 6,456
Corrections	1,044	General	1,044
Fire	22,288	EMS	22,288
	<u>\$ 29,788</u>		<u>\$ 29,788</u>

The above transfers were made to the funds to support current operations in the listed funds or repay prior year transfers.

The composition of interfund balances is as follows:

<u>Receivable</u>	<u>Payable</u>
	Senior Citizen
General Fund	\$ 2,163
Totals	<u>\$ 2,163</u>

The above interfund balances resulted from reimbursement grants. The shortfalls were covered by the General fund. All transactions will be repaid within one year.

NOTE I: DEFINED BENEFIT PENSION PLAN

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

Funding Policy. Plan members are required to contribute 7% of their gross salary. The Town is required to contribute 18.5% for police officers and 16.3% for other employees of the gross covered salary. The contribution requirements of plan members and the Town are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Town's contributions to PERA for the fiscal years ending June 30, 2009, 2008 and 2007 were \$24,614, \$28,296, and \$25,072, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE J: POST-EMPLOYMENT BENEFITS

The Town contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary.

Employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature

The Town's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$2,244, \$2,335 and \$2,331, respectively, which equal the required contributions for each year.

NOTE K: RISK MANAGEMENT

The Town 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 L: SURETY BOND

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

Cemetery Fund

To account for the operations and maintenance of the cemetery. Financing is primarily from the sale of burial lots. The fund was authorized by NMSA 1978 3-40-1 through 9.

Recreation

To account for the operation and maintenance of the Town'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)

Department of Justice Asset Forfeiture

To account for the revenues from seized cash and sale proceeds of confiscated items during drug and other criminal investigations and arrests. The funds are used to supplement law enforcement operations and capital outlay.

Library

To account for the operation of the Town library. Financing is provided by a county subsidy and various grants. The fund was created by the authority of state statute.

Emergency Medical Services

To account for the operation and maintenance of the Town 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)

Law Enforcement Protection

To account for funds received from the State of New Mexico for law enforcement purposes. The fund was created by the authority of state grant provisions. (NMSA 29-13-3)

STATE OF NEW MEXICO
TOWN OF ELIDA
 NONMAJOR SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 June 30, 2009

	<u>Cemetery</u>	<u>Recreation Fund</u>	<u>Dept of Justice Asset Forfeiture</u>
ASSETS			
Cash and Cash Equivalents	\$ 17,681	\$ 509	\$ 1,685
Total Assets	<u>\$ 17,681</u>	<u>\$ 509</u>	<u>\$ 1,685</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved Reported In:			
Special Revenue	17,681	509	1,685
Total Fund Balance	<u>17,681</u>	<u>509</u>	<u>1,685</u>
 Total Liabilities and Fund Balance	 <u>\$ 17,681</u>	 <u>\$ 509</u>	 <u>\$ 1,685</u>

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

STATE OF NEW MEXICO
TOWN OF ELIDA
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2009

	Library Fund	EMS	Law Enforcement Protection Fund
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 2,332	\$ 58,133	\$ 14,700
Total Assets	<u>\$ 2,332</u>	<u>\$ 58,133</u>	<u>\$ 14,700</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved Reported In:			
Special Revenue	<u>2,332</u>	<u>58,133</u>	<u>14,700</u>
Total Fund Balance	<u>2,332</u>	<u>58,133</u>	<u>14,700</u>
 Total Liabilities and Fund Balance	 <u>\$ 2,332</u>	 <u>\$ 58,133</u>	 <u>\$ 14,700</u>

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

STATE OF NEW MEXICO
TOWN OF ELIDA
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2009

	<u>Total</u>
ASSETS	
Cash and Cash Equivalents	\$ 95,040
Total Assets	<u>\$ 95,040</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts Payable	\$ 0
Total Liabilities	<u>0</u>
Fund Balance	
Unreserved Reported In:	
Special Revenue	<u>95,040</u>
Total Fund Balance	<u>95,040</u>
Total Liabilities and Fund Balance	<u>\$ 95,040</u>

