

**STATE OF NEW MEXICO
VILLAGE OF ENCINO**

**Independent Accountants' Report on
Applying Tier 5 Agreed-Upon Procedures**

**For the Year Ended
June 30, 2016**

James L. Hartogenesis, CPA LLC

Certified Public Accountant

**STATE OF NEW MEXICO
VILLAGE OF ENCINO
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YEAR ENDED JUNE 30, 2016**

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STATE OF NEW MEXICO
VILLAGE OF ENCINO
OFFICIAL ROSTER
JUNE 30, 2016

Name	Title
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Village Council

Boyd Herrington	Mayor
William Murphy	Mayor Pro-Tem
Ernie Garcia	Councilor
Victor Gallegos	Councilor
Michael Alarid	Councilor

Staff

Loretta Chavez	Clerk/Treasurer
Alysha Garcia	Deputy Clerk
Martha Phillips	Maintenance

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Boyd Herrington, Mayor
Village of Encino
and
Honorable Timothy M. Keller
New Mexico State Auditor
Santa Fe, New Mexico

I have performed the procedures enumerated below which were agreed to by State of New Mexico Village of Encino (Village) and the New Mexico State Auditor (the specified parties), solely to assist users in evaluating the Village's financial reporting relating to its Cash, Capital Assets, Revenues, Expenditures, Journal Entries, Budget, and Capital Outlay information and its compliance with Section 12-6-3 NMSA 1978 and Section 2.2.2.16 NMAC, as of and for the year ended June 30, 2016. The Village is responsible for its financial reporting as described above. 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 the report. Consequently, I 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.

In accordance with Tier 5 of the Audit Act – Section 12-6-3 B (5) NMSA 1978 and Section 2.2.2.16 NMAC, my procedures and associated findings are as follows:

1. CASH

Procedures

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. For purposes of performing my procedures "timely" means completion of the bank reconciliations within one month after the last day of the reporting month and "complete" means that statements for bank and investment accounts are all accounted for by the Village.

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 Department of Finance & Administration - Local Government Division (DFA-LGD). For purposes of performing my procedures "accuracy" means that reconciling items agree to deposit slips and subsequent bank or investment statements, and the reconciliations are mathematically correct.

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.

Results of Procedures

Bank accounts were complete and reconciled timely. 2 of 12 reconciliations were tested for accuracy and traced to the general ledger without exception. Financial reports were submitted to DFA without exception. 2 of 12 months were tested for uninsured bank balances. As of March 31, 2016, the Village had \$47,571 of uninsured deposits. The financial institution did not provide pledged collateral as required by state statute. See finding 2016-001.

2. CAPITAL ASSETS

Procedure

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

Results of Procedure

The Village performed their annual capital asset inventory without exception.

3. REVENUE

Procedures

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 revenues based on accountant's judgment and test 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.

Results of Procedures

Revenue was analytically tested and there were variances in tax distributions from expected and budgeted amounts. The receipts sample size was expanded accordingly. 40 receipts were tested and were determined to be properly recorded as to amount, classification and period.

4. EXPENDITURES

Procedures

Select a sample of cash disbursements based on accountant's judgment and test 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 cancelled 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 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

Results of Procedures

40 disbursements were tested. Disbursements tested were accurate as to amount, payee, date and description, were properly authorized, and were in compliance with the budget, procurement code, and the Per Diem and Mileage Act, where applicable. No exceptions were noted.

5. JOURNAL ENTRIES

Procedures

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.

Results of Procedures

Journal entries are reviewed and approved in accordance with Village policies. No exceptions were noted.

6. BUDGET

Procedures

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.

Results of Procedures

The budget and budget amendment were reviewed and determined to be properly authorized by the Village Council and certified by DFA-LGD. Expenditures were less than budgeted amounts for all funds at the fund level, which is the legal level of budgetary control. The Schedule of Revenues and Expenditures - Budget and Actual (Cash Basis) for all funds are presented on pages 10 through 13 of this report.

