

**STATE OF NEW MEXICO
VILLAGE OF FORT SUMNER**

**FINANCIAL STATEMENTS AND REQUIRED
SUPPLEMENTARY INFORMATION
WITH ACCOMPANYING AUDITOR'S REPORTS**

YEAR ENDED JUNE 30, 2010

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INTRODUCTORY SECTION

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STATE OF NEW MEXICO

Village of Fort Sumner

Official Roster

June 30, 2010

<u>Name</u>	<u>List of Officials and Council</u>	<u>Title</u>
Juan Chavez		Mayor (through June 30, 2010)
Windell Bridges		Mayor Pro-Tem (Mayor since July 1, 2010)
Selestino Lovato		Councilman
Albert Seña		Councilman (Mayor Pro-Tem since July 1, 2010)
Esther Segura		Councilwoman
	<u>Administrative Official</u>	
Ron Seña		Village Clerk/Treasurer

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STATE OF NEW MEXICO
 Village of Fort Sumner
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 June 30, 2010

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STATE OF NEW MEXICO

Village of Fort Sumner

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Hector H. Balderas
New Mexico State Auditor
To the Honorable Mayor and Village Councilors
Village of Fort Sumner
Fort Sumner, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the budgetary comparisons for the general fund and the aggregate remaining fund information of the Village of Fort Sumner (the Village), as of and for the year ended June 30, 2010, which collectively comprise the Village's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Village's nonmajor governmental funds, and the budgetary comparison statements for the enterprise funds and the remaining 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, 2010, as listed in the table of contents. These financial statements are the responsibility of the Village of Fort Sumner'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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Fort Sumner as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison statement for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Village of Fort Sumner as of June 30, 2010, and the changes in financial position thereof and the respective budgetary comparisons for the enterprise funds and the remaining nonmajor governmental funds and 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 29, 2010 on our consideration of the Village of Fort Sumner's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Village of Fort Sumner has not presented the *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 part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Fort Sumner's basic financial statements, the combining and individual fund financial statements, and the budgetary comparison statements. The accompanying financial information listed as supporting Schedules I through IV in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Village of Fort Sumner. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and other opinion units listed above and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements and those additional opinion units, taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Certified Public Accountants
Clovis, New Mexico
November 29, 2010

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO

Village of Fort Sumner

Statement of Net Assets

June 30, 2010

	Primary Government			Component
	Governmental	Business-type	Total	Unit
	Activities	Activities		Housing
				Authority
ASSETS				
Cash and cash equivalents	\$ 953,511	\$ 465,124	\$ 1,418,635	\$ 13,204
Investments	119,793	94,917	214,710	141,697
Restricted cash - current tenant deposits	-	-	-	6,603
Receivables (net of allowance for uncollectibles)	129,721	113,901	243,622	1,094
Grant receivable	-	-	-	7,600
Inventories	-	-	-	296
Prepaid expenses	-	-	-	16,439
Other current assets	-	-	-	329
Capital assets (net of accumulated depreciation):				
Land	36,701	46,100	82,801	33,736
Infrastructure	2,501,854	-	2,501,854	-
Buildings and improvements	1,480,041	4,780,667	6,260,708	870,367
Machinery and equipment	739,709	168,803	908,512	13,853
Total assets	\$ 5,961,330	\$ 5,669,512	\$ 11,630,842	\$ 1,105,218

The accompanying notes are an integral part of these financial statements

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Housing Authority
LIABILITIES AND NET ASSETS				
Accounts payable and other current liabilities	\$ 58,001	\$ 24,618	\$ 82,619	\$ 24,389
Deferred revenue	-	1,130	1,130	-
Deposits held in trust for others	-	36,432	36,432	6,633
Noncurrent liabilities:				
Compensated absences				
Due in more than one year	17,160	13,824	30,984	1,946
Long-term debt				
Due within one year	22,815	56,970	79,785	-
Due in more than one year	177,812	863,747	1,041,559	-
Total liabilities	<u>275,788</u>	<u>996,721</u>	<u>1,272,509</u>	<u>32,968</u>
Invested in capital assets, net of related debt	4,557,678	4,074,853	8,632,531	917,956
Unrestricted net assets	<u>1,127,864</u>	<u>597,938</u>	<u>1,725,802</u>	<u>154,294</u>
Total net assets	<u>5,685,542</u>	<u>4,672,791</u>	<u>10,358,333</u>	<u>1,072,250</u>
Total liabilities and net assets	<u>\$ 5,961,330</u>	<u>\$ 5,669,512</u>	<u>\$ 11,630,842</u>	<u>\$ 1,105,218</u>

STATE OF NEW MEXICO
Village of Fort Sumner
Statement of Activities
For the year ended June 30, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 276,719	\$ 70,537	\$ 79,941	\$ -
Public safety	364,266	-	216,287	-
Public works	312,277	-	-	55,592
Health and welfare	143,133	87,382	87,564	-
Culture and recreation	208,598	10,025	9,107	32,623
Conservation and development	28,714	-	-	-
Total governmental activities	<u>1,333,707</u>	<u>167,944</u>	<u>392,899</u>	<u>88,215</u>
Business-type activities				
Sewer	202,494	131,186	-	137,697
Water	281,578	262,052	-	-
Airport	96,712	32,676	-	-
Ambulance	155,925	174,616	28,611	-
Total business-type activities	<u>736,709</u>	<u>600,530</u>	<u>28,611</u>	<u>137,697</u>
Total primary government	<u>\$ 2,070,416</u>	<u>\$ 768,474</u>	<u>\$ 421,510</u>	<u>\$ 225,912</u>
Component unit:				
Housing Authority	<u>\$ 247,934</u>	<u>\$ 76,008</u>	<u>\$ 157,380</u>	<u>\$ 68,988</u>

General Revenues:

Property taxes
Gross receipts taxes
Franchise taxes
Motor vehicle and fuel taxes
Cigarette taxes
Lodger's taxes
Grants and contributions not restricted
Miscellaneous
Unrestricted investment earnings
Loss on disposal of assets
Total general revenues
Change in net assets
Net assets - beginning of year
Restatement
Net assets - beginning of year, as restated
Net assets - end of year

The accompanying notes are an integral part of these financial statements

**Net (Expenses) Revenue and
Changes in Net Assets**

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Housing Authority
\$ (126,241)	\$ -	\$ (126,241)	\$ -
(147,979)	-	(147,979)	-
(256,685)	-	(256,685)	-
31,813	-	31,813	-
(156,843)	-	(156,843)	-
(28,714)	-	(28,714)	-
<u>(684,649)</u>	<u>-</u>	<u>(684,649)</u>	<u>-</u>
-	66,389	66,389	-
-	(19,526)	(19,526)	-
-	(64,036)	(64,036)	-
<u>-</u>	<u>47,302</u>	<u>47,302</u>	<u>-</u>
<u>-</u>	<u>30,129</u>	<u>30,129</u>	<u>-</u>
<u>-</u>	<u>30,129</u>	<u>(654,520)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>54,442</u>
17,931	-	17,931	-
513,994	-	513,994	-
16,841	-	16,841	-
32,510	-	32,510	-
4,991	-	4,991	-
23,719	-	23,719	-
4,335	-	4,335	-
119,693	7,532	127,225	4,771
11,224	1,644	12,868	1,541
<u>(82,261)</u>	<u>(1,508)</u>	<u>(83,769)</u>	<u>-</u>
<u>662,977</u>	<u>7,668</u>	<u>670,645</u>	<u>6,312</u>
<u>(21,672)</u>	<u>37,797</u>	<u>16,125</u>	<u>60,754</u>
5,698,141	4,625,251	10,323,392	1,011,496
9,073	9,743	18,816	-
<u>5,707,214</u>	<u>4,634,994</u>	<u>10,342,208</u>	<u>1,011,496</u>
<u>\$ 5,685,542</u>	<u>\$ 4,672,791</u>	<u>\$ 10,358,333</u>	<u>\$ 1,072,250</u>

STATE OF NEW MEXICO
Village of Fort Sumner
Balance Sheet
Governmental Funds
June 30, 2010

Exhibit B-1
(Page 1 of 2)

	General Fund	Other Governmental Funds	Total Governmental Funds
<i>Assets</i>			
Cash and cash equivalents	\$ 749,775	\$ 203,736	\$ 953,511
Investments	-	119,793	119,793
Receivables (net of allowance for uncollectible amounts):			
Taxes	101,146	28,575	129,721
<i>Total current assets</i>	850,921	352,104	1,203,025
 <i>Total assets</i>	 \$ 850,921	 \$ 352,104	 \$ 1,203,025
 <i>Liabilities and Fund Balance</i>			
<i>Current liabilities</i>			
Accounts payable	\$ 20,510	\$ 31,496	\$ 52,006
Accrued expenses	3,322	1,753	5,075
<i>Total current liabilities</i>	23,832	33,249	57,081
 <i>Fund balance</i>			
Unreserved:			
Undesignated - reported in:			
General fund	827,089	-	827,089
Special revenue funds	-	318,755	318,755
Capital projects fund	-	100	100
<i>Total fund balance</i>	827,089	318,855	1,145,944
 <i>Total liabilities and fund balance</i>	 \$ 850,921	 \$ 352,104	 \$ 1,203,025

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Village of Fort Sumner

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Assets

June 30, 2010

Exhibit B-1

(Page 2 of 2)

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

Fund balances - total governmental funds	\$ 1,145,944
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	4,758,305
Accrued interest	(920)
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	
Accrued compensated absences	(17,160)
Loans and notes payable	<u>(200,627)</u>
Net assets of governmental activities	<u>\$ 5,685,542</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2010

Exhibit B-2
(Page 1 of 2)

	General Fund	Other Governmental Funds	Total Governmental Funds
<i>Revenues:</i>			
Taxes			
Property taxes	\$ 17,931	\$ -	\$ 17,931
Gross receipts taxes	478,667	35,327	513,994
Franchise taxes	5,061	11,780	16,841
Motor vehicle and fuel taxes	6,456	26,054	32,510
Cigarette taxes	3,323	1,668	4,991
Lodger's taxes	-	23,719	23,719
Intergovernmental income			
Federal operating grants	-	21,760	21,760
State operating grants	88,123	356,123	444,246
State capital grants	34,711	55,592	90,303
Charges for services	18,205	22,969	41,174
Licenses and permits	52,172	566	52,738
Interest	7,251	3,973	11,224
Miscellaneous	52,301	72,652	124,953
<i>Total revenues</i>	764,201	632,183	1,396,384
<i>Expenditures:</i>			
Current:			
General government	237,648	48,944	286,592
Public safety	147,655	151,437	299,092
Public works	69,364	36,558	105,922
Culture and recreation	82,442	95,802	178,244
Public health and welfare	7,306	87,224	94,530
Economic development	13,015	15,700	28,715
Capital outlay	62,705	220,533	283,238
Debt service:			
Principal	-	22,246	22,246
Interest	-	6,093	6,093
<i>Total expenditures</i>	620,135	684,537	1,304,672
<i>Excess (deficiency) of revenues over expenditures</i>	144,066	(52,354)	91,712
<i>Other financing sources (uses):</i>			
Transfers in	-	-	-
Transfers (out)	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-
<i>Net change in fund balances</i>	144,066	(52,354)	91,712
<i>Fund balance - beginning of year</i>	683,023	362,136	1,045,159
Restatement	-	9,073	9,073
<i>Fund balance - beginning of year, as restated</i>	683,023	371,209	1,054,232
<i>Fund balance - end of year</i>	\$ 827,089	\$ 318,855	\$ 1,145,944

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Village of Fort Sumner

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
June 30, 2010

Exhibit B-2
(Page 2 of 2)

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

Net change in fund balances - total governmental funds \$ 91,712

Governmental funds report capital outlays as expenditures. However, in the
statement of activities the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense:

