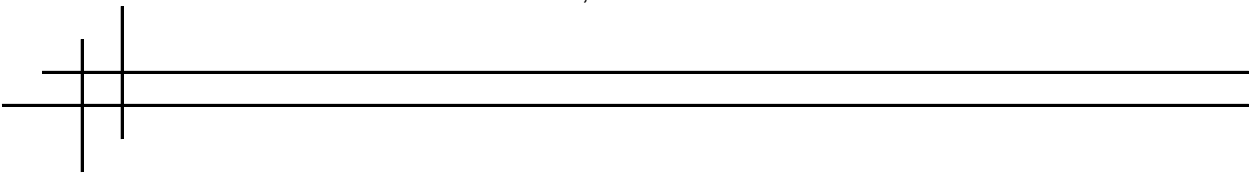


STATE OF NEW MEXICO
VILLAGE OF LOGAN

ANNUAL FINANCIAL REPORT
June 30, 2012

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



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VILLAGE OF LOGAN
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STATE OF NEW MEXICO
VILLAGE OF LOGAN
Official Roster
June 30, 2012

BOARD OF TRUSTEES

David Babb	Mayor
Apolonio Ramirez	Trustee
Russell Feerer	Trustee
Rose Marie Lower	Trustee
Darrel Boulware	Trustee

ADMINISTRATIVE OFFICIAL

Larry Wallin	Village Administrator
Angelina Cordova	Clerk/Treasurer

Independent Auditor's Report

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

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general fund and the major special revenue funds of Village of Logan, (Village), as of and for the year ended June 30, 2012, which collectively comprise the Village's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Village's nonmajor governmental funds and the budgetary comparisons for all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Village as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 21, 2012, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Village's management has omitted the Management's Discussion and Analysis that the Governmental Accounting Standards Board require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the basic financial statements. The accompanying budget comparisons are not a required part of the financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

De'Ann Willoughby CPA PC

November 21, 2012

FINANCIAL SECTION

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 Government-Wide Statement of Net Assets
 June 30, 2012

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,386,857	\$ 1,194,123	\$ 2,580,980
Investments	314	0	314
Receivables			
Taxes	43,711	732	44,443
Accounts	34,590	136,061	170,651
Total Current Assets	<u>1,465,472</u>	<u>1,330,916</u>	<u>2,796,388</u>
Noncurrent Assets			
Restricted Cash	21,468	252,720	274,188
Capital Assets	7,870,568	16,576,143	24,446,711
Less: Accumulated Depreciation	<u>(4,872,885)</u>	<u>(1,349,917)</u>	<u>(6,222,802)</u>
Total Noncurrent Assets	<u>3,019,151</u>	<u>15,478,946</u>	<u>18,498,097</u>
Total Assets	<u>4,484,623</u>	<u>16,809,862</u>	<u>21,294,485</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	7,731	8,809	16,540
Accrued Salaries & Benefits	9,305	3,902	13,207
Accrued Interest	534	38,790	39,324
Current Portion of Long-Term Debt	63,843	83,989	147,832
Total Current Liabilities	<u>81,413</u>	<u>135,490</u>	<u>216,903</u>
Noncurrent Liabilities			
Compensated Absences	73,848	7,189	81,037
Customer Deposits	0	20,225	20,225
Non Current Portion of Long Term Debt	294,803	5,504,106	5,798,909
Total Noncurrent Liabilities	<u>368,651</u>	<u>5,531,520</u>	<u>5,900,171</u>
Total Liabilities	<u>450,064</u>	<u>5,667,010</u>	<u>6,117,074</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	2,660,505	9,890,851	12,551,356
Unrestricted	1,374,054	1,252,001	2,626,055
Total Net Assets	<u>\$ 4,034,559</u>	<u>\$ 11,142,852</u>	<u>\$ 15,177,411</u>

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

STATE OF NEW MEXICO

VILLAGE OF LOGAN

Government-Wide Statement of Activities

For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net(Expenses) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 330,147	\$ 68,986	\$ 56,917	\$ 0	\$ (204,244)	\$ 0	\$ (204,244)
Public Safety	568,531	75,220	241,010	0	(252,301)	0	(252,301)
Public Works	317,427	0	0	0	(317,427)	0	(317,427)
Health & Welfare	124,856	7,500	100,500	0	(16,856)	0	(16,856)
Culture & Recreation	74,186	4,090	3,532	0	(66,564)	0	(66,564)
Interest on Long-Term Obligations	5,737	0	0	0	(5,737)	0	(5,737)
Total Governmental Activities	\$ 1,420,884	\$ 155,796	\$ 401,959	\$ 0	(863,129)	0	(863,129)
Business-type Activities							
Water & Sewer	\$ 1,002,987	\$ 1,147,728	\$ 0	\$ 495,870	0	640,611	640,611
Landfill	170,989	171,520	0	0	0	531	531
Total Business-type Activities	\$ 1,173,976	\$ 1,319,248	\$ 0	\$ 495,870	0	641,142	641,142
General Revenues							
Taxes							
Property					161,404	0	161,404
Gross Receipts					446,798	10,503	457,301
Gasoline					93,623	0	93,623
Other Taxes					23,161	0	23,161
Miscellaneous					4,919	0	4,919
Interest Income					15,456	3,523	18,979
Total General Revenues and Transfers					745,361	14,026	759,387
Change in Net Assets					(117,768)	655,168	537,400
Net Assets - beginning					4,152,327	10,487,684	14,640,011
Net Assets - ending					\$ 4,034,559	\$ 11,142,852	\$ 15,177,411