7. CAPITAL OUTLAY APPROPRIATIONS

Procedures

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 and perform the following:

Test all capital outlay expenditures during the fiscal year to:

Procedure

- 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.

Results of Procedure

100% of capital outlay disbursements were tested. For all disbursements that were tested, the amount recorded as disbursed agreed to adequate supporting documentation, and the amount, payee, date and description agreed to the purchase order, contract, vendor's invoice and canceled check, where applicable.

Procedure

b) Determine that the cash disbursements were properly authorized and approved in accordance with the budget, legal requirements and established policies and procedures.

Results of Procedure

Disbursements were properly authorized in accordance with the budget, legal requirements and established policies and procedures.

Procedure

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).

Results of Procedure

One procurement was performed for both capital outlay awards. It was noted that the contractor was selected in compliance with the New Mexico Procurement Code and State Purchasing Regulations.

Procedure

d) Determine the physical existence (by observation) of the capital asset based on expenditures to date.

Results of Procedure

The project was for installation of water lines, therefore observation of the physical asset was not possible. Plans prepared by the project engineer were reviewed and determined to be in accordance with the capital outlay awards.

Procedure

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.

Results of Procedure

Monthly status reports were submitted monthly through the state Capital Project Monitoring System (CPMS), no exceptions were noted.

Procedure

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.

Results of Procedure

The project was not funded in advance, therefore this step is not applicable.

Procedure

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.

Results of Procedure

The project was completed and fully expended during the fiscal year, therefore this step is not applicable.

Procedure

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.

Results of Procedure

Separate general ledger accounts, as required by the grant agreement, were used. No exceptions were noted.

Procedure

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.

Results of Procedure

100% of reimbursement requests submitted during the fiscal year were tested. All requests were properly supported by vendor invoices that were paid by the Village prior to requesting reimbursement.

8. OTHER

Procedure

a) 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.

Results of Procedures

Nothing else was noted that is required to be disclosed.

I was not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the Village's financial reporting to the State Auditor as described above. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of State of New Mexico Village of Encino, New Mexico Office of the State Auditor, the New Mexico Legislature, and the New Mexico Department of Finance and Administration and is not intended to be and should not be used by anyone other than those specified parties.

James L. Hartogensis, CPA LLC

Albuquerque, New Mexico
August 4, 2016

**SCHEDULE OF
CAPITAL PROJECTS**

STATE OF NEW MEXICO
VILLAGE OF ENCINO
 SCHEDULE OF CAPITAL PROJECTS
 YEAR ENDED JUNE 30, 2016

<u>Project Number</u>	<u>Project Name</u>	<u>Amount Awarded</u>	<u>Amount Received</u>	<u>Amount Expended</u>	<u>Remaining Balance</u>	<u>Legislation/ Effective Dates</u>
13-1516-STB	Encino Water System Improvements	\$ 60,000	\$ 60,000	\$ 60,000	\$ -	Laws of 2013, Ch. 226/Sec. 23 7/1/2013 - 6/30/2017
14-1716-STB	Encino Water System Improvements	45,000	45,000	45,000	-	Laws of 2014, Ch. 66/Sec. 16 7/1/2014 - 6/30/2018
15-0563-STB	Encino Water System Improvements	10,000	-	-	10,000	Laws of 2015, Ch. 3, Sec. 20 7/1/2015 - 6/30/2019