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

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

	<u>Cemetery</u>	<u>Recreation Fund</u>	<u>Dept of Justice Asset Forfeiture</u>
Revenues			
Cigarette Taxes	\$ 0	\$ 402	\$ 0
County Subsidy	0	0	0
State Grants	0	0	0
Federal Grant	0	0	0
Interest Income	322	0	3
Donations	600	0	0
Sale of Fixed Assets	1,036	0	0
Miscellaneous	0	100	0
Total Revenues	<u>1,958</u>	<u>502</u>	<u>3</u>
Expenditures			
Current			
Public Safety	0	0	0
Public Works	0	0	0
Culture & Recreation	0	0	0
Operating Expenses	928	0	160
Capital Outlay	0	0	4,832
Total Expenditures	<u>928</u>	<u>0</u>	<u>4,992</u>
Excess (Deficiency) of Revenues Over Expenditures	1,030	502	(4,989)
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	1,030	502	(4,989)
Fund Balances at Beginning of Year	<u>16,651</u>	<u>7</u>	<u>6,674</u>
Fund Balance End of Year	<u>\$ 17,681</u>	<u>\$ 509</u>	<u>\$ 1,685</u>

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

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

	Library Fund	EMS	Law Enforcement Protection Fund
Revenues			
Cigarette Taxes	\$ 0	\$ 0	\$ 0
County Subsidy	500	3,350	0
State Grants	0	7,308	21,200
Federal Grant	0	0	0
Interest Income	1	18	0
Donations	27	0	0
Sale of Fixed Assets	0	0	0
Miscellaneous	0	4,172	0
Total Revenues	<u>528</u>	<u>14,848</u>	<u>21,200</u>
Expenditures			
Current			
Public Safety	0	14,013	0
Public Works	0	0	0
Culture & Recreation	0	0	0
Operating Expenses	592	0	3,212
Capital Outlay	0	0	3,288
Total Expenditures	<u>592</u>	<u>14,013</u>	<u>6,500</u>
Excess (Deficiency) of Revenues Over Expenditures	(64)	835	14,700
Other Financing Sources (Uses)			
Transfer In/(Out)	0	28,744	0
Total Other Sources	<u>0</u>	<u>28,744</u>	<u>0</u>
Net Change in Fund Balance	(64)	29,579	14,700
Fund Balances at Beginning of Year	<u>2,396</u>	<u>28,554</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 2,332</u>	<u>\$ 58,133</u>	<u>\$ 14,700</u>

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

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

	<u>Total</u>
Revenues	
Cigarette Taxes	\$ 402
County Subsidy	3,850
State Grants	28,508
Federal Grant	0
Interest Income	344
Donations	627
Sale of Fixed Assets	1,036
Miscellaneous	<u>4,272</u>
Total Revenues	<u>39,039</u>
Expenditures	
Current	
Public Safety	14,013
Public Works	0
Culture & Recreation	0
Operating Expenses	4,892
Capital Outlay	<u>8,120</u>
Total Expenditures	<u>27,025</u>
Excess (Deficiency) of Revenues Over Expenditures	12,014
Other Financing Sources (Uses)	
Transfer In/(Out)	<u>28,744</u>
Total Other Sources	<u>28,744</u>
Net Change in Fund Balance	40,758
Fund Balances at Beginning of Year	<u>54,282</u>
Fund Balance End of Year	<u>\$ 95,040</u>

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

STATE OF NEW MEXICO
TOWN OF ELIDA
SPECIAL REVENUE FUND-CEMETERY
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Donations	\$ 0	\$ 0	\$ 600	\$ 600
Sale of Lots	750	750	1,036	286
Interest Income	400	400	322	(78)
Total Revenues	<u>1,150</u>	<u>1,150</u>	<u>1,958</u>	<u>808</u>
Expenditures				
Public Works				
Operating Expenses	<u>1,300</u>	<u>1,300</u>	<u>928</u>	<u>372</u>
Total Public Works	<u>1,300</u>	<u>1,300</u>	<u>928</u>	<u>372</u>
Total Expenditures	<u>1,300</u>	<u>1,300</u>	<u>928</u>	<u>372</u>
Excess (Deficiency) of Revenues Over Expenditures	(150)	(150)	1,030	1,180
Cash Balance Beginning of Year	<u>16,651</u>	<u>16,651</u>	<u>16,651</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 16,501</u>	<u>\$ 16,501</u>	<u>\$ 17,681</u>	<u>\$ 1,180</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 1,030</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 1,030</u>	