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2012

	General Fund	Special Revenue	
		Fire Fund	Health Clinic Fund
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 814,677	\$ 158,484	\$ 3,217
Investments	314	0	0
Receivables			
Taxes	35,749	0	0
Accounts	0	0	0
Restricted Cash	0	19,496	0
Total Assets	\$ <u>850,740</u>	\$ <u>177,980</u>	\$ <u>3,217</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Current Liabilities			
Accounts Payables	\$ 4,303	\$ 0	\$ 0
Accrued Salaries & Benefits	9,251	0	0
Total Liabilities	<u>13,554</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for, reported in:			
Special Revenue Fund	0	177,980	3,217
Unassigned- General Fund	837,186	0	0
Total Fund Balances	<u>837,186</u>	<u>177,980</u>	<u>3,217</u>
Total Liabilities and Fund Balances	\$ <u>850,740</u>	\$ <u>177,980</u>	\$ <u>3,217</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2012

	Non-Major Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and Cash Equivalents	\$ 410,479	\$ 1,386,857
Investments	0	314
Receivables		
Taxes	7,962	43,711
Accounts	34,590	34,590
Restricted Cash	1,972	21,468
Total Assets	<u>\$ 455,003</u>	<u>\$ 1,486,940</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Current Liabilities		
Accounts Payables	\$ 3,428	\$ 7,731
Accrued Salaries & Benefits	54	9,305
Total Liabilities	<u>3,482</u>	<u>17,036</u>
Fund Balances		
Reserved for, reported in:		
Special Revenue Fund	451,521	632,718
Unassigned- General Fund	0	837,186
Total Fund Balances	<u>451,521</u>	<u>1,469,904</u>
Total Liabilities and Fund Balances	<u>\$ 455,003</u>	<u>\$ 1,486,940</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2012

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

Total Fund Balance - Governmental Funds	\$	1,469,904
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Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

The cost of capital assets	\$	7,870,568	
Accumulated depreciation		<u>(4,872,885)</u>	2,997,683

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

Notes Payable	(358,646)	
Accrued interest on Notes Payable	(534)	
Compensated Absences	<u>(73,848)</u>	<u>(433,028)</u>

Total net assets - governmental activities	\$	<u><u>4,034,559</u></u>
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
VILLAGE OF LOGAN
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2012

	General Fund	Special Revenue	
		Fire Fund	Health Clinic Fund
Revenues			
Taxes			
Property	\$ 161,404	\$ 0	\$ 0
Gross Receipts	446,798	0	0
Franchise	3,906	0	0
Lodgers	0	0	0
Gasoline	0	0	0
Other	9,766	0	0
Interest Income	3,173	636	0
License & Permits	3,760	0	0
State Grants	60,449	210,276	100,500
Charges for Services	66,821	0	7,500
Miscellaneous	7,461	45	0
Total Revenues	<u>763,538</u>	<u>210,957</u>	<u>108,000</u>
Expenditures			
Current			
General Government	309,188	0	0
Public Safety	293,351	118,054	0
Public Works	101,150	0	0
Health & Welfare	0	0	112,117
Culture & Recreation	19,387	0	0
Capital Outlay	12,445	5,175	0
Debt Service			
Principal	0	44,645	0
Interest	0	3,961	0
Total Expenditures	<u>735,521</u>	<u>171,835</u>	<u>112,117</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>28,017</u>	<u>39,122</u>	<u>(4,117)</u>
Other Financing Sources (Uses)			
Transfers In (Out)	<u>(20,000)</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>(20,000)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	8,017	39,122	(4,117)
Fund Balance at Beginning of year	<u>829,169</u>	<u>138,858</u>	<u>7,334</u>
Fund Balance End of Year	<u>\$ 837,186</u>	<u>\$ 177,980</u>	<u>\$ 3,217</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2012