**SCHEDULES OF REVENUES &
EXPENDITURES - BUDGET AND
ACTUAL (CASH BASIS)**

STATE OF NEW MEXICO
VILLAGE OF ENCINO
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (CASH BASIS)
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES:				
Taxes:				
Property tax - current year	\$ 1,750	\$ 2,011	\$ 2,011	\$ -
Property tax - delinquent	-	28	28	-
Gross receipts - Local Option	8,549	13,770	13,770	-
Gross Receipts - Environment	620	872	872	-
Intergovernmental - State Shared				
Gross receipts	10,731	17,287	17,287	-
Gas tax (2 cent)	8,020	23,343	23,343	-
Motor vehicle	484	632	632	-
Grants - state capital outlay	10,000	10,000	-	(10,000)
Small Cities Assistance	90,000	90,000	90,000	-
Licenses and permits	45	45	45	-
Charges for services	950	1,561	1,561	-
Miscellaneous	4,620	3,178	3,178	-
Total Revenues	<u>135,769</u>	<u>162,727</u>	<u>152,727</u>	<u>(10,000)</u>
EXPENDITURES:				
Executive - legislative	1,560	1,560	1,460	100
Elections	1,400	1,643	1,643	-
Infrastructure	94,770	94,770	84,770	10,000
Finance & administration	105,700	105,600	105,528	72
Highways & streets	8,075	8,075	7,903	172
Other - miscellaneous	2,100	1,957	1,795	162
Total expenditures	<u>213,605</u>	<u>213,605</u>	<u>203,099</u>	<u>10,506</u>
Net change in fund balance	(77,836)	(50,878)	(50,372)	506
Fund balance, beginning of year	<u>129,808</u>	<u>129,808</u>	<u>129,808</u>	<u>-</u>
Fund balance, end of year	<u>\$ 51,972</u>	<u>\$ 78,930</u>	<u>\$ 79,436</u>	<u>\$ 506</u>
Prior year cash available to balance the budget	<u>\$ 77,836</u>	<u>\$ 50,878</u>		

STATE OF NEW MEXICO
VILLAGE OF ENCINO
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (CASH BASIS)
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2016

<u>EMS FUND</u>	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES:				
State EMS grant	\$ 5,250	\$ 5,250	\$ 5,055	\$ (195)
Miscellaneous	-	-	-	-
Total Revenues	<u>5,250</u>	<u>5,250</u>	<u>5,055</u>	<u>(195)</u>
EXPENDITURES:				
EMS expenses	<u>5,850</u>	<u>7,046</u>	<u>7,046</u>	<u>-</u>
Net change in fund balance	(600)	(1,796)	(1,991)	(195)
Fund balance, beginning of year	<u>2,131</u>	<u>2,131</u>	<u>2,131</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,531</u>	<u>\$ 335</u>	<u>\$ 140</u>	<u>\$ (195)</u>
Prior year cash available to balance the budget	<u>\$ 600</u>	<u>\$ 1,796</u>		

<u>FIRE PROTECTION FUND</u>	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES:				
State Fire Marshall allotment	\$ 39,058	\$ 39,058	\$ 49,309	\$ 10,251
Miscellaneous	<u>577</u>	<u>577</u>	<u>-</u>	<u>(577)</u>
Total Revenues	<u>39,635</u>	<u>39,635</u>	<u>49,309</u>	<u>9,674</u>
EXPENDITURES:				
Fire protection	<u>60,450</u>	<u>60,450</u>	<u>44,024</u>	<u>16,426</u>
Net change in fund balance	(20,815)	(20,815)	5,285	26,100
Fund balance, beginning of year	<u>107,648</u>	<u>107,648</u>	<u>107,648</u>	<u>-</u>
Fund balance, end of year	<u>\$ 86,833</u>	<u>\$ 86,833</u>	<u>\$ 112,933</u>	<u>\$ 26,100</u>
Prior year cash available to balance the budget	<u>\$ 20,815</u>	<u>\$ 20,815</u>		

STATE OF NEW MEXICO
VILLAGE OF ENCINO
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (CASH BASIS)
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2016

<u>WATER FUND</u>	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES:				
Charges for services	\$ 20,461	\$ 20,461	\$ 20,032	\$ (429)
EXPENDITURES:				
Water fund	19,334	19,334	18,997	337
Net change in fund balance	1,127	1,127	1,035	(92)
Fund balance, beginning of year	2,137	2,137	2,137	-
Fund balance, end of year	\$ 3,264	\$ 3,264	\$ 3,172	\$ (92)