Capital expenditures	283,238
Depreciation expense	(331,878)
Loss on disposal of assets	(82,261)

Revenues in the statement of activities that do not provide current financial
resources are not reported as revenue in the funds:

Changes in deferred revenue related to grant receivables	(2,088)
--	---------

The issuance of long-term debt (e.g. bonds, notes, leases) provides current
financial resources to governmental funds, while the repayment of the
principal of long-term debt consumes the current financial resources of
governmental funds. Neither transaction, however, has any effect on
net assets:

Accrued liabilities change for the year	(921)
Compensated absences change for the year	(1,720)
Principal payments on notes payable	<u>22,246</u>

Change in net assets of governmental activities	<u><u>\$ (21,672)</u></u>
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STATE OF NEW MEXICO

Exhibit C-1

Village of Fort Sumner

General Fund

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Sales and miscellaneous taxes	\$ 415,499	\$ 503,403	\$ 512,646	\$ 9,243
Licenses and permits	35,000	35,000	52,172	17,172
Charges for services	16,000	16,000	18,205	2,205
State and county grants	167,788	167,788	125,914	(41,874)
Federal grants	-	-	-	-
Miscellaneous	15,050	15,050	30,054	15,004
Interest	9,000	9,000	7,251	(1,749)
<i>Total revenues</i>	<u>658,337</u>	<u>746,241</u>	<u>746,242</u>	<u>1</u>
<i>Expenditures:</i>				
Current:				
General government	250,488	256,717	241,179	15,538
Public safety	188,665	188,665	144,938	43,727
Public works	86,209	86,209	68,489	17,720
Culture and recreation	74,451	76,298	80,450	(4,152)
Health and welfare	7,000	7,000	7,291	(291)
Economic development	12,929	12,929	12,929	-
Capital outlay	66,264	66,264	61,196	5,068
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>686,006</u>	<u>694,082</u>	<u>616,472</u>	<u>77,610</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(27,669)</u>	<u>52,159</u>	<u>129,770</u>	<u>77,611</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	27,669	(52,159)	-	(52,159)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>27,669</u>	<u>(52,159)</u>	<u>-</u>	<u>(52,159)</u>
<i>Net change in fund balances</i>	-	-	129,770	129,770
<i>Fund balance - beginning of year</i>	-	-	620,005	620,005
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 749,775</u>	<u>\$ 749,775</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 129,770	
Adjustments to revenue for other receivables			17,959	
Adjustments to expenditures for accounts payable and accrued payroll expenses			(3,663)	
Net change in fund balance (GAAP)			<u>\$ 144,066</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Village of Fort Sumner

Proprietary Funds

Statement of Net Assets

June 30, 2010

Business-Type Activities-Enterprise Funds

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Airport Fund</u>	<u>Ambulance Fund</u>
<i>Assets</i>				
<i>Current assets:</i>				
Cash and cash equivalents	\$ 42,878	\$ 211,580	\$ 7,816	\$ 202,850
Investments	2,161	92,756	-	-
Accounts receivable (net of allowance for uncollectible amounts)	<u>17,579</u>	<u>44,798</u>	<u>-</u>	<u>51,524</u>
<i>Total current assets</i>	<u>62,618</u>	<u>349,134</u>	<u>7,816</u>	<u>254,374</u>
<i>Noncurrent assets:</i>				
<i>Capital assets</i>				
Land	15,600	28,700	1,800	-
Buildings and improvements	2,203,917	3,684,886	1,662,645	-
Machinery and equipment	170,943	92,212	43,659	57,698
Less: accumulated depreciation	<u>(1,052,638)</u>	<u>(1,508,393)</u>	<u>(348,213)</u>	<u>(57,246)</u>
<i>Total capital assets (net of accumulated depreciation)</i>	<u>1,337,822</u>	<u>2,297,405</u>	<u>1,359,891</u>	<u>452</u>
<i>Total assets</i>	<u>\$ 1,400,440</u>	<u>\$ 2,646,539</u>	<u>\$ 1,367,707</u>	<u>\$ 254,826</u>
<i>Liabilities and Net Assets</i>				
<i>Current liabilities</i>				
Accounts payable	\$ 4,442	\$ 4,491	\$ 164	\$ 996
Accrued expenses	1,961	10,389	443	1,732
Deferred revenue	-	1,130	-	-
Meter deposits payable	-	36,432	-	-
Current portion of long term debt	<u>5,000</u>	<u>51,970</u>	<u>-</u>	<u>-</u>
<i>Total current liabilities</i>	<u>11,403</u>	<u>104,412</u>	<u>607</u>	<u>2,728</u>
<i>Noncurrent liabilities</i>				
Long term debt - net of current portion	288,100	575,647	-	-
Compensated absences	<u>5,909</u>	<u>3,466</u>	<u>2,046</u>	<u>2,403</u>
<i>Total noncurrent liabilities</i>	<u>294,009</u>	<u>579,113</u>	<u>2,046</u>	<u>2,403</u>
<i>Net Assets</i>				
Invested in capital assets, net of related debt	1,044,722	1,669,788	1,359,891	452
Unrestricted	<u>50,306</u>	<u>293,226</u>	<u>5,163</u>	<u>249,243</u>
<i>Total net assets</i>	<u>1,095,028</u>	<u>1,963,014</u>	<u>1,365,054</u>	<u>249,695</u>
<i>Total liabilities and net assets</i>	<u>\$ 1,400,440</u>	<u>\$ 2,646,539</u>	<u>\$ 1,367,707</u>	<u>\$ 254,826</u>

The accompanying notes are an integral part of these financial statements

Total Enterprise
Funds

\$ 465,124
94,917

113,901

673,942

46,100
7,551,448
364,512

(2,966,490)

4,995,570

\$ 5,669,512

\$ 10,093
14,525
1,130
36,432

56,970

119,150

863,747
13,824

877,571

4,074,853
597,938

4,672,791

\$ 5,669,512

STATE OF NEW MEXICO
Village of Fort Sumner
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Year Ended June 30, 2010

Business-Type Activities-Enterprise Funds

	Sewer Fund	Water Fund	Airport Fund	Ambulance Fund
<i>Operating revenues:</i>				
Charges for services	\$ 131,186	\$ 262,052	\$ 32,676	\$ 174,616
Miscellaneous	-	7,532	-	-
<i>Total operating revenues</i>	<u>131,186</u>	<u>269,584</u>	<u>32,676</u>	<u>174,616</u>
<i>Operating expenses:</i>				
Current:				
Personnel services	54,481	102,730	33,288	110,833
Power and fuel	4,348	14,965	1,737	6,513
General insurance	-	6,000	2,175	-
Purchased Services	28,940	3,000	-	13,201
Other operating expenses	44,180	60,853	4,609	24,828
Depreciation	56,406	58,844	54,903	550
<i>Total operating expenses</i>	<u>188,355</u>	<u>246,392</u>	<u>96,712</u>	<u>155,925</u>
<i>Operating income (loss)</i>	<u>(57,169)</u>	<u>23,192</u>	<u>(64,036)</u>	<u>18,691</u>
<i>Nonoperating revenues (expenses):</i>				
State and county grants	137,697	-	-	28,611
Gain (loss) on sale of assets	(1,508)	-	-	-
Interest income	44	1,600	-	-
Interest expense	(14,139)	(35,186)	-	-
<i>Total nonoperating revenues (expenses)</i>	<u>122,094</u>	<u>(33,586)</u>	<u>-</u>	<u>28,611</u>
<i>Income (loss) before transfers</i>	<u>64,925</u>	<u>(10,394)</u>	<u>(64,036)</u>	<u>47,302</u>
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total transfers</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Change in net assets</i>	<u>64,925</u>	<u>(10,394)</u>	<u>(64,036)</u>	<u>47,302</u>
<i>Net assets - beginning of year</i>	1,030,103	1,963,665	1,429,090	202,393
Restatement	-	9,743	-	-
<i>Net assets - beginning of year as restated</i>	<u>1,030,103</u>	<u>1,973,408</u>	<u>1,429,090</u>	<u>202,393</u>
<i>Net assets - end of year</i>	<u>\$ 1,095,028</u>	<u>\$ 1,963,014</u>	<u>\$ 1,365,054</u>	<u>\$ 249,695</u>

The accompanying notes are an integral part of these financial statements

Total Enterprise
Funds

\$ 600,530
7,532
608,062

301,332
27,563
8,175
45,141
134,470
170,703
687,384

(79,322)

166,308
(1,508)
1,644
(49,325)

117,119

37,797

-
-
-

37,797

4,625,251
9,743

4,634,994

\$ 4,672,791

STATE OF NEW MEXICO
Village of Fort Sumner
Proprietary Funds
Statement of Cash Flows
Year Ended June 30, 2010

Exhibit D-3
(Page 1 of 2)

Business-Type Activities - Enterprise Funds

	Sewer Fund	Water Fund	Airport Fund	Ambulance Fund	Total
Cash flows from operating activities:					
Receipts from customers and users	\$ 227,025	\$ 260,767	\$ 38,454	\$ 183,007	\$ 709,253
Payments to suppliers	(170,397)	(80,788)	(8,486)	(44,945)	(304,616)
Payments to employees	(52,840)	(101,793)	(32,693)	(110,316)	(297,642)
Net cash provided (used) by operating activities	<u>3,788</u>	<u>78,186</u>	<u>(2,725)</u>	<u>27,746</u>	<u>106,995</u>
Cash flows from capital and related financing activities:					
Acquisitions and construction of capital assets	(114,763)	-	-	-	(114,763)
Principal paid on capital debt	(5,000)	(50,033)	-	-	(55,033)
Interest paid on capital debt	(14,139)	(35,186)	-	-	(49,325)
Intergovernmental	137,697	-	-	28,611	166,308
Net cash provided (used) by capital and related financing activities	<u>3,795</u>	<u>(85,219)</u>	<u>-</u>	<u>28,611</u>	<u>(52,813)</u>
Cash flows from investing activities:					
Interest income	44	1,600	-	-	1,644
Net cash provided (used) by investing activities	<u>44</u>	<u>1,600</u>	<u>-</u>	<u>-</u>	<u>1,644</u>
Net increase (decrease) in cash and temporary investments	<u>\$ 7,627</u>	<u>\$ (5,433)</u>	<u>\$ (2,725)</u>	<u>\$ 56,357</u>	<u>\$ 55,826</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Proprietary Funds
Statement of Cash Flows
Year Ended June 30, 2010

Exhibit D-3
(Page 2 of 2)

	Business-Type Activities - Enterprise Funds				
	Sewer Fund	Water Fund	Airport Fund	Ambulance Fund	Total
Net increase (decrease) in cash and temporary investments- from previous page	\$ 7,627	\$ (5,470)	\$ (2,725)	\$ 56,357	\$ 55,789
Cash and temporary investments- beginning of year	37,412	300,026	10,541	146,493	494,472
Restatement	-	9,743	-	-	9,743
Cash and temporary investments- beginning of year - as restated	37,412	309,769	10,541	146,493	504,215
Cash and temporary investments- end of year	\$ 45,039	\$ 304,299	\$ 7,816	\$ 202,850	\$ 560,004
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (57,169)	\$ 23,192	\$ (64,036)	\$ 18,691	\$ (79,322)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	56,406	58,844	54,903	550	170,703
(Increase) decrease in:					
Accounts receivable	95,839	(8,817)	5,778	8,391	101,191
(Decrease) increase in:					
Accounts payable	(92,929)	4,030	35	(403)	(89,267)
Accrued expenses	435	765	96	443	1,739
Compensated absences	1,206	172	499	74	1,951
Net cash provided (used) by operating activities	\$ 3,788	\$ 78,186	\$ (2,725)	\$ 27,746	\$ 106,995
Cash and temporary investments:					
Cash and cash equivalents	\$ 42,878	\$ 211,580	\$ 7,816	\$ 202,850	\$ 465,124
Investments	2,161	92,756	-	-	94,917
Total cash and temporary investments	\$ 45,039	\$ 304,336	\$ 7,816	\$ 202,850	\$ 560,041

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Statement of Fiduciary Assets and Liabilities
Agency Fund
June 30, 2010

Exhibit E-1

ASSETS

Current Assets

Cash and cash equivalents

\$ 1,065

Total Assets

\$ 1,065

LIABILITIES

Current Liabilities

Deposits held and due to others

\$ 1,065

Total Liabilities

\$ 1,065

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 1. Summary of Significant Accounting Policies

The Village of Fort Sumner (Village) is a municipal corporation operating under the applicable laws and regulations of the State of New Mexico. The Village operates under an elected Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police, emergency medical and fire), streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, water supply, and general government administrative services.