	Non-Major Governmental Funds	Total Governmental Funds
Revenues		
Taxes		
Property	\$ 0	\$ 161,404
Gross Receipts	0	446,798
Franchise	0	3,906
Lodgers	9,487	9,487
Gasoline	93,623	93,623
Other	2	9,768
Interest Income	1,110	4,919
License & Permits	0	3,760
State Grants	30,734	401,959
Charges for Services	77,715	152,036
Miscellaneous	7,950	15,456
Total Revenues	<u>220,621</u>	<u>1,303,116</u>
Expenditures		
Current		
General Government	0	309,188
Public Safety	88,344	499,749
Public Works	25,400	126,550
Health & Welfare	0	112,117
Culture & Recreation	31,412	50,799
Capital Outlay	38,576	56,196
Debt Service		
Principal	17,982	62,627
Interest	1,925	5,886
Total Expenditures	<u>203,639</u>	<u>1,223,112</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>16,982</u>	<u>80,004</u>
Other Financing Sources (Uses)		
Transfers In (Out)	20,000	0
Total Other Sources (Uses)	<u>20,000</u>	<u>0</u>
Net Change in Fund Balance	36,982	80,004
Fund Balance at Beginning of year	<u>414,539</u>	<u>1,389,900</u>
Fund Balance End of Year	<u>\$ 451,521</u>	<u>\$ 1,469,904</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2012

Net Change in Fund Balance \$ 80,004

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

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

Depreciation expense	(316,427)	
Capital Outlay	<u>56,196</u>	(260,231)

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

62,627

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.

Accrued Interest, June 30, 2011	683	
Accrued Interest, June 30, 2012	<u>(534)</u>	149

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

Compensated Absences, June 30, 2011	73,531	
Compensated Absences, June 30, 2012	<u>(73,848)</u>	<u>(317)</u>

Changes in Net Assets of Governmental Activities \$ (117,768)

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
GENERAL

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes				
Property	\$ 136,266	\$ 136,266	\$ 159,947	\$ 23,681
Franchise	4,300	4,300	3,906	(394)
Gross Receipts	274,000	274,000	454,054	180,054
Motor Vehicle	8,500	8,500	9,766	1,266
Interest Income	4,000	4,000	3,173	(827)
State Grants	33,100	33,100	60,449	27,349
License & Permits	4,000	4,000	3,760	(240)
Charges for Services	70,800	70,800	66,820	(3,980)
Miscellaneous	4,000	4,000	7,461	3,461
Total Revenues	<u>538,966</u>	<u>538,966</u>	<u>769,336</u>	<u>230,370</u>
Expenditures				
Executive				
Personnel Services	57,380	57,380	50,253	7,127
Operating Expenses	3,200	3,200	6,584	(3,384)
Total Executive	<u>60,580</u>	<u>60,580</u>	<u>56,837</u>	<u>3,743</u>
Financial Department				
Personnel Services	183,021	183,022	171,244	11,778
Operating Expenses	32,300	32,300	30,305	1,995
Capital Purchases	1,200	1,200	23,667	(22,467)
Total Financial Department	<u>216,521</u>	<u>216,522</u>	<u>225,216</u>	<u>(8,694)</u>
Police Department				
Personnel Services	265,256	265,256	254,445	10,811
Operating Expenses	39,000	39,000	38,622	378
Total Police Department	<u>304,256</u>	<u>304,256</u>	<u>293,067</u>	<u>11,189</u>
Highway & Streets				
Personnel Services	46,651	46,652	34,222	12,430
Operating Expenses	27,000	27,000	21,527	5,473
Capital Outlay	70,000	70,000	0	70,000
Total Highway & Streets	<u>\$ 143,651</u>	<u>\$ 143,652</u>	<u>\$ 55,749</u>	<u>\$ 87,903</u>

STATE OF NEW MEXICO

VILLAGE OF LOGAN

GENERAL

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

For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Motor Vehicle Department				
Personnel Services	\$ 43,923	\$ 43,923	\$ 41,061	\$ 2,862
Operating Expenses	5,150	5,150	3,319	1,831
Total Motor Vehicle Department	<u>49,073</u>	<u>49,073</u>	<u>44,380</u>	<u>4,693</u>
Civic Center				
Personnel Services	16,260	16,260	12,490	3,770
Operating Expenses	6,200	6,200	6,439	(239)
Capital Outlay	2,000	2,000	0	2,000
Total Civic Center	<u>24,460</u>	<u>24,460</u>	<u>18,929</u>	<u>5,531</u>
Insurance				
Employee Bonds	800	800	450	350
General Fund	15,000	15,000	277	14,723
Risk Management	10,000	10,000	7,000	3,000
Workers Compensation	16,000	16,000	9,059	6,941
Total Insurance	<u>41,800</u>	<u>41,800</u>	<u>16,786</u>	<u>25,014</u>
Miscellaneous				
Election Expense	3,000	3,000	1,412	1,588
Assistance to Chamber of Commerce	700	700	700	0
Fees	5,000	5,000	15,595	(10,595)
Ute Commission	600	600	600	0
Depilated Building Expense	20,000	20,000	1,874	18,126
EPCOG	0	0	443	(443)
NM State Library	300	300	300	0
RPCHA Capital Outlay	12,000	12,000	0	12,000
Total Miscellaneous	<u>41,600</u>	<u>41,600</u>	<u>20,924</u>	<u>20,676</u>
Economic Development				
Operating Expenses	58,000	58,000	2,236	55,764
Total Economic Development	<u>58,000</u>	<u>58,000</u>	<u>2,236</u>	<u>55,764</u>
Total Expenditures	<u>939,941</u>	<u>939,943</u>	<u>734,124</u>	<u>205,819</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(400,975)</u>	<u>(400,977)</u>	<u>35,212</u>	<u>436,189</u>
Other Financing Sources (Uses)				
Transfers In (Out)	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>0</u>
Total Other Sources (Uses)	<u>\$ (20,000)</u>	<u>\$ (20,000)</u>	<u>\$ (20,000)</u>	<u>\$ 0</u>