<u>SOLID WASTE FUND</u>	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES:				
Charges for services	\$ 6,950	\$ 7,531	\$ 7,531	\$ -
EXPENDITURES:				
Solid Waste fund	6,310	7,508	7,508	-
Net change in fund balance	640	23	23	-
Fund balance, beginning of year	1,936	1,936	1,936	-
Fund balance, end of year	\$ 2,576	\$ 1,959	\$ 1,959	\$ -

STATE OF NEW MEXICO
VILLAGE OF ENCINO
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (CASH BASIS)
TRUST/AGENCY FUND
YEAR ENDED JUNE 30, 2016

<u>METER FUND</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES:				
Miscellaneous	<u>\$ 260</u>	<u>\$ 260</u>	<u>\$ 40</u>	<u>\$ (220)</u>
EXPENDITURES:				
Miscellaneous	<u>180</u>	<u>180</u>	<u>-</u>	<u>180</u>
Net change in fund balance	80	80	40	(40)
Fund balance, beginning of year	<u>2,626</u>	<u>2,626</u>	<u>2,626</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 2,706</u></u>	<u><u>\$ 2,706</u></u>	<u><u>\$ 2,666</u></u>	<u><u>\$ (40)</u></u>

YEAR-END FINANCIAL REPORT

SUBMITTED TO DFA

STATE OF NEW MEXICO
VILLAGE OF ENCINO
YEAR-END FINANCIAL REPORT SUBMITTED TO DFA
YEAR ENDED JUNE 30, 2016

MUNICIPALITY: Encino

Period Ending: 06-30-2016

Prepared By: Loretta Chavez

DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION

*SUBMIT TO LOCAL GOVERNMENT DIVISION NO LATER THAN 30 DAYS
AFTER THE CLOSE OF EACH QUARTER.*

I HEREBY CERTIFY THAT THE CONTENTS IN THIS REPORT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND THAT THIS REPORT DEPICTS ALL FUNDS:

Loretta Chavez

07-05-16

Signature

Date

YEAR-TO-DATE TRANSACTIONS

Fund #	FUND NAME	BEGINNING	REVENUES TO DATE (2)	TRANSFERS TO DATE (3)	EXPENDITURES TO DATE (4)	ADJUSTMENTS (5)	QTR ENDING	INVESTMENTS (7)	CASH +	REQUIRED RESERVES (9)	AVAILABLE
		CASH BALANCE CURRENT FY (1)					CASH BALANCE (1)+(2)-(3)+(4)+(5) (6)		INVESTMENTS (8)		CASH (8) - (9)
101	GENERAL FUND (GF)	\$130,176	152,728	0	118,330	0	\$164,574	0	\$164,574	9,861	\$154,714
201	CORRECTION	\$0	0	0	0	0	\$0	0	\$0		\$0
202	ENVIRONMENTAL GRT	\$0	0	0	0	0	\$0	0	\$0		\$0
206	EMS	\$2,132	5,055	0	7,046	0	\$141	0	\$141		\$141
207	ENHANCED 911	\$0	0	0	0	0	\$0	0	\$0		\$0
209	FIRE PROTECTION FUND	\$107,648	49,309	0	44,024	0	\$112,933	0	\$112,933		\$112,933
211	LEPF	\$0	0	0	0	0	\$0	0	\$0		\$0
214	LODGERS' TAX	\$0	0	0	0	0	\$0	0	\$0		\$0
216	MUNICIPAL STREET	\$0	0	0	0	0	\$0	0	\$0		\$0
217	RECREATION	\$0	0	0	0	0	\$0	0	\$0		\$0
218	INTERGOVERNMENTAL GRANTS	\$0	0	0	0	0	\$0	0	\$0		\$0
219	SENIOR CITIZEN	\$0	0	0	0	0	\$0	0	\$0		\$0
223	DWI PROGRAM	\$0	0	0	0	0	\$0	0	\$0		\$0
299	OTHER	\$0	0	0	0	0	\$0	0	\$0		\$0
300	CAPITAL PROJECT FUNDS	\$84,770	0	0	84,770	0	\$0	0	\$0		\$0
401	G. O. BONDS	\$0	0	0	0	0	\$0	0	\$0		\$0
402	REVENUE BONDS	\$0	0	0	0	0	\$0	0	\$0		\$0
403	DEBT SERVICE OTHER	\$0	0	0	0	0	\$0	0	\$0		\$0
500	ENTERPRISE FUNDS										
	Water Fund	\$2,137	20,032	0	18,997	0	\$3,172	0	\$3,172		\$3,172
	Solid Waste	\$1,937	7,531	0	7,508	0	\$1,960	0	\$1,960		\$1,960
	Waste Water	\$0	0	0	0	0	\$0	0	\$0		\$0
	Airport	\$0	0	0	0	0	\$0	0	\$0		\$0
	Ambulance	\$0	0	0	0	0	\$0	0	\$0		\$0
	Cemetery	\$0	0	0	0	0	\$0	0	\$0		\$0
	Housing	\$0	0	0	0	0	\$0	0	\$0		\$0
	Parking	\$0	0	0	0	0	\$0	0	\$0		\$0
	Other Enterprise (enter fund name)	\$0	0	0	0	0	\$0	0	\$0		\$0
	Other Enterprise (enter fund name)	\$0	0	0	0	0	\$0	0	\$0		\$0
	Other Enterprise (enter fund name)	\$0	0	0	0	0	\$0	0	\$0		\$0
	Other Enterprise (enter fund name)	\$0	0	0	0	0	\$0	0	\$0		\$0
600	INTERNAL SERVICE FUNDS	\$0	0	0	0	0	\$0	0	\$0		\$0
700	TRUST AND AGENCY FUNDS	\$2,626	40	0	0	0	\$2,666	0	\$2,666		\$2,666
GRAND TOTAL		\$331,426	\$234,695	\$0	\$280,675	\$0	\$285,446	\$0	\$285,446	\$9,861	\$275,585