The Village is a body politic and corporate under the name and form of government selected by its qualified electors. The Village may:

1. Sue or be sued;
2. Enter into contracts and leases;
3. Acquire and hold property, both real and personal;
4. Have common seal, which may be altered at pleasure;
5. Exercise such privileges that are incident to corporations of like character or degree that are not inconsistent with the laws of New Mexico;
6. Protect generally the property of its municipality and its inhabitants;
7. Preserve peace and order with the municipality; and
8. Establish rates for services provided by the Village utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

This summary of significant accounting policies of the Village is presented to assist in the understanding of the Village's financial statements. The financial statements and notes are the representation of the Village's management who is responsible for their integrity and objectivity. The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Accounting Principles Board Opinions and Accounting Research Bulletins of the committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance in the government wide financial statements. The more significant of the Village's accounting policies are described below.

A. *Financial Reporting Entity*

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14 and No. 39. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity. The Village has one discretely presented component unit.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

A. *Financial Reporting Entity* (continued)

The Fort Sumner Housing Authority (Authority) has been determined to be a component unit of the Village that should be discretely presented in the Village's financial statements pursuant to the criteria described above. The Authority has issued their own separately stated financial statements. Additional information regarding the Authority may be obtained from their administrative office as follows: Fort Sumner Housing Authority, 165 E. Main Ave., Fort Sumner, NM 88119.

B. *Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity 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 Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

In the government-wide Statement of Net Assets, both the governmental and business-type activities (if applicable) columns (a) are presented on a consolidated basis by column, (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, if applicable, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. *Measurement focus, basis of accounting, and financial statement presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund, if applicable, financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements of time, reimbursement and contingencies imposed by the provider are met.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

C. *Measurement focus, basis of accounting, and financial statement presentation* (continued)

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

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

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

The government reports the following major governmental fund:

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

The government reports the following major enterprise funds:

The *Sewer Fund* accounts for the provision of sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including administration, operations, billing and maintenance.

The *Water Fund* accounts for the provision of water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including administration, operations, billing and maintenance.

The *Airport Fund* accounts for the operations of the Village airport. Financing is primarily provided through rental leases, fuel sales, and grant proceeds.

The *Ambulance Fund* accounts for the operations of the Village's ambulance service. Users of the service are billed for the services. Additional funding is through grants.

Additionally, the Village reports the following fund type(s):

The *Special Revenue Funds* account for resources restricted to, or designated for, specific purposes by the Village or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a Special Revenue Fund and sometimes unused balances must be returned to the grantor at the close of specified project periods.

The *Capital Projects Fund* accounts for the Community Development Block Grant to provide water improvements.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

C. *Measurement focus, basis of accounting, and financial statement presentation* (continued)

The *Enterprise Funds* account for the Village's activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities.

The *Fiduciary Fund* is purely custodial (assets equal liabilities) and does not involve the measurement of results of operations. The Village's fiduciary fund is used to account for the receipt and disbursement of the Motor Vehicle Department fees on behalf of the State of New Mexico.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Village's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Village's general revenues. Program revenues are categorized as 1) charges to customers or applicants for goods, services, or privileges provided, 2) program-specific operating grants and contributions, which includes revenues received from state and federal sources such as small cities assistance to be used as specified within each program grant agreement, and 3) program-specific capital grants and contributions, including special assessments, which include revenues from state sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The Village reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The Village does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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

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

D. *Assets, Liabilities and Net Assets or Equity*

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

State statutes authorize the Village to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the Village are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Receivables and Payables: Inter-fund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded as revenue when levied.

Property taxes are levied on November 1st based on the assessed value of property as listed on the previous January 1st and are due in two payments by November 10th and April 10th. Property taxes uncollected after May 10th are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

Inventories: Inventories in governmental funds consist of expendable supplies held for consumption, and are valued at cost using a first-in, first-out (FIFO) method. Expendable supplies are reported at cost, and expenditures are recorded at the time individual inventory items are purchased. Proprietary fund inventories are recorded at the lower of cost or market on a FIFO basis, and consist of operating supplies held for use in operations and are recorded as expenditures when consumed rather than when purchased.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and proprietary financial statements.

Restricted Assets: Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended.

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. State law sets a capitalization threshold of \$5,000 for acquisitions of property and equipment (12-10-10 NMSA 1978). Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. Donated capital assets are recorded at estimated fair market value at the date of donation. Information technology equipment, including software, is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5).

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the Village during the current fiscal year was \$55,418. No interest was included as part of the cost of capital assets under construction.

STATE OF NEW MEXICO
 Village of Fort Sumner
 Notes to Financial Statements
 June 30, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Building improvements	40-50
Infrastructure	20-30
Vehicles	5-7
Office equipment	5-20
Computer equipment	5
Library books	5
Machinery and equipment	5-10

Water rights owned by the Village are reviewed for impairment on an annual basis and the carrying value is adjusted accordingly.

Accrued Expenses: Accrued expenses consist of payroll, payroll taxes and interest expense accrued during the current fiscal period but not paid until after yearend.

Deferred Revenues: There are two types of deferred revenue. Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for deferred revenue (commonly referred to as unearned revenue). The other type of deferred revenue is “unavailable revenue.” Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. It must also be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be off-set by a corresponding liability for deferred revenue. Utility service prepayments in the Enterprise Funds are reported as deferred revenue until the earnings process is complete.

Compensated Absences: Qualified employees are entitled to certain compensated absences based on their employment classification and length of employment. The Village allows employees to accumulate unused sick leave up to a maximum of 240 hours. The Village does not allow for any sick leave to be converted to cash payouts. No employee receives a cash payout of their unused sick leave upon termination.

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Village. Accumulated unused vacation up to a maximum of 160 hours is payable upon termination from employment. The Village maintains vacation leave on a calendar basis.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net assets.

Long-term Obligations: In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. For bonds issued after GASB 34 was implemented, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Net Assets or Fund Equity: In the fund financial statements, governmental funds report reservations of fund balance that are not available for appropriations or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Equity Classifications

Government-wide Statements

Equity is classified as net assets and displayed in three components:

1. Invested in capital assets, net of related debt:
Net assets invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted Net Assets:
Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted Net Assets:
All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the Village’s financial statements consist of depreciation, estimated useful lives of capital assets and the allowance for doubtful accounts of ambulance receivables.

Reclassifications: Certain amounts included in the financial statements have been reclassified to conform to the current year presentation.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

The Village Charter establishes the Village’s fiscal year as the twelve-month period beginning July 1 and ending June 30. Prior to June 30 the Village submits to management a proposed operating budget of estimated revenues, expenditures, and transfers for the ensuing fiscal year for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Enterprise Funds. Management subsequently submits the budget (1) to the New Mexico Department of Finance and Administration for review and approval; and (2) to the Village Council for review and enactment of a resolution legally adopting the budget. Once approved, the Village Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations. Additionally, the New Mexico Department of Finance and Administration must approve any amendments to the budget.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 2. Stewardship, Compliance and Accountability (continued)

Each fund's appropriated budget is prepared on a detailed line item basis on the Non-GAAP cash budgetary basis. Revenues are budgeted by department and general ledger account. Expenditures are budgeted by department and general ledger account. The budget secures appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The legal level of control for the budget is at the total fund level. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total at the fund level. All budget revisions at this level are subject to final review and approval by the Village Council. Revisions to the budget were made throughout the year.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Proprietary Funds, Capital Projects Funds and Debt Service Funds.

The appropriated budget for the year ended June 30, 2010 was properly amended by the Village Commission through the year. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures / Operating income	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ (27,669)	\$ 52,159
Nonmajor Governmental Funds	\$ (10,516)	\$ (25,319)
Sewer Enterprise Fund	\$ (185,705)	\$ (213,535)
Water Enterprise Fund	\$ 74,956	\$ 74,956
Airport Enterprise Fund	\$ (503,690)	\$ (503,690)
Ambulance Enterprise Fund	\$ (12,736)	\$ (13,643)

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2010 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

NOTE 3. Deposits and Investments

State statutes authorize the investment of Village funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the Village properly followed State investment requirements as of June 30, 2010.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 3. Deposits and Investments (continued)

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the Village. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

According to the Federal Deposit Insurance Corporation (FDIC), public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing negotiable order of withdrawal (NOW) accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Village’s deposits may not be returned to it. The Village’s policy regarding types of deposits allowed and collateral requirements is to deposit monies in compliance with state statute. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Village for at least one half of the amount on deposit with the institution. As of June 30, 2010, \$1,330,612 of the Village’s deposits of \$1,580,612 was exposed to custodial credit risk. \$1,133,480 was uninsured and collateralized by collateral held by the pledging bank’s trust department, not in the Village’s name and \$197,132 was uninsured and uncollateralized.

Section 6-10-17, New Mexico Statutes Annotated, 1978 Compilation states the types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico. All depositories had collateral exceeding the amount required by law.

	Citizens Bank of Clovis
Year ended June 30, 2010	
Total amount of deposits	\$ 1,580,612
FDIC Coverage	(250,000)
Total uninsured public funds	1,330,612
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the Village's name.	1,133,480
Uninsured and uncollateralized	\$ 197,132
Collateral requirement (50% of uninsured public funds)	\$ 665,306
Pledged securities	1,133,480
Over (under) collateralization	\$ 468,174

The collateral pledged is listed on Schedule I of this report.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 3. Deposits and Investments (continued)

Reconciliation to the Statement of Net Assets

The carrying amounts of deposits and investments shown above are included in the Village's statement of net assets and statement of fiduciary assets and liabilities are as follows:

Cash and cash equivalents per Exhibit A-1	\$	1,418,635
Add: outstanding checks and other reconciling items		172,571
Add: agency fund cash per Exhibit E-1		1,065
Less: deposits in transit and reconciling items		(1,502)
Less: NMFA reserve accounts		(9,807)
Less: cash on hand		(350)
		(350)
Bank balance of deposits	\$	1,580,612

NOTE 4. Receivables and Payables

Receivables as of June 30, 2010, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Nonmajor Funds	Total		
Governmental activities:					
State of New Mexico:					
Gross receipts tax	\$ 101,146	\$ 28,575	\$ 129,721		
Total governmental	\$ 101,146	\$ 28,575	\$ 129,721		
	Sewer Fund	Water Fund	Ambulance Fund	Airport Fund	Total
Business-type activities:					
From customers:	\$ 17,579	\$ 44,798	\$ 68,699	\$ -	\$ 131,076
Allowance for uncollectible amounts	-	-	(17,175)	-	(17,175)
Total business-type	\$ 17,579	\$ 44,798	\$ 51,524	\$ -	\$ 113,901

Accounts payable as of June 30, 2010, are as follows:

		General
Payable to suppliers	\$	62,099
Payable to and on behalf of employees		9,647
Payable for interest		10,873
Total accounts payable and accrued expenses	\$	82,619

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 5. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2010 follows. Land and construction in process are not subject to depreciation.