STATE OF NEW MEXICO

VILLAGE OF LOGAN

GENERAL

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

For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Net Change in Cash Balance	\$ (420,975)	\$ (420,977)	\$ 15,212	\$ 436,189
Cash Balance Beginning of Year	799,779	799,779	799,779	0
Cash Balance End of Year	<u>\$ 378,804</u>	<u>\$ 378,802</u>	<u>\$ 814,991</u>	<u>\$ 436,189</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 15,212	
Net Change in Taxes Receivables			(5,798)	
Net Change in Accounts Payable			1,076	
Net Change in Accrued Salaries and Benefits			(2,473)	
Net Change in Fund Balance			<u>\$ 8,017</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-FIRE
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 1,300	\$ 1,300	\$ 636	\$ (664)
State Grant	166,021	166,021	210,276	44,255
Miscellaneous	0	0	45	45
Total Revenues	<u>167,321</u>	<u>167,321</u>	<u>210,957</u>	<u>43,636</u>
Expenditures				
Public Safety				
Operating Expenses	166,766	166,766	84,033	82,733
Debt Service				
Principal	0	0	44,645	(44,645)
Interest	0	0	3,961	(3,961)
Capital Outlay	<u>119,865</u>	<u>119,865</u>	<u>39,196</u>	<u>80,669</u>
Total Expenditures	<u>286,631</u>	<u>286,631</u>	<u>171,835</u>	<u>114,796</u>
Excess (Deficiency) of Revenues Over Expenditures	(119,310)	(119,310)	39,122	158,432
Cash Balance Beginning of Year	<u>138,858</u>	<u>138,858</u>	<u>138,858</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 19,548</u>	<u>\$ 19,548</u>	<u>\$ 177,980</u>	<u>\$ 158,432</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 39,122</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 39,122</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-HEALTH CLINIC
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Charge for Services	\$ 6,000	\$ 6,000	\$ 7,500	\$ 1,500
State Grant	158,700	158,700	100,500	(58,200)
Total Revenues	<u>164,700</u>	<u>164,700</u>	<u>108,000</u>	<u>(56,700)</u>
Expenditures				
Public Works				
Operating Expenses	163,700	163,700	106,417	57,283
Capital Outlay	1,000	1,000	5,700	(4,700)
Total Expenditures	<u>164,700</u>	<u>164,700</u>	<u>112,117</u>	<u>52,583</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(4,117)	(4,117)
Cash Balance Beginning of Year	<u>7,334</u>	<u>7,334</u>	<u>7,334</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 7,334</u>	<u>\$ 7,334</u>	<u>\$ 3,217</u>	<u>\$ (4,117)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (4,117)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (4,117)</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 PROPRIETARY FUND
 Statement of Net Assets
 June 30, 2012

ASSETS	Water and Sewer Fund	Landfill Fund	Total
Current Assets			
Cash and Cash Equivalents	\$ 800,632	\$ 393,491	\$ 1,194,123
Receivables			
Accounts	122,918	13,143	136,061
Taxes	0	732	732
Total Current Assets	<u>923,550</u>	<u>407,366</u>	<u>1,330,916</u>
Noncurrent Assets			
Restricted Cash	252,720	0	252,720
Capital Assets	16,376,316	199,827	16,576,143
Less Accumulated Depreciation	<u>(1,244,845)</u>	<u>(105,072)</u>	<u>(1,349,917)</u>
Total Noncurrent Assets	<u>15,384,191</u>	<u>94,755</u>	<u>15,478,946</u>
Total Assets	<u>16,307,741</u>	<u>502,121</u>	<u>16,809,862</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	5,175	3,634	8,809
Accrued Salaries & Benefits	3,323	579	3,902
Accrued Interest	38,790	0	38,790
Current Amount Due	<u>83,989</u>	<u>0</u>	<u>83,989</u>
Total Current Liabilities	<u>131,277</u>	<u>4,213</u>	<u>135,490</u>
Noncurrent Liabilities			
Compensated Absences	6,970	219	7,189
Customer Deposits	20,225	0	20,225
Bonds and Loans	5,504,106	0	5,504,106
Total Noncurrent Liabilities	<u>5,531,301</u>	<u>219</u>	<u>5,531,520</u>
Total Liabilities	<u>5,662,578</u>	<u>4,432</u>	<u>5,667,010</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	9,796,096	94,755	9,890,851
Unrestricted	<u>849,067</u>	<u>402,934</u>	<u>1,252,001</u>
Total Net Assets	<u>\$ 10,645,163</u>	<u>\$ 497,689</u>	<u>\$ 11,142,852</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 PROPRIETARY FUND
 Statement of Revenue, Expenses and Changes in Fund Net Assets
 For the Year Ended June 30, 2012