STATE OF NEW MEXICO
VILLAGE OF ENCINO
YEAR-END FINANCIAL REPORT SUBMITTED TO DFA
YEAR ENDED JUNE 30, 2016

MUNICIPALITY: Encino
Period Ending: 06-30-2016

GENERAL FUND - MUNICIPALITY

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMBRANCES Y-T-D	Variance With Adjusted Budget Positive (Negative)	
	Approved Budget	Budget Adjustments	Adjusted Budget			\$	%
REVENUES							
Taxes:							
Property Tax - Current Year	\$1,750	\$261	\$2,011	\$2,011		\$0	100.00%
Property Tax - Delinquent	\$0	\$28	\$28	\$28		\$0	100.00%
Property Tax - Penalty & Interest	\$0	\$0	\$0	\$0		\$0	n/a
Oil and Gas - Equipment	\$0	\$0	\$0	\$0		\$0	n/a
Oil and Gas - Production	\$0	\$0	\$0	\$0		\$0	n/a
Franchise Fees	\$0	\$0	\$0	\$0		\$0	n/a
Gross receipts - Local Option	\$8,549	\$5,221	\$13,770	\$13,770		\$0	100.00%
Gross Receipts - Infrastructure	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - Environment	\$620	\$252	\$872	\$872		\$0	100.00%
Gross Receipts - Other Dedication	\$0	\$0	\$0	\$0		\$0	n/a
Intergovernmental -State Shared:							
Gross receipts	\$10,731	\$6,556	\$17,287	\$17,287		\$0	100.00%
Cigarette Tax	\$0	\$0	\$0	\$0		\$0	n/a
Gas Tax [1 cent]	\$0	\$0	\$0	\$0		\$0	n/a
Gas Tax [2 cent]	\$8,020	\$15,323	\$23,343	\$23,343		\$0	100.00%
Motor Vehicle	\$484	\$148	\$632	\$632		\$0	100.00%
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Local	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriations	\$0	\$0	\$0	\$0		\$0	n/a
Small Counties Assistance	\$90,000	\$0	\$90,000	\$90,000		\$0	100.00%
Licenses and Permits	\$45	\$0	\$45	\$45		\$0	100.00%
Charges for Services	\$950	\$611	\$1,561	\$1,561		\$0	100.00%
Fines and Forfeits	\$0	\$0	\$0	\$0		\$0	n/a
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Miscellaneous	\$4,620	(\$1,442)	\$3,178	\$3,178		\$0	100.00%
TOTAL GENERAL FUND REVENUES	\$125,769	\$26,959	\$152,728	\$152,728		\$0	100.00%
EXPENDITURES							
Executive-Legislative	\$1,560	\$0	\$1,560	\$1,460	\$0	\$100	93.59%
Judicial	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Elections	\$1,400	\$243	\$1,643	\$1,643	\$0	\$0	100.00%
Finance & Administration	\$105,700	(\$100)	\$105,600	\$105,528	\$0	\$72	99.93%
Public Safety	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Highways & Streets	\$8,075	\$0	\$8,075	\$7,903	\$0	\$172	97.87%
Senior Citizens	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Sanitation	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Health and Welfare	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Culture and Recreation	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Economic Development & Housing	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Airport	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Other - Miscellaneous	\$2,100	(\$143)	\$1,957	\$1,795	\$0	\$162	91.73%
TOTAL GENERAL FUND EXPENDITURES	\$118,835	\$0	\$118,835	\$118,330	\$0	\$505	99.57%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL - OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$34,398			