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

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

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Cigarette Taxes	\$ 370	\$ 370	\$ 402	\$ 32
Miscellaneous	300	300	100	(200)
Total Revenues	<u>670</u>	<u>670</u>	<u>502</u>	<u>(168)</u>
Expenditures				
Culture & Recreation				
Operating Expense	670	670	0	670
Total Culture & Recreation	<u>670</u>	<u>670</u>	<u>0</u>	<u>670</u>
Total Expenditures	<u>670</u>	<u>670</u>	<u>0</u>	<u>670</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	502	502
Cash Balance Beginning of Year	<u>7</u>	<u>7</u>	<u>7</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 7</u>	<u>\$ 7</u>	<u>\$ 509</u>	<u>\$ 502</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 502</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 502</u>	

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

STATE OF NEW MEXICO
TOWN OF ELIDA
SPECIAL REVENUE FUND-DEPT OF JUSTICE ASSET FORFEITURE
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 0	\$ 0	\$ 3	\$ 3
Total Revenues	<u>0</u>	<u>0</u>	<u>3</u>	<u>3</u>
Expenditures				
Culture & Recreation				
Operating Expenses	0	0	160	(160)
Capital Outlay	<u>6,671</u>	<u>6,671</u>	<u>4,832</u>	<u>1,839</u>
Total Culture & Recreation	<u>6,671</u>	<u>6,671</u>	<u>4,992</u>	<u>1,679</u>
Total Expenditures	<u>6,671</u>	<u>6,671</u>	<u>4,992</u>	<u>1,679</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,671)	(6,671)	(4,989)	1,682
Cash Balance Beginning of Year	<u>6,674</u>	<u>6,674</u>	<u>6,674</u>	<u>0</u>
Cash Balance End of Year	\$ <u>3</u>	\$ <u>3</u>	\$ <u>1,685</u>	\$ <u>1,682</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(4,989)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(4,989)</u>	

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

STATE OF NEW MEXICO
TOWN OF ELIDA
SPECIAL REVENUE FUND-LIBRARY FUND
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
County Subsidy	\$ 500	\$ 500	\$ 500	\$ 0
Interest Income	0	0	1	1
Donations	0	0	27	27
Total Revenues	<u>500</u>	<u>500</u>	<u>528</u>	<u>28</u>
Expenditures				
Culture & Recreation				
Operating Expense	<u>1,000</u>	<u>1,000</u>	<u>592</u>	<u>408</u>
Total Culture & Recreation	<u>1,000</u>	<u>1,000</u>	<u>592</u>	<u>408</u>
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>592</u>	<u>408</u>
Excess (Deficiency) of Revenues Over Expenditures	(500)	(500)	(64)	436
Cash Balance Beginning of Year	<u>2,396</u>	<u>2,396</u>	<u>2,396</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,896</u>	<u>\$ 1,896</u>	<u>\$ 2,332</u>	<u>\$ 436</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (64)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (64)</u>	

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

STATE OF NEW MEXICO
TOWN OF ELIDA
SPECIAL REVENUE FUND-EMERGENCY MEDICAL SERVICES
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
County Subsidy	\$ 3,350	\$ 3,350	\$ 3,350	\$ 0
Interest Income	0	0	18	18
State & Local Grants	7,328	7,328	7,308	(20)
Miscellaneous	4,000	4,000	4,172	172
Total Revenues	<u>14,678</u>	<u>14,678</u>	<u>14,848</u>	<u>170</u>
Expenditures				
Public Safety				
Perdiem	5,000	5,000	4,929	71
Maintenance	2,000	2,000	239	1,761
Supplies	5,500	5,500	5,500	0
Training	1,500	1,500	1,529	(29)
Equipment	600	600	589	11
Miscellaneous	1,200	1,200	1,227	(27)
Total Public Safety	<u>15,800</u>	<u>15,800</u>	<u>14,013</u>	<u>1,787</u>
Total Expenditures	<u>15,800</u>	<u>15,800</u>	<u>14,013</u>	<u>1,787</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,122)	(1,122)	835	1,957
Other Financing Sources (Uses)				
Transfer from General	0	28,744	28,744	0
Total Other Sources	<u>0</u>	<u>28,744</u>	<u>28,744</u>	<u>0</u>
Net Change in Cash Balance	(1,122)	27,622	29,579	1,957
Cash Balance Beginning of Year	<u>28,554</u>	<u>28,554</u>	<u>28,554</u>	<u>0</u>
Cash Balance End of Year	\$ <u>27,432</u>	\$ <u>56,176</u>	\$ <u>58,133</u>	\$ <u>1,957</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ <u>29,579</u>	
Net Change in Fund Balance			\$ <u>29,579</u>	