	Water and Sewer Fund	Landfill Fund	Total
Revenues			
Sales & Service	\$ 810,018	\$ 171,520	\$ 981,538
Connection Fees	337,710	0	337,710
Total Revenues	<u>1,147,728</u>	<u>171,520</u>	<u>1,319,248</u>
Expenses			
Personnel Services	220,365	45,685	266,050
Operating Expenses	178,039	113,941	291,980
Bad Debts	5,836	0	5,836
Depreciation	400,062	11,363	411,425
Total Expenses	<u>804,302</u>	<u>170,989</u>	<u>975,291</u>
Operating Income (Loss)	<u>343,426</u>	<u>531</u>	<u>343,957</u>
Nonoperating Revenue (Expenses)			
Environmental Gross Receipts Tax	0	10,503	10,503
Federal Grant	495,870	0	495,870
Interest Income	2,253	1,270	3,523
Interest Expense	(198,685)	0	(198,685)
Total Nonoperating Revenue (Expense)	<u>299,438</u>	<u>11,773</u>	<u>311,211</u>
Change in Net Assets	642,864	12,304	655,168
Total Net Assets - Beginning	<u>10,002,299</u>	<u>485,385</u>	<u>10,487,684</u>
Total Net Assets - Ending	<u>\$ 10,645,163</u>	<u>\$ 497,689</u>	<u>\$ 11,142,852</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 PROPRIETARY FUND
 Combined Statement of Cash Flows
 For the Year Ended June 30, 2012

	Water and Sewer Fund	Landfill Fund	Total
Cash Flows from Operating Activities			
Cash Received From Customers	\$ 1,125,833	\$ 164,514	\$ 1,290,347
Cash Paid to Suppliers and Employees	401,849	155,104	556,953
Net Cash Provided by Operating Activities	<u>723,984</u>	<u>9,410</u>	<u>733,394</u>
Cash Flows from Noncapital Financing Activities			
Taxes	0	10,503	10,503
Net Cash Provided by Noncapital Financing Activities	<u>0</u>	<u>10,503</u>	<u>10,503</u>
Cash Flows from Capital & Related Financing Activities			
Grants for Construction Projects	495,870	0	495,870
Acquisition and Construction of Capital Assets	(616,816)	(5,800)	(622,616)
Principal Paid	(81,589)	0	(81,589)
Interest Paid	(198,685)	0	(198,685)
Net Cash Provided by Capital & Related Financing Activities	<u>(401,220)</u>	<u>(5,800)</u>	<u>(407,020)</u>
Cash Flows from Investing Activities			
Interest Received	2,253	1,270	3,523
Net Cash Provided by Investing Activities	<u>2,253</u>	<u>1,270</u>	<u>3,523</u>
Net Increase (Decrease) in Cash	325,017	15,383	340,400
Cash, Beginning of Year	<u>728,335</u>	<u>378,108</u>	<u>1,106,443</u>
Cash, End of Year	<u>\$ 1,053,352</u>	<u>\$ 393,491</u>	<u>\$ 1,446,843</u>
Cash and Cash Equivalents	\$ 800,632	\$ 393,491	\$ 1,194,123
Restricted Cash	252,720	0	252,720
Total Cash	<u>\$ 1,053,352</u>	<u>\$ 393,491</u>	<u>\$ 1,446,843</u>
Reconciliation of Net Income to Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$ 343,426	\$ 531	\$ 343,957
Depreciation	400,063	11,363	411,426
Change in Assets and Liabilities			
(Increase) Decrease in Taxes Receivable	(19,360)	146	(19,214)
(Increase) Decrease in Accounts Receivable	6,076	(1,277)	4,799
(Increase) Decrease in Inventories	(1,176)	0	(1,176)
Increase (Decrease) in Accounts Payable	350	2,089	2,439
Increase (Decrease) in Accrued Salaries & Benefits	(5,816)	11	(5,805)
Increase (Decrease) in Compensated Absences	(2,879)	(3,453)	(6,332)
Increase (Decrease) in Customer Deposits	3,300	0	3,300
Net Cash Provided by Operating Activities	<u>\$ 723,984</u>	<u>\$ 9,410</u>	<u>\$ 733,394</u>

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

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

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

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

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

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

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

Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

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

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

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

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

Health Clinic - To account for the receipts and expenditures related to the Village Health Clinic. Funding is provided by the State Department of Health, Public Health Division, to provide primary health care services. The fund was created by State Grant Provision. NMSA 24-1A-3.1.