	Balance June 30, 2009	Additions and Transfers in	Deletions and Transfers Out	Balance June 30, 2010
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 36,701	\$ -	\$ -	\$ 36,701
Construction in process	26,424	-	(26,424)	-
Total capital assets not being depreciated	<u>63,125</u>	<u>-</u>	<u>(26,424)</u>	<u>36,701</u>
Capital assets being depreciated:				
Buildings and improvements	2,579,510	150,875	(3,947)	2,726,438
Machinery and equipment	1,404,148	112,896	(373,029)	1,144,015
Infrastructure	3,777,792	45,891	-	3,823,683
Total capital assets being depreciated	<u>7,761,450</u>	<u>309,662</u>	<u>(376,976)</u>	<u>7,694,136</u>
Total capital assets	<u>7,824,575</u>	<u>309,662</u>	<u>(403,400)</u>	<u>7,730,837</u>
Less accumulated depreciation:				
Buildings and improvements	1,172,121	76,254	(1,978)	1,246,397
Machinery and equipment	611,158	85,884	(292,736)	404,306
Infrastructure	1,152,089	169,740	-	1,321,829
Total accumulated depreciation	<u>2,935,368</u>	<u>331,878</u>	<u>(294,714)</u>	<u>2,972,532</u>
Total capital assets, net of depreciation	<u>\$ 4,889,207</u>	<u>\$ (22,216)</u>	<u>\$ (108,686)</u>	<u>\$ 4,758,305</u>

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 5. Capital Assets (continued)

	<u>Balance June 30, 2009</u>	<u>Additions and Transfers in</u>	<u>Deletions and Transfers Out</u>	<u>Balance June 30, 2010</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 46,100	\$ -	\$ -	\$ 46,100
Construction in process	154,729	-	(154,729)	-
Total capital assets not being depreciated	<u>200,829</u>	<u>-</u>	<u>(154,729)</u>	<u>46,100</u>
Capital assets being depreciated:				
Buildings and improvements	7,396,719	154,729	-	7,551,448
Machinery and equipment	351,147	114,763	(101,398)	364,512
Total capital assets being depreciated	<u>7,747,866</u>	<u>269,492</u>	<u>(101,398)</u>	<u>7,915,960</u>
Total capital assets	<u>7,948,695</u>	<u>269,492</u>	<u>(256,127)</u>	<u>7,962,060</u>
Less accumulated depreciation:				
Buildings and improvements	2,622,360	148,421	-	2,770,781
Machinery and equipment	273,317	22,282	(99,890)	195,709
Total accumulated depreciation	<u>2,895,677</u>	<u>170,703</u>	<u>(99,890)</u>	<u>2,966,490</u>
Total capital assets, net of depreciation	<u>\$ 5,053,018</u>	<u>\$ 98,789</u>	<u>\$ (156,237)</u>	<u>\$ 4,995,570</u>

The Reverse Osmosis Plant is considered an idle asset. The historical cost of this asset is \$976,102 and depreciation has been suspended until further notice.

Capital assets, net of accumulated depreciation, at June 30, 2010 appear in the Statement of Net Assets as follows:

Governmental Activities	\$ 4,758,305
Business type activities:	
Sewer Fund	\$ 1,337,822
Water Fund	2,297,405
Ambulance Fund	452
Airport Fund	1,359,891
Total	<u>\$ 4,995,570</u>

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 5. Capital Assets (continued)

Depreciation expense for the year ended June 30, 2010 was charged to the following functions and funds:

Governmental activities:			
General government		\$	25,834
Public safety			59,276
Public works			206,620
Public health and welfare			11,049
Culture and recreation			29,099
Total		<u>\$</u>	<u>331,878</u>
Business type activities:			
Sewer Fund		\$	56,406
Water Fund			58,844
Ambulance Fund			550
Airport Fund			54,903
Total		<u>\$</u>	<u>170,703</u>

NOTE 6. Long-term Debt

Long-term liability activity for the year ended June 30, 2010, was as follows:

	Balance June 30, 2009	Additions	Retirements	Balance June 30, 2010	Due Within One Year
Governmental activities					
Loan - Fire Pumper Truck	\$ 222,873	\$ -	\$ 22,246	\$ 200,627	\$ 22,815
Compensated absences	15,440	11,806	10,086	17,160	-
	<u>\$ 238,313</u>	<u>\$ 11,806</u>	<u>\$ 32,332</u>	<u>\$ 217,787</u>	<u>\$ 22,815</u>
Business-type activities					
Bonds and notes - Water	\$ 677,650	\$ -	\$ 50,033	\$ 627,617	\$ 51,970
Bonds - Sewer	298,100	-	5,000	293,100	5,000
Compensated absences	11,873	4,865	2,915	13,824	-
	<u>\$ 987,623</u>	<u>\$ 4,865</u>	<u>\$ 57,948</u>	<u>\$ 934,541</u>	<u>\$ 56,970</u>

In prior years, the general fund has typically been used to liquidate long-term liabilities other than debt including capital leases and compensated absences.

On November 25, 2007 the Village entered into a loan agreement with the New Mexico Finance Authority for the purchase of a fire pumper truck. The original amount of the loan was \$238,721, with a term of ten years. Interest on the loan varies from 3.42% to 3.73%. The Village pledged revenues from the Fire Protection Fund distributions made annually to the Village by the State Fire Marshall to pay the annual payments on this loan, until paid off. The amount of the pledged revenues was for the total amount of the loan in the amount of \$238,721. This revenue is subject to an intercept agreement. Fire Protection Fund revenues in fiscal year ending June 30, 2010 were \$77,451 and of that amount, \$19,267 was used for the current year loan payment.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 6. Long-term Debt (continued)

NMFA Fire Pumper Truck Loan – 3.42% - 3.73% loan payable with fire funds intercept, due in annual payments increasing in amount (currently \$22,246) for principal and semi-annual payments for interest, through May 2018.	\$ 200,627
 The bonds and notes payable for the business-type activities as of June 30, 2010 are comprised of the following:	
Water Supply Construction Loan – 3.0% loan payable in annual payments of \$3,583 for principal and interest, through June 2012.	6,856
Village of Fort Sumner Series 1975 Refunding Bonds – 5.0% bonds payable from the Water Fund, due in annual payments of \$3,000 and semi-annual payments of interest, through November 2014.	17,000
NMFA Water Loan – 4.2% - 5.5% loan payable in monthly installments of approximately \$3,900 for principal and interest, through April 2017.	264,761
Village of Fort Sumner Series 1982 Bonds – 5.0% bonds payable from the Water Fund, due in annual payments increasing in amount (currently \$10,000) for principal and semi-annual payments for interest, through November 2021.	166,000
Village of Fort Sumner Series 1997 Bonds – 4.75% bonds payable from the Sewer Fund, due in annual payments varying in amount (currently \$5,000) for principal plus interest, through May 2037.	293,100
Village of Fort Sumner Series 1998 Bonds – 5.0% bonds payable from the Water Fund, due in annual payments varying in amount (currently \$3,000) for principal plus interest, through September 2037.	173,000
	1,121,344
Less current portion	(79,785)
	\$ 1,041,559

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the Village is in compliance with all significant limitations and restrictions at June 30, 2010. Review of debt instruments and confirmations for ending balances denoted no compliance issues.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 6. Long-term Debt (continued)

The annual requirements to amortize the bonds and loans outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2011	\$ 79,785	\$ 51,937	\$ 131,722
2012	83,164	48,395	131,559
2013	84,079	44,668	128,747
2014	91,603	40,844	132,447
2015	88,262	36,719	124,981
2016-2020	291,351	128,227	419,578
2021-2025	100,000	84,543	184,543
2026-2030	78,000	62,067	140,067
2031-2035	92,000	35,618	127,618
2036-2037	133,100	5,737	138,837
Total	<u>\$ 1,121,344</u>	<u>\$ 538,755</u>	<u>\$ 1,660,099</u>

NOTE 7. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village obtains coverage from commercial insurance companies for the risks of loss mentioned above, except for injuries to employees. For risks of loss related to injuries to employees the Village has not obtained coverage from a commercial insurance company but has effectively managed risk through various employee education and prevention programs. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The Village participates in the New Mexico Self-Insurers' Fund (the Fund), which services the Village's worker's compensation claims. Through this arrangement, the Village retains some risk associated with worker's compensation claims up to \$250,000 per accident.

The Village currently reports all of its risk management activities in its General Fund. The General Fund pays the worker's compensation claims and premiums, which are then reimbursed by the Village's other Funds.

The New Mexico Self-Insurers' Fund charges a "premium" to the Village to cover expenses of the Fund (including, but not limited to, reinsurance expenses, claims adjusting, rating, and underwriting, safety and loss control, reporting, and administration). This "premium" is equal to 20% of the earned normal premium, which is based on a percentage of the Village's current payroll. Additionally, the "premium" charge includes a factor for recent actual claims experience.

The Village continues to carry commercial insurance for all other risks.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 8. Public Employees Retirement Association (PERA) Pension Plan

Plan Description

Certain of the Village of Fort Sumner employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978.) The Public Employee 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, New Mexico 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 the following percentages of their gross salary: 7% for law enforcement and fire plan members; and 13.15% for Village employees. The Village was required to contribute the following percentages of the gross covered salary: 10% for law enforcement and fire plan members; and 9.15% for Village plan members. The contribution requirements of plan members and the Village of Fort Sumner are established in State Statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by act of the legislature. The Village's contributions to PERA for the years ending June 30, 2010, 2009 and 2008 were approximately \$38,893, \$43,518, and \$44,953, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 9. Post-Employment Benefits

Plan Description

The Village of Fort Sumner 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 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, 4308 Carlisle NE, Suite 104, Albuquerque, New Mexico 87107.

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 9. Post-Employment Benefits (continued)

Funding Policy

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. During the fiscal year ended June 30, 2010, the statute required each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee was required to contribute .65% of their salary. In the fiscal years ending June 30, 2011 through June 30, 2013 the contribution rates for employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY11	1.666%	0.833%
FY12	1.834%	0.917%
FY13	2.000%	1.000%

Also, employers joining the program after January 1, 1998 are 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 Village of Fort Sumner's contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$5,289, \$6,098 and \$5,572, respectively, which equal the required contribution for each year.

NOTE 10. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures as part of the overview of certain information concerning individual funds including:

- A. Deficit fund balance of individual fund. The following fund reflected a deficit fund balance as of June 30, 2010:

Special Revenue Fund	
DWI Grant fund	\$631

This fund is a part of pooled cash, so the General Fund is deemed to have loaned it money until reimbursements are received.

- B. Excess of expenditures over appropriations.
None
- C. Designated cash appropriations in excess of available balances.
None

STATE OF NEW MEXICO
Village of Fort Sumner
Notes to Financial Statements
June 30, 2010

NOTE 11. Contingent Liabilities

The Village is party to various claims and lawsuits arising in the normal course of business. The Village is insured through the New Mexico County Insurance Authority. In the opinion of management, the outcome of these matters will not have a material effect on the financial position of the Village.

NOTE 12. Federal and State Grants

In the normal course of operations, the Village receives grant funds from various federal and state agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE 13. Restatement

For the fiscal year ended June 30, 2009, the ending fund balance of the Fire Special Revenue Fund did not reflect the funds held by New Mexico Finance Authority and was understated by the amount of \$9,073. The restatement results from the adjustment to the beginning fund balance for fiscal year ended June 30, 2010 and had no effect on net income for fiscal year ended June 30, 2009.

For the fiscal year ended June 30, 2009, the ending balance of the Water Enterprise Fund did not reflect the funds held by New Mexico Finance Authority and was understated by the amount of \$9,743. The restatement results from the adjustment to the beginning fund balance for fiscal year ended June 30, 2010 and had no effect on net income for fiscal year ended June 30, 2009.