STATE OF NEW MEXICO
VILLAGE OF ENCINO
YEAR-END FINANCIAL REPORT SUBMITTED TO DFA
YEAR ENDED JUNE 30, 2016

MUNICIPALITY: Encino
Period Ending: 06-30-2016

SPECIAL REVENUES - MUNICIPALITY - QUARTERLY REPORT

SPECIAL REVENUES - RESOURCES	Fund	BUDGET			ACTUALS		Encumbrances (expend line only)	Budget Balance	Budget Variance %
		Approved Budget	Resolutions Adj. Budget	Adjusted Budget	Year to Date Total				
CORRECTIONS	201								
REVENUES									
Correction Fees	201	0	0	0	0		0	n/a	
Miscellaneous	201	0	0	0	0		0	n/a	
TOTAL Revenues		0	0	0	0		0	n/a	
EXPENDITURES	201	0	0	0	0	0	0	n/a	
OTHER FINANCING SOURCES									
Transfers In	201	0	0	0	0		0	n/a	
Transfers (Out)	201	0	0	0	0		0	n/a	
TOTAL - OTHER FINANCING SOURCES		0	0	0	0		0	n/a	
Excess (deficiency) of revenues over expenses	201				0				
ENVIRONMENTAL	202								
REVENUES									
GRT - Environmental	202	0	0	0	0		0	n/a	
Miscellaneous	202	0	0	0	0		0	n/a	
TOTAL Revenues		0	0	0	0		0	n/a	
EXPENDITURES	202	0	0	0	0	0	0	n/a	
OTHER FINANCING SOURCES									
Transfers In	202	0	0	0	0		0	n/a	
Transfers (Out)	202	0	0	0	0		0	n/a	
TOTAL - OTHER FINANCING SOURCES		0	0	0	0		0	n/a	
Excess (deficiency) of revenues over expenses	202				0				
EMS	206								
REVENUES									
State EMS Grant	206	5,250	0	5,250	5,055		(195)	96.29%	
Miscellaneous	206	0	0	0	0		0	n/a	
TOTAL Revenues		5,250	0	5,250	5,055		(195)	96.29%	
EXPENDITURES	206	5,850	1,196	7,046	7,046	0	0	100.00%	
OTHER FINANCING SOURCES									
Transfers In	206	0	0	0	0		0	n/a	
Transfers (Out)	206	0	0	0	0		0	n/a	
TOTAL - OTHER FINANCING SOURCES		0	0	0	0		0	n/a	
Excess (deficiency) of revenues over expenses	206				(1,991)				
E911	207								
REVENUES									
State-E-911 Enhancement	207	0	0	0	0		0	n/a	
Network & Data Base Grant	207	0	0	0	0		0	n/a	
Miscellaneous	207	0	0	0	0		0	n/a	
TOTAL Revenues		0	0	0	0		0	n/a	
EXPENDITURES	207	0	0	0	0	0	0	n/a	
OTHER FINANCING SOURCES									
Transfers In	207	0	0	0	0		0	n/a	
Transfers (Out)	207	0	0	0	0		0	n/a	
TOTAL - OTHER FINANCING SOURCES		0	0	0	0		0	n/a	
Excess (deficiency) of revenues over expenses	207				0				
FIRE PROTECTION	209								
REVENUES									
State - Fire Marshall Allotment	209	39,058	0	39,058	49,309		10,251	126.25%	
Miscellaneous	209	577	0	577	0		(577)	0.00%	
TOTAL Revenues		39,635	0	39,635	49,309		9,674	124.41%	
EXPENDITURES	209	60,450	0	60,450	44,024	0	16,426	72.83%	
OTHER FINANCING SOURCES									
Transfers In	209	0	0	0	0		0	n/a	
Transfers (Out)	209	0	0	0	0		0	n/a	
TOTAL - OTHER FINANCING SOURCES		0	0	0	0		0	n/a	
Excess (deficiency) of revenues over expenses	209				5,285				