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

Water & Sewer - The funds are used to account for the provision of water and sewer to the residents of the Village. Activities of the funds include administration, operations and maintenance of the water and sewer system and billing and collection activities. The funds also account for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

Landfill - The Funds are used to account for the provision of garbage services to the residents of the Village. All costs are financed through charges to customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

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

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

Measurement Focus and Basis of Accounting

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

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

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Village's taxpayer or citizenry, as a whole; program revenues reduced the cost of the function to be financed from the Village's general revenues. Program revenues include charges for services or applicants who purchase, use or directly benefit from the goods or services provided by the given function.

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

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

Budgetary Control

1. Prior to June 1, the Village's Clerk-Treasurer submits the budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to July 1, the budget is legally enacted through passage of an ordinance and then must be approved by Local Government Division of the State Department of Finance and Administration.

3. The Village treasurer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Village Trustees and the State Department of Finance and Administration.
4. Formal budgetary integration is employed as a management control device during the year for all funds.
5. The level of budget authority is at the fund level.

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

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

Cash and Cash Equivalents

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

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

Investments

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

- (a) bonds or negotiable securities of the United States, the state or any county, municipality or Village which has a taxable valuation of real property for the last preceding year of at least one million dollars (1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or
- (b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.

(c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Prepaid Items

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

Receivables and Payables

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

Elimination and Reclassifications of Certain Receivables and Payables

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

Inventory

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of pipe and other maintenance items used to maintain the system. Costs are recorded as expenditures at the time individual inventory items are used (consumption method).

Capital Assets

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

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

Buildings, Improvements and Infrastructure	20-50 Years
Equipment and Vehicles	3-15 Years

Use of Restricted Funds

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

Revenue

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

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

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

Compensated Absences

All full-time employees are entitled to five to twenty days (depending on employment) a maximum of 20 days can be accrued. Non-salaried employees are eligible for compensation time.

Each permanent employee of the Village accrues sick leave as working days with full pay on the basis of one (1) day per each month of employment. Sick leave may be granted only from duty because of personal illness, legal quarantine, or medical, dental, or optical appointments. In case of an extended sickness in excess of the accumulated sick leave, annual leave may be applied to sick leave. The employee may be eligible to sell sick leave in excess of 10 days at the rate of 75% of regular pay, only upon approval of the board.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed by creditors, grantors or laws or regulations of other governments. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available it will first be applied to restricted resources.

NOTE B: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

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

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

STATE OF NEW MEXICO
VILLAGE OF LOGAN
Notes to the Financial Statements
June 30, 2012

B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

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

NOTE C: CASH AND INVESTMENTS

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

First National Bank	Balance	Reconciled	
<u>Name of Account</u>	<u>Per Bank</u>	<u>Balance</u>	<u>Type</u>
	06/30/12	06/30/12	
General Fund	\$ 1,904,632	\$ 1,951,204	Checking-Interest Bearing
Primary Care Unit	2	2	Checking-Interest Bearing
Sewer Phase I	32,889	32,889	Checking-Non Interest Bearing
Sewer Phase I Operations	1	1	Checking-Non Interest Bearing
Sewer Phase II	199,604	199,604	Checking-Non Interest Bearing
Sewer Phase II Operations	1	1	Checking-Non Interest Bearing
Village of Logan	100,000	100,000	Savings-Interest Bearing
Village of Logan	200,000	200,000	Savings-Interest Bearing
Village of Logan	150,000	150,000	Savings-Interest Bearing
Village of Logan	100,000	100,000	Savings-Interest Bearing
Village of Logan	100,000	100,000	Savings-Interest Bearing
TOTAL Deposited	<u>2,787,129</u>	<u>\$ 2,833,701</u>	
Less: FDIC Coverage	<u>(482,495)</u>		
Uninsured Amount	2,304,634		
50% collateral requirement	1,152,317		
Pledged securities	<u>1,510,179</u>		
Over (Under) requirement	<u>\$ 357,862</u>		

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

The following securities are pledged at **First National Bank**:

<u>Description</u>	<u>CUSIP #</u>	<u>Par/Market</u>	<u>Maturity Date</u>
		<u>Value</u>	
Vaughn NM Sch Dist 33	9ZZ382BX3	\$ 89,695	8/1/2014
Eastern NM University Revs	276785UA8	53,359	4/1/2014
Logan NM Sch Dist No 32	541066BC9	144,629	4/15/2019
Logan NM Sch Dist No 32	541066BD7	142,040	4/15/2020
Los Lunas Sch Dist No 001	545562ND8	356,808	4/15/2016
Bernalillo NM Mun Sch Dist 1	085279MW4	25,759	8/1/2017
Roosevelt Cnty NM Gross Recpts	776461AL9	133,959	6/1/2017
Roosevelt Cnty NM Gross Recpts	776461AL9	53,584	6/1/2017
FNMA ARM-Pool#729128	31402HA50	8,252	11/1/2033
FNMA Fixed Rate Note	3136FPKV8	502,094	10/8/2025
		<u>\$ 1,510,179</u>	