NOTE 14. Commitments

The Village had a commitment at June 30, 2010 for a renovation project at the Library. This commitment was as follows:

<u>Fund Project</u>	<u>Year Ending</u>	<u>Amount</u>
Library GO Bond	2011	\$ 6,680

NOTE 15. Subsequent Events

Subsequent events were evaluated through November 29, 2010.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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STATE OF NEW MEXICO
Village of Fort Sumner
Nonmajor Governmental Fund Descriptions
June 30, 2010

SPECIAL REVENUE FUNDS

Environmental Tax Fund – To account for the 1/16 of one cent gross receipts tax to be used for the closing of the landfill. Established under authority of the Village Council.

Emergency Medical Services Fund – To account for state and county proceeds provided for operations of the Village's emergency medical services. Authority – NMSA 24-10A.

Law Enforcement Protection Fund – To account for funds received from the state for law enforcement purposes. The fund was created by the authority of state grant provisions NMSA 29-13-3.

Lodgers Tax Fund – To account for a lodger's tax which is to be used for cultural and recreational purposes. Authority – NMSA 3-38-14.

Recreation Fund – To account for operations and maintenance of recreation facilities. Financing is provided by a specific tax on cigarette sales. Authority – NMSA 7-12-10.

DWI Grant Fund – To account for receipts and expenditures of DWI Grant funds. Authority – NMSA 11-6A-3.

County Ambulance Tax Fund – To account for the special county tax for Village ambulance operations. Authority – Village Council.

PIT Canteen Fund – To account for receipts and expenditures of the youth recreation center. Created by Village ordinance.

Fire Fund – To account for the operations and maintenance of fire equipment. Financing is provided by a state allotment. Authority – NMSA 59S-53-1.

Senior Citizen's Fund – To account for funds used for the Senior Citizen program. Federal funding authorized by Domestic Volunteer Service Act of 1973, as amended, Title II, Part B, Section 211, Public Law 93-113, 42 U.S.C. 5011, as amended: National and Community Service Trust Act of 1993, Public Law 103-82.

Cemetery Fund – To account for the operations and maintenance of the Village cemetery. Funding is primarily through the sale of burial plots. Created by Village ordinance.

Gas Tax Fund – To account for the receipts and expenditures of special gasoline tax which is restricted for use in repairing and maintaining roads and streets within the municipality. The fund was created by state statute NMSA 7-1-6.27.

CAPITAL PROJECTS FUND

CDBG Capital Projects Fund – To account for the Community Development Block Grant to provide water improvements.

AGENCY FUNDS

Motor Vehicle Department Fund – To account for the collection and disbursement of the Motor Vehicle Department fees to the State of New Mexico.

STATE OF NEW MEXICO
Village of Fort Sumner
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds			
	Environmental Tax Fund	Emergency Medical Services Fund	Law Enforcement Protection	Lodgers Tax Fund
<i>Assets</i>				
Cash and cash equivalents	\$ 12,965	\$ -	\$ 3,341	\$ 11,633
Investments	-	-	-	-
Receivables (net of allowance for uncollectible amounts):				
Taxes	1,882	-	-	2,353
<i>Total current assets</i>	<u>14,847</u>	<u>-</u>	<u>3,341</u>	<u>13,986</u>
 <i>Total assets</i>	 <u><u>\$ 14,847</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 3,341</u></u>	 <u><u>\$ 13,986</u></u>
 <i>Liabilities and Fund Balance</i>				
<i>Current liabilities</i>				
Accounts payable	\$ 1,322	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-
Deferred revenue	-	-	-	-
<i>Total current liabilities</i>	<u>1,322</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <i>Fund balance</i>				
Unreserved:				
Undesignated				
Special revenue funds	13,525	-	3,341	13,986
Capital projects fund	-	-	-	-
<i>Total fund balance</i>	<u>13,525</u>	<u>-</u>	<u>3,341</u>	<u>13,986</u>
 <i>Total liabilities and fund balance</i>	 <u><u>\$ 14,847</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 3,341</u></u>	 <u><u>\$ 13,986</u></u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds

Recreation Fund	DWI Grant Fund	County Ambulance Tax Fund	PIT Canteen Fund	Fire Fund	Senior Citizen's Fund
\$ 8,288	\$ 9,825	\$ 237	\$ 2,533	\$ 23,276	\$ 34,555
-	-	-	-	-	-
-	4,791	3,073	-	-	9,261
8,288	14,616	3,310	2,533	23,276	43,816
<u>\$ 8,288</u>	<u>\$ 14,616</u>	<u>\$ 3,310</u>	<u>\$ 2,533</u>	<u>\$ 23,276</u>	<u>\$ 43,816</u>
\$ 775	\$ 15,247	\$ 1,888	\$ 183	\$ 272	\$ 3,209
1,161	-	-	-	-	592
-	-	-	-	-	-
1,936	15,247	1,888	183	272	3,801
6,352	(631)	1,422	2,350	23,004	40,015
-	-	-	-	-	-
6,352	(631)	1,422	2,350	23,004	40,015
<u>\$ 8,288</u>	<u>\$ 14,616</u>	<u>\$ 3,310</u>	<u>\$ 2,533</u>	<u>\$ 23,276</u>	<u>\$ 43,816</u>

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STATE OF NEW MEXICO
Village of Fort Sumner
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2010

Statement A-1
(Page 2 of 2)

	Special Revenue Funds		Capital Projects Fund	
	Cemetery Fund	Gas Tax Fund	CDBG Capital Projects Fund	Total
<i>Assets</i>				
Cash and cash equivalents	\$ 9,330	\$ 87,653	\$ 100	\$ 203,736
Investments	119,793	-	-	119,793
Receivables (net of allowance for uncollectible amounts):				
Taxes	-	7,215	-	28,575
<i>Total current assets</i>	129,123	94,868	100	352,104
 <i>Total assets</i>	 \$ 129,123	 \$ 94,868	 \$ 100	 \$ 352,104
 <i>Liabilities and Fund Balance</i>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ 8,600	\$ -	\$ 31,496
Accrued expenses	-	-	-	1,753
Deferred revenue	-	-	-	-
<i>Total current liabilities</i>	-	8,600	-	33,249
 <i>Fund balance</i>				
Unreserved:				
Undesignated				
Special revenue funds	129,123	86,268	-	318,755
Capital projects fund	-	-	100	100
<i>Total fund balance</i>	129,123	86,268	100	318,855
 <i>Total liabilities and fund balance</i>	 \$ 129,123	 \$ 94,868	 \$ 100	 \$ 352,104

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Funds			
	Environmental Tax Fund	Emergency Medical Services Fund	Law Enforcement Protection	Lodgers Tax Fund
<i>Revenues:</i>				
Taxes				
Gross receipts taxes	\$ 11,775	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Motor vehicle and fuel taxes	-	-	-	-
Cigarette taxes	-	-	-	-
Lodger's taxes	-	-	-	23,719
Intergovernmental income				
Federal operating grants	-	-	-	-
State operating grants	-	96,906	21,800	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	88	-	-
<i>Total revenues</i>	<u>11,775</u>	<u>96,994</u>	<u>21,800</u>	<u>23,719</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	2,627	-
Public works	-	-	-	-
Culture and recreation	-	-	-	23,965
Public health and welfare	-	17,309	-	-
Economic development	15,700	-	-	-
Capital outlay	-	79,685	28,354	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>15,700</u>	<u>96,994</u>	<u>30,981</u>	<u>23,965</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,925)</u>	<u>-</u>	<u>(9,181)</u>	<u>(246)</u>
<i>Other financing sources (uses):</i>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(3,925)</u>	<u>-</u>	<u>(9,181)</u>	<u>(246)</u>
<i>Fund balance - beginning of year</i>	17,450	-	12,522	14,232
Restatement	-	-	-	-
<i>Fund balance - beginning of year as restated</i>	<u>17,450</u>	<u>-</u>	<u>12,522</u>	<u>14,232</u>
<i>Fund balance - end of year</i>	<u>\$ 13,525</u>	<u>\$ -</u>	<u>\$ 3,341</u>	<u>\$ 13,986</u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds

<u>Recreation Fund</u>	<u>DWI Grant Fund</u>	<u>County Ambulance Tax Fund</u>	<u>PIT Canteen Fund</u>	<u>Fire Fund</u>	<u>Senior Citizen's Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	11,780	-	-	-
-	-	-	-	-	-
1,668	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	21,760
-	86,077	-	-	108,410	42,930
-	-	-	-	-	-
6,122	-	-	2,297	-	13,350
-	-	-	566	-	-
-	-	-	-	-	-
65,075	-	-	-	38	3,116
<u>72,865</u>	<u>86,077</u>	<u>11,780</u>	<u>2,863</u>	<u>108,448</u>	<u>81,156</u>
-	-	-	-	-	48,944
-	86,441	-	-	62,369	-
-	-	-	-	-	-
69,413	-	-	2,424	-	-
-	-	15,265	-	-	42,905
-	-	-	-	-	-
-	-	-	-	37,454	-
-	-	-	-	22,246	-
-	-	-	-	6,093	-
<u>69,413</u>	<u>86,441</u>	<u>15,265</u>	<u>2,424</u>	<u>128,162</u>	<u>91,849</u>
<u>3,452</u>	<u>(364)</u>	<u>(3,485)</u>	<u>439</u>	<u>(19,714)</u>	<u>(10,693)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,452</u>	<u>(364)</u>	<u>(3,485)</u>	<u>439</u>	<u>(19,714)</u>	<u>(10,693)</u>
2,900	(267)	4,907	1,911	33,645	50,708
-	-	-	-	9,073	-
<u>2,900</u>	<u>(267)</u>	<u>4,907</u>	<u>1,911</u>	<u>42,718</u>	<u>50,708</u>
<u>\$ 6,352</u>	<u>\$ (631)</u>	<u>\$ 1,422</u>	<u>\$ 2,350</u>	<u>\$ 23,004</u>	<u>\$ 40,015</u>

STATE OF NEW MEXICO

Village of Fort Sumner

Nonmajor Governmental Funds

Statement A-2

(Page 2 of 2)

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Funds		Capital Projects Fund	Total
	Cemetery Fund	Gas Tax Fund	CDBG Capital Projects Fund	
<i>Revenues:</i>				
Taxes				
Gross receipts taxes	\$ -	\$ 23,552	\$ -	\$ 35,327
Franchise taxes	-	-	-	11,780
Motor vehicle and fuel taxes	-	26,054	-	26,054
Cigarette taxes	-	-	-	1,668
Lodger's taxes	-	-	-	23,719
Intergovernmental income				
Federal operating grants	-	-	-	21,760
State operating grants	-	-	-	356,123
State capital grants	-	55,592	-	55,592
Charges for services	1,200	-	-	22,969
Licenses and permits	-	-	-	566
Interest	3,973	-	-	3,973
Miscellaneous	4,335	-	-	72,652
<i>Total revenues</i>	<u>9,508</u>	<u>105,198</u>	<u>-</u>	<u>632,183</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	48,944
Public safety	-	-	-	151,437
Public works	-	36,558	-	36,558
Culture and recreation	-	-	-	95,802
Public health and welfare	11,745	-	-	87,224
Economic development	-	-	-	15,700
Capital outlay	-	75,040	-	220,533
Debt service:				
Principal	-	-	-	22,246
Interest	-	-	-	6,093
<i>Total expenditures</i>	<u>11,745</u>	<u>111,598</u>	<u>-</u>	<u>684,537</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,237)</u>	<u>(6,400)</u>	<u>-</u>	<u>(52,354)</u>
<i>Other financing sources (uses):</i>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(2,237)</u>	<u>(6,400)</u>	<u>-</u>	<u>(52,354)</u>
<i>Fund balance - beginning of year</i>	<u>131,360</u>	<u>92,668</u>	<u>100</u>	<u>362,136</u>
Restatement	-	-	-	9,073
<i>Fund balance - beginning of year as restated</i>	<u>131,360</u>	<u>92,668</u>	<u>100</u>	<u>371,209</u>
<i>Fund balance - end of year</i>	<u>\$ 129,123</u>	<u>\$ 86,268</u>	<u>\$ 100</u>	<u>\$ 318,855</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Environmental Tax Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-1