STATE OF NEW MEXICO
VILLAGE OF ENCINO
YEAR-END FINANCIAL REPORT SUBMITTED TO DFA
YEAR ENDED JUNE 30, 2016

CAPITAL PROJECTS

MUNICIPALITY: Encino
Period Ending: 06-30-2016

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMBRANCES Y-T-D	Variance With Adjusted Budget Positive (Negative)	
	Approved Budget	Budget Adjustments	Adjusted Budget			\$	%
REVENUES							
GRT- Dedication	\$0	\$0	\$0	\$0		\$0	n/a
GRT- Infrastructure	\$0	\$0	\$0	\$0		\$0	n/a
Bond Proceeds	\$0	\$0	\$0	\$0		\$0	n/a
State Grants	\$0	\$0	\$0	\$0		\$0	n/a
CDBG funding	\$0	\$0	\$0	\$0		\$0	n/a
State Grants	\$0	\$0	\$0	\$0		\$0	n/a
Federal Grants (other)	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriations	\$10,000	\$0	\$10,000	\$0		(\$10,000)	0.00%
Investment Income	\$0	\$0	\$0	\$0		\$0	n/a
Miscellaneous	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL CAPITAL PROJECTS REVENUES	\$10,000	\$0	\$10,000	\$0		(\$10,000)	0.00%
EXPENDITURES							
Parks/Recreation	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Housing	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Equipment & Buildings	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Facilities	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Transit	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Utilities	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Airports	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Infrastructure	\$94,770	\$0	\$94,770	\$84,770	\$0	\$10,000	89.45%
Debt Service Payments (P&I)-GO Bonds	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Debt Service Payments (P&I)-Rev. Bonds	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Other	\$0	\$0	\$0	\$0	\$0	\$0	n/a
TOTAL CAPITAL PROJECTS EXPENDITURE	\$94,770	\$0	\$94,770	\$84,770	\$0	\$10,000	89.45%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL - OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				(\$84,770)			

STATE OF NEW MEXICO
VILLAGE OF ENCINO
YEAR-END FINANCIAL REPORT SUBMITTED TO DFA
YEAR ENDED JUNE 30, 2016

MUNICIPALITY: Encino
Period Ending: 06-30-2016

ENTERPRISE FUNDS

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMBRANCES Y-T-D	Variance With Adjusted Budget Positive (Negative)	
	Approved Budget	Budget Adjustments	Adjusted Budget			\$	%
REVENUES							
Water Fund							
Charges for Services	\$20,461	\$0	\$20,461	\$20,032		(\$429)	97.90%
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - dedicated	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriation	\$0	\$0	\$0	\$0		\$0	n/a
Other	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL REVENUES - Water Fund	\$20,461	\$0	\$20,461	\$20,032		(\$429)	97.90%
EXPENDITURES							
Water Fund	\$19,334		\$19,334	\$18,997	\$0	\$337	98.26%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL-OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$1,035			
REVENUES							
Solid Waste							
Charges for Services	\$6,950	\$581	\$7,531	\$7,531		\$0	100.00%
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - dedicated	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriation	\$0	\$0	\$0	\$0		\$0	n/a
Other	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL REVENUES - Solid Waste Fund	\$6,950	\$581	\$7,531	\$7,531		\$0	100.00%
EXPENDITURES							
Solid Waste	\$6,310	\$1,198	\$7,508	\$7,508	\$0	\$0	100.00%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL-OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$24			