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Bank of Albuquerque

<u>Name of Account</u>	Balance Per Bank Balance	Reconciled Balance	Type
NMFA 3	\$ 3	\$ 3	Savings
NMFA 4	1,972	1,972	Savings
NMFA 6	2	2	Savings
NMFA 7	19,490	19,490	Savings
TOTAL Deposited	<u>21,467</u>	<u>\$ 21,467</u>	
Less: FDIC Coverage	<u>(21,467)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

Custodial Credit Risk-Deposits

<u>Depository Account</u>	Bank Balance
Insured	\$ 503,962
Collateralized:	
Collateral held by the pledging bank in Village's name	1,510,179
Uninsured and uncollateralized	794,455
Total Deposits	<u>\$ 2,808,596</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2012 \$794,455 of the Village's bank balance of \$2,808,596 was exposed to custodial credit risk.

State Treasurer

<u>Name of Account</u>	Balance Per Bank Balance	Reconciled Balance	Type
Village of Logan	\$ 206	\$ 206	Savings
Village of Logan Reserve	108	108	Savings
TOTAL Deposited	<u>\$ 314</u>	<u>\$ 314</u>	

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

1. With respect to credit risk, the LGIP, a government investment pool, is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.

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2. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure. However, our portfolio is posted on the State Treasurer's website www.stonm.org and available for review by participants at any time.

3. GASB Statement No. 40 defines interest rate risk as the risk that interest rate variations may adversely affect the fair value of an investment. According to GASB Statement No. 40, an acceptable method for reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.stonm.org. As of June 30, 2012, the LGIP WAM (R) is 60 days and WAM (F) IS 83 days.

4. Finally, with respect to foreign currency risk, all investments in the LGIP are in U.S. dollar denominated assets. Therefore, the LGIP has no foreign currency risk.

NOTE D: RESTRICTED CASH

There was \$19,496 restricted cash in the Fire Fund and \$1,972 restricted cash in the EMS Ambulance Fund. This money is restricted for the purpose of retiring debt for the fire truck and ambulance financed by New Mexico Finance Authority. The restricted cash in the Water and Sewer Fund of \$252,720 consists of \$20,225 for customer deposits and \$232,495 for future expansion of the sewer system.

NOTE E: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2012, is as follows:

	Balance 6/30/11	Increases	Decreases	Balance 6/30/12
Governmental Activities				
Capital Assets, not being Depreciated				
Land	\$ 56,500	\$ 0	\$ 0	\$ 56,500
Total Capital Assets, not being Depreciated	56,500	0	0	56,500
Capital Assets, being Depreciated				
Infrastructure	4,062,358	38,576	0	4,100,934
Buildings & Improvements	1,946,703	0	0	1,946,703
Equipment	1,232,358	17,620	0	1,249,978
Vehicles	516,453	0	0	516,453
Total Capital Assets, being Depreciated	7,757,872	56,196	0	7,814,068
Total Capital Assets	7,814,372	56,196	0	7,870,568
Less Accumulated Depreciation				
Infrastructure	2,995,156	183,215	0	3,178,371
Buildings & Improvements	755,629	49,086	0	804,715
Equipment	538,495	56,945	0	595,440
Vehicles	267,178	27,181	0	294,359
Total Accumulated Depreciation	4,556,458	316,427	0	4,872,885
Capital Assets, net	\$ 3,257,914	\$ (260,231)	\$ 0	\$ 2,997,683

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Depreciation expense was charged to governmental activities as follows:

General	\$ 17,283
Public Safety	72,051
Public Works	190,967
Health & Welfare	12,739
Culture & Recreation	23,387
Total depreciation expenses	<u>\$ 316,427</u>