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ 7,500	\$ 11,801	\$ 11,801	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	-	-	-	-
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	7,500	11,801	11,801	-
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	-	-	-	-
Economic development	7,500	14,378	14,378	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	7,500	14,378	14,378	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	(2,577)	(2,577)	-
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	2,577	-	(2,577)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	2,577	-	(2,577)
<i>Net change in fund balances</i>	-	-	(2,577)	(2,577)
<i>Fund balance - beginning of year</i>	-	-	15,542	15,542
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 12,965	\$ 12,965
Net change in fund balance (non-GAAP budgetary basis)			\$ (2,577)	
Adjustments to revenue for other receivables			(26)	
Adjustments to expenditures for accounts payable			(1,322)	
Net change in fund balance (GAAP)			\$ (3,925)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

Village of Fort Sumner

Emergency Medical Services Special Revenue Fund

Statement of Revenues, Expenditures and Changes in

Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	92,324	96,994	96,906	(88)
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	88	88
<i>Total revenues</i>	<u>92,324</u>	<u>96,994</u>	<u>96,994</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	16,824	16,824	17,309	(485)
Economic development	-	-	-	-
Capital outlay	75,500	80,170	79,685	485
<i>Total expenditures</i>	<u>92,324</u>	<u>96,994</u>	<u>96,994</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-3

Village of Fort Sumner

Law Enforcement Protection Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	21,800	21,800	21,800	-
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>21,800</u>	<u>21,800</u>	<u>21,800</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	34,322	34,322	30,981	3,341
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>34,322</u>	<u>34,322</u>	<u>30,981</u>	<u>3,341</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(12,522)</u>	<u>(12,522)</u>	<u>(9,181)</u>	<u>3,341</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	12,522	12,522	-	(12,522)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>12,522</u>	<u>12,522</u>	<u>-</u>	<u>(12,522)</u>
<i>Net change in fund balances</i>	-	-	(9,181)	(9,181)
<i>Fund balance - beginning of year</i>	-	-	12,522	12,522
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,341</u>	<u>\$ 3,341</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (9,181)	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ (9,181)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Lodgers Tax Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-4

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ 22,500	\$ 23,627	\$ 23,627	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	-	-	-	-
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>22,500</u>	<u>23,627</u>	<u>23,627</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	22,500	23,965	23,965	-
Public health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>22,500</u>	<u>23,965</u>	<u>23,965</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(338)</u>	<u>(338)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	338	-	(338)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>338</u>	<u>-</u>	<u>(338)</u>
<i>Net change in fund balances</i>	-	-	(338)	(338)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>11,971</u>	<u>11,971</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,633</u>	<u>\$ 11,633</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (338)	
Adjustments to revenue for accounts receivable			92	
No adjustments to expenditures			<u>-</u>	
Net change in fund balance (GAAP)			<u>\$ (246)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Recreation Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-5

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ 1,665	\$ 1,665	\$ 1,668	\$ 3
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	5,836	6,126	6,122	(4)
State and county grants	-	-	-	-
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	65,075	65,075	-
<i>Total revenues</i>	7,501	72,866	72,865	(1)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	7,500	67,641	67,640	1
Public health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	7,500	67,641	67,640	1
<i>Excess (deficiency) of revenues over expenditures</i>	1	5,225	5,225	-
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	(1)	(5,225)	-	5,225
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	(1)	(5,225)	-	5,225
<i>Net change in fund balances</i>	-	-	5,225	5,225
<i>Fund balance - beginning of year</i>	-	-	3,063	3,063
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 8,288	\$ 8,288
Net change in fund balance (non-GAAP budgetary basis)			\$ 5,225	
No adjustments to revenue			-	
Adjustments to expenditures for accounts payable and accrued liabilities			(1,773)	
Net change in fund balance (GAAP)			\$ 3,452	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
DWI Grant Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-6

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	87,920	88,022	83,279	(4,743)
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	87,920	88,022	83,279	(4,743)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	85,915	85,975	71,448	14,527
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	85,915	85,975	71,448	14,527
<i>Excess (deficiency) of revenues over expenditures</i>	2,005	2,047	11,831	9,784
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	(2,005)	(2,047)	-	2,047
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	(2,005)	(2,047)	-	2,047
<i>Net change in fund balances</i>	-	-	11,831	11,831
<i>Fund balance - beginning of year</i>	-	-	(2,006)	(2,006)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 9,825	\$ 9,825
Net change in fund balance (non-GAAP budgetary basis)			\$ 11,831	
Adjustments to revenue for other receivables			2,798	
Adjustments to expenditures for accrued liabilities			(14,993)	
Net change in fund balance (GAAP)			\$ (364)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
County Ambulance Tax Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-7

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	25,000	25,000	14,135	(10,865)
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	-	-	-	-
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,000</u>	<u>25,000</u>	<u>14,135</u>	<u>(10,865)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	25,000	25,000	14,849	10,151
Economic development	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>14,849</u>	<u>10,151</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(714)</u>	<u>(714)</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(714)	(714)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>951</u>	<u>951</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237</u>	<u>\$ 237</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (714)	
Adjustments to revenue for other receivables			(2,355)	
Adjustments to expenditures for accounts payable and accrued payroll expenses			(416)	
Net change in fund balance (GAAP)			<u>\$ (3,485)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
PIT Canteen Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-8

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	566	566	566	-
Charges for services	1,934	2,297	2,297	-
State and county grants	-	-	-	-
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,500</u>	<u>2,863</u>	<u>2,863</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	2,500	2,500	2,241	259
Public health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>2,500</u>	<u>2,500</u>	<u>2,241</u>	<u>259</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>363</u>	<u>622</u>	<u>259</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	(363)	-	363
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(363)</u>	<u>-</u>	<u>363</u>
<i>Net change in fund balances</i>	-	-	622	622
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,911</u>	<u>1,911</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,533</u>	<u>\$ 2,533</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 622	
No adjustments to revenue			-	
Adjustments to expenditures for accounts payable			(183)	
Net change in fund balance (GAAP)			<u>\$ 439</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-9

Village of Fort Sumner

Fire Special Revenue Fund

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	93,945	108,410	108,410	-
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>93,945</u>	<u>108,410</u>	<u>108,410</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	35,560	62,361	62,137	224
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	30,000	30,000	37,454	(7,454)
Debt service:				
Principal	15,848	15,848	13,174	2,674
Interest	12,537	12,537	6,093	6,444
<i>Total expenditures</i>	<u>93,945</u>	<u>120,746</u>	<u>118,858</u>	<u>1,888</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(12,336)</u>	<u>(10,448)</u>	<u>1,888</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	12,336	-	(12,336)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>12,336</u>	<u>-</u>	<u>(12,336)</u>
<i>Net change in fund balances</i>	-	-	(10,448)	(10,448)
<i>Fund balance - beginning of year</i>	-	-	42,758	42,758
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,310</u>	<u>\$ 32,310</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (10,448)	
Adjustments to revenue for interest income			38	
Adjustments to expenditures for accounts payable and accrued payroll expenses			(9,304)	
Net change in fund balance (GAAP)			<u>\$ (19,714)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Senior Citizen's Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-10

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	13,000	13,000	13,350	350
State and county grants	43,538	43,538	43,723	185
Federal grants	20,127	20,127	19,429	(698)
Investment earnings	-	-	-	-
Miscellaneous	38,750	38,750	3,116	(35,634)
<i>Total revenues</i>	115,415	115,415	79,618	(35,797)
<i>Expenditures:</i>				
Current:				
General government	48,531	48,531	48,856	(325)
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	66,884	66,884	41,475	25,409
Economic development	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	115,415	115,415	90,331	25,084
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(10,713)	(10,713)
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(10,713)	(10,713)
<i>Fund balance - beginning of year</i>	-	-	45,268	45,268
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 34,555	\$ 34,555
Net change in fund balance (non-GAAP budgetary basis)			\$ (10,713)	
Adjustments to revenue for other receivables			1,538	
Adjustments to expenditures for accounts payable and accrued payroll expenses			(1,518)	
Net change in fund balance (GAAP)			\$ (10,693)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Cemetery Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-11

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	4,500	4,500	1,200	(3,300)
State and county grants	-	-	-	-
Federal grants	-	-	-	-
Investment earnings	-	-	3,973	3,973
Miscellaneous	3,000	3,000	4,335	1,335
<i>Total revenues</i>	<u>7,500</u>	<u>7,500</u>	<u>9,508</u>	<u>2,008</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	7,500	11,746	11,745	1
Economic development	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>7,500</u>	<u>11,746</u>	<u>11,745</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(4,246)</u>	<u>(2,237)</u>	<u>2,009</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	4,246	-	(4,246)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>4,246</u>	<u>-</u>	<u>(4,246)</u>
<i>Net change in fund balances</i>	-	-	(2,237)	(2,237)
<i>Fund balance - beginning of year</i>	-	-	131,360	131,360
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 129,123</u>	<u>\$ 129,123</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (2,237)	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ (2,237)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Gas Tax Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-12

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ 37,000	\$ 37,000	\$ 49,657	\$ 12,657
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	54,900	65,661	53,003	(12,658)
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>91,900</u>	<u>102,661</u>	<u>102,660</u>	<u>(1)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	33,000	33,000	36,061	(3,061)
Culture and recreation	-	-	-	-
Public health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	58,900	70,596	67,533	3,063
<i>Total expenditures</i>	<u>91,900</u>	<u>103,596</u>	<u>103,594</u>	<u>2</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(935)</u>	<u>(934)</u>	<u>1</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	935	-	(935)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>935</u>	<u>-</u>	<u>(935)</u>
<i>Net change in fund balances</i>	-	-	(934)	(934)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>88,587</u>	<u>88,587</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,653</u>	<u>\$ 87,653</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (934)	
Adjustments to revenue for other receivables			2,538	
Adjustments to expenditures for accounts payable and accrued payroll expenses			<u>(8,004)</u>	
Net change in fund balance (GAAP)			<u>\$ (6,400)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

Village of Fort Sumner

CDBG Capital Projects Fund

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Franchise taxes	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
State and county grants	440,000	440,000	-	(440,000)
Federal grants	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>440,000</u>	<u>440,000</u>	<u>-</u>	<u>(440,000)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Public health and welfare	-	-	-	-
Economic development	-	-	-	-
Capital outlay	440,000	440,000	-	440,000
<i>Total expenditures</i>	<u>440,000</u>	<u>440,000</u>	<u>-</u>	<u>440,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>100</u>	<u>100</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

Village of Fort Sumner

Sewer Enterprise Fund

Statement of Revenues, Expenses and Changes in
Net Assets - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Operating Revenues:</i>				
Charges for services	\$ 129,500	\$ 129,500	\$ 129,753	\$ 253
State and county grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total operating revenues</i>	<u>129,500</u>	<u>129,500</u>	<u>129,753</u>	<u>253</u>
<i>Operating expenses:</i>				
Personnel services	54,648	54,648	52,819	1,829
Operating expenses	260,557	288,387	290,160	(1,773)
<i>Total operating expenditures</i>	<u>315,205</u>	<u>343,035</u>	<u>342,979</u>	<u>56</u>
<i>Operating income (loss)</i>	<u>(185,705)</u>	<u>(213,535)</u>	<u>(213,226)</u>	<u>309</u>
<i>Nonoperating revenues (expenses):</i>				
Taxes				
Property	-	-	-	-
Gross Receipts	-	-	-	-
Gasoline and motor vehicle taxes	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	200,000	234,765	234,969	204
Interest income	500	500	44	(456)
Interest on debt	(14,764)	(14,764)	(14,160)	604
<i>Total nonoperating revenues (expenses)</i>	<u>185,736</u>	<u>220,501</u>	<u>220,853</u>	<u>352</u>
<i>Income before transfers</i>	<u>31</u>	<u>6,966</u>	<u>7,627</u>	<u>661</u>
Designated cash (budgeted increase in cash)	(31)	(6,966)	-	6,966
Transfers in (out)	-	-	-	-
<i>Change in net assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>7,627</u>	<u>\$ 7,627</u>
Revenues (expenses) not budgeted:				
Change in accounts receivable			(95,839)	
Change in accounts payable			211,051	
Gain (loss) on sale of assets			(1,508)	
Depreciation			(56,406)	
<i>Change in net assets per Exhibit D-2</i>			<u>64,925</u>	
<i>Net assets - beginning of year</i>			<u>1,030,103</u>	
<i>Net assets - end of year</i>			<u>\$ 1,095,028</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