STATE OF NEW MEXICO
VILLAGE OF ENCINO
YEAR-END FINANCIAL REPORT SUBMITTED TO DFA
YEAR ENDED JUNE 30, 2016

MUNICIPALITY: Encino
Period Ending: 06-30-2016

INTERNAL SERVICE / TRUST & AGENCY FUNDS

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMBRANCES Y-T-D	Variance With Adjusted Budget	
	Approved Budget	Budget Adjustments	Adjusted Budget			Positive (Negative)	
						\$	%
INTERNAL SERVICE FUNDS [600]							
REVENUES							
Charges for Services	\$0	\$0	\$0	\$0		\$0	n/a
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Miscellaneous revenues	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL REVENUES	\$0	\$0	\$0	\$0		\$0	n/a
EXPENDITURES							
Operating Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	n/a
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0	#REF!
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL - OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$0			
TRUST AND AGENCY FUNDS [700]							
REVENUES							
Investments	\$0	\$0	\$0	\$0		\$0	n/a
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Tax Revenues	\$0	\$0	\$0	\$0		\$0	n/a
Miscellaneous revenues	\$260	\$0	\$260	\$40		(\$220)	15.38%
TOTAL REVENUES	\$260	\$0	\$260	\$40		(\$220)	15.38%
EXPENDITURES							
General Government/Benefits	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Miscellaneous	\$180	\$0	\$180	\$0	\$0	\$180	0.00%
TOTAL EXPENDITURES	\$180	\$0	\$180	\$0	\$0	\$180	0.00%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL - OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$40			

STATE OF NEW MEXICO
VILLAGE OF ENCINO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2016

1. Current Year Findings

2016-001 - Lack of Pledged Collateral for Uninsured Bank Balances (Other Noncompliance)

Condition: The Village had an uninsured bank balance of \$47,571 at March 31, 2016.

Criteria: Section 6-10-17 NMSA 1978 requires banks to pledge collateral equal to 50% of uninsured government bank balances. The Federal Deposit Insurance Corporation insured bank balances for \$100,000 until October 3, 2008, when it was raised to \$250,000.

Cause: The Village and its financial institution were unaware of statutory requirements related to uninsured bank balances.

Effect: The Village was exposed to increased risk as a result of deposits exceeding insured amounts.

Recommendation: I recommend the Village become knowledgeable about state law regarding public monies and adopt a banking policy as part of its overall risk management policies. The policy should include a requirement that financial institutions pledge collateral equal to at least 50% of any uninsured deposits.

Management's Response: Funds will immediately be transferred to Savings Account and/or CDs by the Village Clerk/Treasurer, to insure funds do not exceed \$250,000.

STATE OF NEW MEXICO
VILLAGE OF ENCINO
STATUS OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2016

<u>Finding</u>	<u>Status</u>
2015-001 Lack of Internal Controls Over Fuel	Resolved
2015-002 Village Vehicles - Lack of Internal Controls and Noncompliance	Resolved

STATE OF NEW MEXICO
VILLAGE OF ENCINO
EXIT CONFERENCE
YEAR ENDED JUNE 30, 2016

The report contents were discussed at an exit conference held on July 28, 2016 with the following in attendance:

Village of Encino

Boyd Herrington	Mayor
Loretta Chavez	Clerk/Treasurer
Alysha Garcia	Deputy Clerk

James L. Hartogenesis, CPA LLC

James Hartogenesis, CPA, CGFM	Principal
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