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

STATE OF NEW MEXICO

TOWN OF ELIDA

SPECIAL REVENUE FUND-LAW ENFORCEMENT PROTECTION

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

For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 21,200	\$ 21,200	\$ 21,200	\$ 0
Total Revenues	<u>21,200</u>	<u>21,200</u>	<u>21,200</u>	<u>0</u>
Expenditures				
Public Safety				
Operating Expenses	3,500	3,500	3,212	288
Capital Outlay	<u>17,700</u>	<u>17,700</u>	<u>3,288</u>	<u>14,412</u>
Total Public Safety	<u>21,200</u>	<u>21,200</u>	<u>6,500</u>	<u>14,700</u>
Total Expenditures	<u>21,200</u>	<u>21,200</u>	<u>6,500</u>	<u>14,700</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	14,700	14,700
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,700</u>	<u>\$ 14,700</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 14,700</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 14,700</u>	

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

ENTERPRISE FUNDS

Utility

To account for the provision of water, sewer and sanitation service to the residents of the Town. 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

TOWN OF ELIDA

PROPRIETARY FUND-UTILITY

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (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	\$ 63,000	\$ 63,000	\$ 73,409	\$ 10,409
State & Local Grants	35,000	35,000	35,000	0
Federal Grants	300,000	300,000	296,731	(3,269)
County Subsidy	500,000	500,000	505,490	5,490
Total Revenues	<u>898,000</u>	<u>898,000</u>	<u>910,630</u>	<u>12,630</u>
Expenditures				
Water & Sewer				
Personnel Services	15,000	15,000	13,526	1,474
Operating Expenses	20,000	20,000	15,102	4,898
Utilities	7,500	7,500	6,410	1,090
Supplies & Maintenance	15,000	15,000	15,663	(663)
Gross Receipts Tax	2,500	2,500	1,699	801
Capital Outlay	800,000	837,306	837,306	0
Total Water & Sewer	<u>860,000</u>	<u>897,306</u>	<u>889,706</u>	<u>7,600</u>
Sanitation				
Personnel Services	6,000	6,000	5,688	312
Maintenance	6,000	6,000	5,561	439
Gross Receipts Tax	550	550	879	(329)
Miscellaneous	6,000	6,000	5,734	266
Total Sanitation	<u>18,550</u>	<u>18,550</u>	<u>17,862</u>	<u>688</u>
Total Expenditures	<u>878,550</u>	<u>915,856</u>	<u>907,568</u>	<u>8,288</u>
Excess (Deficiency) of Revenues Over Expenditures	19,450	(17,856)	3,062	20,918
Cash Balance Beginning of Year	<u>18,106</u>	<u>18,106</u>	<u>18,106</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 37,556</u>	<u>\$ 250</u>	<u>\$ 21,168</u>	<u>\$ 20,918</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,062	
Net Changes in Accounts Receivable			759	
Net Changes in Meter Deposits			837,306	
Net Changes in Buildings & Improvements			(300)	
Depreciation			(58,317)	
Change in Net Assets			<u>\$ 782,510</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 TOWN OF ELIDA

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 TOWN OF ELIDA (Town), as of and for the year ended June 30, 2009, and have issued our report thereon dated November 30, 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 Town'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 Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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 Town's financial statements that is more than inconsequential will not be prevented or detected by the Town'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 Town'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 Town'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 the audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

November 30, 2009

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

Prior Year Audit Findings

2007-1 Collateral Securities Not in Compliance
2006-2 Budget Variances

Status
Resolved
Resolved

Current Year Audit Findings

There are no current year Findings.

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 November 30, 2009. In attendance were Durward Dixon-Mayor, Sandra Monks-Clerk/Treasurer and De'Aun Willoughby, CPA.