Village of Fort Sumner

Water Enterprise Fund

Statement of Revenues, Expenses and Changes in
Net Assets - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 265,700	\$ 265,700	\$ 253,235	\$ (12,465)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>265,700</u>	<u>265,700</u>	<u>253,235</u>	<u>(12,465)</u>
<i>Operating expenses:</i>				
Personnel services	88,244	88,244	102,262	(14,018)
Operating expenses	102,500	102,500	82,176	20,324
<i>Total expenditures</i>	<u>190,744</u>	<u>190,744</u>	<u>184,438</u>	<u>6,306</u>
<i>Operating income (loss)</i>	<u>74,956</u>	<u>74,956</u>	<u>68,797</u>	<u>(6,159)</u>
<i>Nonoperating revenues (expenses):</i>				
Taxes				
Property	-	-	-	-
Gross Receipts	-	-	-	-
Gasoline and motor vehicle taxes	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	7,500	7,500	7,532	32
Interest income	2,500	2,500	1,563	(937)
Principal	(61,217)	(61,217)	(44,493)	16,724
Interest on debt	(23,739)	(23,739)	(40,245)	(16,506)
<i>Total nonoperating revenues (expenses)</i>	<u>(74,956)</u>	<u>(74,956)</u>	<u>(75,643)</u>	<u>(687)</u>
<i>Income (loss) before transfers</i>	<u>-</u>	<u>-</u>	<u>(6,846)</u>	<u>(6,846)</u>
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Change in net assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>(6,846)</u>	<u>\$ (6,846)</u>
Revenues (expenses) not budgeted:				
Change in accounts receivable			8,817	
Change in accounts payable			46,479	
Depreciation			(58,844)	
<i>Change in net assets per Exhibit D-2</i>			<u>(10,394)</u>	
<i>Net assets - beginning of year</i>			1,963,665	
Restatement			9,743	
<i>Net assets - beginning of year as restated</i>			<u>1,973,408</u>	
<i>Net assets - end of year</i>			<u>\$ 1,963,014</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

Village of Fort Sumner

Airport Enterprise Fund

Statement of Revenues, Expenses and Changes in
Net Assets - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 36,500	\$ 36,500	\$ 38,454	\$ 1,954
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>36,500</u>	<u>36,500</u>	<u>38,454</u>	<u>1,954</u>
<i>Operating expenses:</i>				
Personnel services	31,304	31,304	32,693	(1,389)
Operating expenses	508,886	508,886	8,486	500,400
<i>Total expenditures</i>	<u>540,190</u>	<u>540,190</u>	<u>41,179</u>	<u>499,011</u>
<i>Operating income (loss)</i>	<u>(503,690)</u>	<u>(503,690)</u>	<u>(2,725)</u>	<u>500,965</u>
<i>Nonoperating revenues (expenses):</i>				
Taxes				
Property	-	-	-	-
Gross Receipts	-	-	-	-
Gasoline and motor vehicle taxes	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	482,000	482,000	-	(482,000)
State operating grants	-	-	-	-
State capital grants	21,690	21,690	-	(21,690)
Interest income	-	-	-	-
Principal	-	-	-	-
Interest on debt	-	-	-	-
<i>Total nonoperating revenues (expenses)</i>	<u>503,690</u>	<u>503,690</u>	<u>-</u>	<u>(503,690)</u>
<i>Income (loss) before transfers</i>	<u>-</u>	<u>-</u>	<u>(2,725)</u>	<u>(2,725)</u>
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Change in net assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>(2,725)</u>	<u>\$ (2,725)</u>
Revenues (expenses) not budgeted:				
Change in accounts receivable			(5,778)	
Change in accounts payable			(630)	
Depreciation			(54,903)	
<i>Change in net assets per Exhibit D-2</i>			<u>(64,036)</u>	
<i>Net assets - beginning of year</i>			<u>1,429,090</u>	
<i>Net assets - end of year</i>			<u>\$ 1,365,054</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

Village of Fort Sumner

Ambulance Enterprise Fund

Statement of Revenues, Expenses and Changes in
Net Assets - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 130,000	\$ 141,619	\$ 183,007	\$ 41,388
Miscellaneous	-	-	-	-
<i>Total operating revenues</i>	<u>130,000</u>	<u>141,619</u>	<u>183,007</u>	<u>41,388</u>
<i>Operating expenses:</i>				
Personnel services	115,632	115,632	111,715	3,917
Operating expenses	27,104	39,630	43,546	(3,916)
<i>Total operating expenditures</i>	<u>142,736</u>	<u>155,262</u>	<u>155,261</u>	<u>1</u>
<i>Operating income (loss)</i>	<u>(12,736)</u>	<u>(13,643)</u>	<u>27,746</u>	<u>41,389</u>
<i>Nonoperating revenues (expenses):</i>				
Taxes				
Property	-	-	-	-
Gross Receipts	-	-	-	-
Gasoline and motor vehicle taxes	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	70,000	70,000	28,611	(41,389)
State capital grants	-	-	-	-
Interest income	-	-	-	-
Principal	-	-	-	-
Interest on debt	-	-	-	-
<i>Total nonoperating revenues (expenses)</i>	<u>70,000</u>	<u>70,000</u>	<u>28,611</u>	<u>(41,389)</u>
<i>Income before transfers</i>	<u>57,264</u>	<u>56,357</u>	<u>56,357</u>	<u>-</u>
Designated cash (budgeted increase in cash)	(57,264)	(56,357)	-	56,357
Transfers in (out)	-	-	-	-
<i>Change in net assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>56,357</u>	<u>\$ 56,357</u>
Revenues (expenses) not budgeted:				
Change in accounts receivable			(8,391)	
Change in accounts payable			(114)	
Depreciation			(550)	
<i>Change in net assets per Exhibit D-2</i>			<u>47,302</u>	
<i>Net assets - beginning of year</i>			<u>202,393</u>	
<i>Net assets - end of year</i>			<u>\$ 249,695</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Village of Fort Sumner
Statement of Changes in Assets and Liabilities
Agency Fund
June 30, 2010

Statement C-1

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
<i>Motor Vehicle Department Fund</i>				
<i>Assets</i>				
Cash and cash equivalents	\$ 1,065	\$ -	\$ -	\$ 1,065
<i>Total Assets</i>	<u>\$ 1,065</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,065</u>
<i>Liabilities</i>				
Deposits held and due to others	\$ 1,065	\$ -	\$ -	\$ 1,065
<i>Total Liabilities</i>	<u>\$ 1,065</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,065</u>

The accompanying notes are an integral part of these financial statements

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
 Village of Fort Sumner
 Schedule of Collateral Pledged by Depository
 for Public Funds
 June 30, 2010

Schedule I

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2010
Citizens Bank of Clovis				
	GNMA II Pool #831112	8/20/2033	36208ARK9	\$ 23,664
	GNR 2008-7 PB	2/20/2038	38375PJ85	<u>1,109,816</u>
			Total collateral pledged	<u><u>\$ 1,133,480</u></u>

Location of Safe keeper
 Federal Home Loan Bank
 Dallas, TX

STATE OF NEW MEXICO
Village of Fort Sumner
Schedule of Deposit and Investment Accounts
For the Year Ended June 30, 2010

Schedule II

Primary Government

<u>Bank Name</u>	<u>Account Type</u>	<u>Bank Balance</u>	<u>Deposits in Transit</u>	<u>Outstanding Checks</u>	<u>Book Balance</u>
Citizens Bank of Clovis					
Treasurer general account	Checking	\$ 1,569,634	\$ 1,477	\$ 172,063	\$ 1,399,048
Certificate of deposit	CD	2,161	-	-	2,161
Certificate of deposit	CD	11,856	-	-	11,856
Certificate of deposit	CD	32,000	-	-	32,000
Certificate of deposit	CD	18,900	-	-	18,900
Certificate of deposit	CD	30,000	-	-	30,000
Cemetery Association DDA	Checking	9,813	25	508	9,330
Savings account	Savings	26,337	-	-	26,337
Certificate of deposit	CD	5,700	-	-	5,700
Certificate of deposit	CD	47,000	-	-	47,000
Cemetery Endowment Savings	Savings	756	-	-	756
Certificate of deposit	CD	40,000	-	-	40,000
CDBG fund account	Checking	100	-	-	100
Motor Vehicle Department (Agency)	Investment	1,065	-	-	1,065
NMFA Reserve Accounts	Money Market	9,807	-	-	9,807
Total cash in bank		<u>\$ 1,805,129</u>	<u>\$ 1,502</u>	<u>\$ 172,571</u>	<u>\$ 1,634,060</u>

Exhibit A-1:	Cash and Cash Equivalents	\$ 1,418,635
Exhibit A-1:	Investments	214,710
Exhibit E-1:	Agency funds	1,065
	Less: Cash on hand	(350)
	Reconciled Deposits and Investments	<u>\$ 1,634,060</u>

See accompanying independent auditor's report

STATE OF NEW MEXICO
 Village of Fort Sumner
 Schedule of Legislative Grants
 June 30, 2010

<u>Project</u>	<u>Agency</u>	<u>Grant #</u>	<u>Effective Date</u>	<u>Reversion Date</u>
Fire Station Improvements	DFA	07-L-G-5148	05/08/07	06/30/11
Senior Center Improvement	NM Aging & Long	2007-0715	08/11/06	06/30/10
Public Library Construction	DFA	08-L-G-4252	07/03/08	06/30/12
Street Maintenance/Repair	NMDOT	SP-GA-7511-207-208	11/05/08	06/30/11
Library GO Bond	State Library		09/23/10	06/30/11
Senior Center Equipment	NM Aging & Long	2010-28	04/28/10	06/30/11

Grand Totals

These capital outlay projects are on a reimbursement basis. Therefore, there is no fund balance related to these projects at June 30, 2010.

Original Amount	Net Amount	Expenditures to Date	Remaining
\$ 100,000	\$ 100,000	\$ 100,000	\$ -
25,000	25,000	25,000	-
50,000	50,000	50,000	-
200,000	200,000	200,000	-
6,680	6,680	-	6,680
5,400	5,400	5,400	-
<u>\$ 387,080</u>	<u>\$ 387,080</u>	<u>\$ 380,400</u>	<u>\$ 6,680</u>

STATE OF NEW MEXICO
Village of Fort Sumner
Schedule of Joint Powers Agreements
June 30, 2010

Schedule IV

E-911 Services

Participants: Village of Fort Sumner and De Baca County

Responsible Party: Village of Fort Sumner

Description: De Baca County and the Village of Fort Sumner have agreed to the need for a consolidated E-911 Communications System and Law Enforcement Communications System.

Period: August 3, 2006 to June 30, 2010 with the option to renew on a year to year basis.

Project Costs: Undeterminable

Village Contribution: \$5,000 per quarter (\$20,000 per fiscal year)

Audit Responsibility: Village of Fort Sumner

De Baca County Collection Center

Participants: Village of Fort Sumner and De Baca County

Responsible Party: De Baca County and Village of Fort Sumner

Description: This agreement was entered into to exercise their common power to design, construct, operate, and maintain the De Baca County Collection Center.

Period: Entered into on November 13, 2007 and shall run in perpetuity or until its termination.

Project Costs: Undeterminable

Village Contribution: Make available four acres of city property to be used for County Collection Center. Provide funding as available from the City Environmental GRT fund to support operations and maintenance of the collection center. Support De Baca County in implementing a county wide solid waste fee to generate revenues for operations and maintenance of the collection center.

Audit Responsibility: Village of Fort Sumner and De Baca County

STATE OF NEW MEXICO
Village of Fort Sumner
Schedule of Joint Powers Agreements
June 30, 2010

Schedule IV

Law Enforcement Services

Participants:	Village of Fort Sumner, De Baca County Sheriff's Department and De Baca County
Responsible Party:	Village of Fort Sumner
Description:	The agreement was entered into to maintain a law enforcement agency under the direction of the De Baca County Sherriff's Department for the Village of Fort Sumner.
Period:	Entered into on December 3, 2009 and shall run in perpetuity or until its termination.
Project Costs:	\$50,635 per fiscal year for Joint Law Enforcement Protection. Provide 50% of the fines generated through the Fort Sumner Municipal Court System quarterly.
Village Contribution:	Provide three (3) police vehicles. Provide vehicle insurance. Relinquish the supervision and control of all Law Enforcement duties.
Audit Responsibility:	Village of Fort Sumner

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COMPLIANCE SECTION

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**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***

Hector H. Balderas
New Mexico State Auditor
To the Honorable Mayor and Village Councilors
Village of Fort Sumner
Fort Sumner, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the budgetary comparisons for the general fund and the aggregate remaining fund information of the Village of Fort Sumner (the Village), as of and for the year ended June 30, 2010, which collectively comprise the Village's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Village's nonmajor governmental funds, and the budgetary comparison statements for the enterprise funds and the remaining 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, 2010, as listed in the table of contents, and have issued our report thereon dated November 29, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses, that we consider to be significant deficiencies in internal control over financial reporting, listed as 2007-1 and 2010-1. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2010-2, 2010-3 and 2010-4.

The Village's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Village's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Village Council, management, others within the organization, the Office of the State Auditor, the New Mexico State Legislature and its committees, the New Mexico Department of Finance and Administration, 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.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Certified Public Accountants

Clovis, New Mexico
November 29, 2010

STATE OF NEW MEXICO
Village of Fort Sumner
Schedule of Findings and Responses
Year Ended June 30, 2010

Section I – Summary of Audit Results

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditor’s report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | Yes |

Section II – Prior Year Audit Findings

Prior Year Audit Findings

- FS 2007-1 Preparation of Financial Statements – Finding was repeated.
- FS 2009-1 Internal Purchase Requests (Authority) – Finding was resolved.
- FS 2009-2 Physical Security of IT Assets (Village) – Finding was resolved.
- FS 2009-3 Timeliness of Deposits (Village) – Finding was resolved.
- FS 2009-4 Daily Receipts Reconciliation (Village) – Finding was resolved.
- FS 2009-5 Travel and Per Diem Reimbursement Requests (Village) – Finding was resolved.

STATE OF NEW MEXICO
Village of Fort Sumner
Schedule of Findings and Responses
Year Ended June 30, 2010

Schedule V

Section III – Financial Statement Findings and Responses

FS 2007-1: Preparation of Financial Statements (Village and Authority)

Condition

The financial statements and related disclosures are not being prepared by the Village of Fort Sumner and the Fort Sumner Housing Authority.

Criteria

According to the American Institute of Certified Public Accountant's Statement on Auditing Standards No. 112, a system of internal control over financial reporting does not stop at the general ledger. Well designed systems include controls over financial statement preparation, including footnote disclosures.

Effect

When sufficient controls over the preparation of financial statements and related disclosures are not designed, implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

Cause

The Village of Fort Sumner's and Housing Authority's personnel do not have the time and have not been adequately trained in understanding the elements of external financial reporting including the preparation of financial statements and related footnote disclosures.

Auditor's Recommendation

We recommend Village of Fort Sumner and Housing Authority management and personnel receive training on understanding the requirements of external financial reporting.

The training should include, but not be limited to:

- Selection of appropriate accounting policies:
 - Governmental Accounting Standards Board (GASB)
 - Generally Accepted Accounting Principles (specifically as applied to governmental units)
 - Financial Accounting Standards Board (FASB)
- Understanding the financial reporting entity
- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Required supplementary information
 - Management's discussion and analysis
- Supplementary information required by the Office of the State Auditor

In addition, we recommend that the Village of Fort Sumner and Housing Authority develop and implement policies and procedures designed to prevent or detect possible misstatements in its financial statements and related footnote disclosures.

Agency's Response

The Village of Fort Sumner and Housing Authority intend to begin training of management and personnel as suggested by auditor. The Village of Fort Sumner and Housing Authority will look for and send management to training seminars on external financial reporting.

STATE OF NEW MEXICO
Village of Fort Sumner
Schedule of Findings and Responses
Year Ended June 30, 2010

Schedule V

Section III – Financial Statement Findings and Responses (continued)

FS 2010-1: Employee Database Master File (Village)

Condition

During our examination of the payroll compliance process, we noted that their Incode system does not restrict access to the payroll module. The software program does have the capability to restrict access to authorized personnel, but is not being utilized.

Criteria

Segregation of security duties, as indicated in NMAC 1.12.20.9, is required to reduce the risk of accidental or deliberate damage to the IT system through misuse by a person or persons.

Effect

NMAC 1.12.20.11 states that "Agencies shall change passwords of system privileged accounts no less than every 60 days." It is critical for the Village to implement a strong password process that require all Village authorized users to authenticate themselves through use of an individually assigned user ID or Village approved authentication mechanism in order to prevent fraudulent behavior. Without adequate segregation of security duties or a formal review process by the board, errors may be made without detection.

Cause

Due to limited resources, the Village relies on the expertise of either the Deputy Clerk or Village Clerk to process payroll. Limited resources in this process result in a lack of segregation of security duties.

Auditor's Recommendation

We recommend the Village of Fort Sumner develop a formal review process conducted by a board member for the payroll process. Secondly, implement password security features in the Incode software program that will allow authorized individuals to gain access to sensitive areas of the Incode system.

Agency's Response

The Village of Fort Sumner, with the assistance of our software program provider, has implemented employee password security control features on both the payroll and account payable modules. The security control features will prevent unauthorized employees access to administrative components of the Incode software system. The Village of Fort Sumner will implement a review method during the payroll process, with either the Mayor or Mayor Pro-Tem. The Village of Fort Sumner has always had the Mayor or Mayor Pro-Tem, if available, review the employee timesheets and sign the payroll checks.

FS 2010-2: Credit Card Support Documentation (Village)

Condition

During examination of the credit card compliance process, we noted that a receipt should accompany and tie to the log sheet associated with the card. Proper reconciliation efforts take the log sheets and receipts to tie back to the credit card statement before payment. However, while performance of the test work, we noted that two of the five samples were not supported by a receipt nor were the samples logged on the log sheet for the cards.

Criteria

State auditor compliance rule 2.2.2.10.G.18, notes that gasoline credit cards should be used solely for the operation of official vehicles. Supporting documentation is required in order to determine that only allowable expenses were paid with the credit card.

Effect

Without proper documentation, the Village of Fort Sumner is fully relying on the credit card company. As a result, a lack of reconciliation increases the risk of error or misstatement. Additionally, without any support documentation, it is difficult to hold the card holder accountable for the activity.

Cause

Each time the card is used the card user is to get a receipt, however, there may be times when there is no paper in the machine in order to obtain a receipt. Each time the card is used, it should be logged on the log sheet located in the vehicle.

STATE OF NEW MEXICO
Village of Fort Sumner
Schedule of Findings and Responses
Year Ended June 30, 2010

Schedule V

Section III – Financial Statement Findings and Responses (continued)

FS 2010-2: Credit Card Support Documentation (Village) (continued)

Auditor's Recommendation

We recommend the Village of Fort Sumner require the log sheet to be completely filled out and every transaction recorded on the log sheet for each card. If a receipt cannot be obtained (due to no paper in the machine), then it should be noted on the log sheet (should be a "rare" exception). Secondly, the deputy clerk should prepare a reconciliation for each statement.

Agency's Response

The Village of Fort Sumner accepts and will implement the auditor's recommendation to require the log sheet to be completely filled out and every transaction recorded on the log sheet for each card.

FS 2010-3: Timeliness of Deposits (Authority)

Condition

During test work of receipts, we noted three instances in the amount of \$262, out of five receipts tested were not deposited in a timely manner after receipt. These receipts were not deposited until several business days after the funds were received.

Criteria

According to NMSA 1978, 6-10, receipts should be deposited as soon as administratively possible. For a municipality having suitable banking facilities within its boundaries, receipts should be deposited within one business day of collection.

Effect

Non-adherence to state statutes places the Fort Sumner Housing Authority in noncompliance and lack of timeliness of deposits could subject the Housing Authority to a possible occurrence of fraud.

Cause

The Village of Fort Sumner is not properly monitoring that all receipts are being deposited in a timely manner.

Auditor's Recommendation

The Fort Sumner Housing Authority should emphasize the importance of timely deposits of receipts and assign a designated individual the responsibility of determining that receipts are deposited in a timely manner as set forth in state statutes.

Agency's Response

The Fort Sumner Housing Authority has discussed the importance and necessity of depositing deposits in a timely manner with employees and will work more diligently to determine that all deposits are deposited in a timely manner.

FS 2010-4: Annual Inspection Documentation (Authority)

Condition

During our test work of tenant files, we noted four out of six files tested did not contain documentation showing that annual inspections had been performed.

Criteria

HUD requires that units be inspected at least annually and that deficiencies be corrected within 30 days.

Effect

Inspections may not be taking place on an annual basis and deficiencies may not be getting corrected in a timely manner, within the 30 day requirement.

STATE OF NEW MEXICO
Village of Fort Sumner
Schedule of Findings and Responses
Year Ended June 30, 2010

Schedule V

Section III – Financial Statement Findings and Responses (continued)

FS 2010-4: Annual Inspection Documentation (Authority) (continued)

Cause

The Housing Authority is not documenting that the inspections are taking place, unless it is a move-out inspection requiring calculation of return of security deposit. This appears to be simply an oversight, as the Housing Authority maintains inspection sheets, but is not completing them at the time of the inspection.

Auditor's Recommendation

We recommend that the Housing Authority set up a checklist for the inspections and that these checklists be completed, signed and dated as documentation that inspections are taking place. We also recommend that a letter be sent to the tenants regarding deficiencies found, or lack thereof, and the time frame for fixing the deficiencies. Documentation then needs to be added to the file noting when deficiencies were corrected.

Agency's Response

We agree with the auditor's recommendation and have implemented an inspection checklist that will streamline our documentation process. We will ensure that our documentation efforts will prevent future tenant file deficiencies.

STATE OF NEW MEXICO

Village of Fort Sumner

Other Disclosures

Year Ended June 30, 2010

A. AUDITOR PREPARED FINANCIAL STATEMENTS

Although it would be preferred and desirable for the Village to prepare its own GAAP-basis financial statements, it is felt that the Village's personnel did not have the available time to prepare them. Therefore, the outside auditor assisted with the preparation of the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

B. EXIT CONFERENCE

The contents of the report for the Village of Fort Sumner were discussed on November 29, 2010. The following individuals were in attendance.

Village of Fort Sumner Officials

Ron Seña, Village Clerk/Treasurer

Windell Bridges, Mayor

Albert Seña, Mayor Pro-Tem

Auditors

Ray Roberts, CPA

Carol Snider, CPA