	Balance 6/30/11	Increases	Decreases	Balance 6/30/12
Water & Sewer				
Capital Assets not being Depreciated				
Land	\$ 193,412	\$ 0	\$ 0	\$ 193,412
Construction in Progress	13,393,125	0	13,393,125	0
Total Capital Assets not being Depreciated	<u>13,586,537</u>	<u>0</u>	<u>13,393,125</u>	<u>193,412</u>
Other Capital Assets				
Buildings & Improvements	2,032,560	14,009,941	0	16,042,501
Equipment	80,794	0	0	80,794
Vehicles	59,609	0	0	59,609
Total Capital Assets, being Depreciated	<u>2,172,963</u>	<u>14,009,941</u>	<u>13,393,125</u>	<u>16,182,904</u>
Total Capital Assets	<u>15,759,500</u>	<u>14,009,941</u>	<u>26,786,250</u>	<u>16,376,316</u>
Less Accumulated Depreciation				
Buildings & Improvements	781,492	391,405	0	1,172,897
Equipment	36,804	3,927	0	40,731
Vehicles	26,487	4,730	0	31,217
Total Accumulated Depreciation	<u>844,783</u>	<u>400,062</u>	<u>0</u>	<u>1,244,845</u>
Capital Assets, net	<u>\$ 14,914,717</u>	<u>\$ 13,609,879</u>	<u>\$ 13,393,125</u>	<u>\$ 15,131,471</u>
Landfill				
Capital Assets not being Depreciated				
Land	\$ 25,000	\$ 0	\$ 0	\$ 25,000
Total Capital Assets not being Depreciated	<u>25,000</u>	<u>0</u>	<u>0</u>	<u>25,000</u>
Other Capital Assets				
Equipment	158,777	5,800	0	164,577
Vehicles	10,250	0	0	10,250
Total Capital Assets, being Depreciated	<u>169,027</u>	<u>5,800</u>	<u>0</u>	<u>174,827</u>
Capital Assets, net	<u>194,027</u>	<u>5,800</u>	<u>0</u>	<u>199,827</u>
Less Accumulated Depreciation				
Equipment	84,828	9,520	0	94,348
Vehicles	8,881	1,843	0	10,724
Total Accumulated Depreciation	<u>93,709</u>	<u>11,363</u>	<u>0</u>	<u>105,072</u>
Capital Assets, net	<u>\$ 100,318</u>	<u>\$ (5,563)</u>	<u>\$ 0</u>	<u>\$ 94,755</u>

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NOTE E: LONG TERM DEBT

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

	Balance 6/30/11	Additions	Reductions	Balance 6/30/12	Amounts Due Within One Year
Governmental Activities					
Notes Payable	\$ 383,982	\$ 0	\$ 53,461	\$ 330,521	\$ 54,130
Total Notes Payable	383,982	0	53,461	330,521	54,130
Other Liabilities					
Compensated Absences	\$ 73,532	\$ 24,377	\$ 24,062	\$ 73,847	\$ 0
Long-Term Liabilities	\$ 457,514	\$ 24,377	\$ 77,523	\$ 404,368	\$ 54,130

Description	Fund	Maturity Date	Original Amount	Interest Rate	Balance
Fire Truck	Fire	05-12-2014	\$ 125,593	2.02%	\$ 43,680
Fire 81-8927-15-4	Fire	08-15-2024	101,500	0.00%	82,020
Fire 81-8763-23-7	Fire	08-15-2023	260,000	3.4%-3.84%	195,984
Ambulance	EMS	11-03-2010	\$ 29,123	6.37%	8,837
					<u>\$ 330,521</u>

The fire allotment grant has been pledged to cover the payments for the three fire truck loans. The LEPF grant has been pledged to cover the payments for the Kansas State Bank loan. The EMS grant has been pledged to cover the loan payment for the ambulance. CNH Capital has a lien on the equipment they finance.

The annual requirements to amortize the loans as of June 30, 2012, including interest payments are as follows:

	Principal	Interest	Total
2013	\$ 54,130	\$ 3,206	\$ 57,336
2014	45,983	2,572	48,555
2015	24,054	1,897	25,951
2016	24,232	1,719	25,951
2017	24,418	1,567	25,985
2018-2022	125,161	4,604	129,765
2023-2024	32,543	247	32,790
	<u>\$ 330,521</u>	<u>\$ 15,812</u>	<u>\$ 346,333</u>

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Proprietary Funds

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

	Balance 6/30/11	Additions	Reductions	Balance 6/30/12	Amounts Due Within One Year
Business-Type Activities					
Loans Payable	\$ 5,669,684	\$ 0	\$ 81,589	\$ 5,588,095	\$ 83,989
Total Notes Payable	<u>5,669,684</u>	<u>0</u>	<u>81,589</u>	<u>5,588,095</u>	<u>83,989</u>
Other Liabilities					
Compensated Absences					
Absences	13,521	8,373	21,894	7,189	7,976
Total Other Liabilities	<u>13,521</u>	<u>8,373</u>	<u>21,894</u>	<u>7,189</u>	<u>7,976</u>
Long-Term Liabilities					
	<u>\$ 5,683,205</u>	<u>\$ 8,373</u>	<u>\$ 103,483</u>	<u>\$ 5,595,284</u>	<u>\$ 91,965</u>

The compensated absences ultimately will be liquidated by the Water & Sewer Fund as they have been in the past.

USDA loan Phase I in the amount of \$4,340,000 is for the construction of sewer lines for the Village. The loan matures in 2050, the interest rate is 4.125% and payments vary from \$222,900 to \$223,800. The balance of the loan on June 30, 2012 was \$4,202,000.

USDA loan Phase II in the amount of \$1,782,560 is for the construction of sewer lines for the Village. The loan matures in 2050, the interest rate is 2.75% and payments vary from \$44,530 to \$44,620. The balance of the loan on June 30, 2012 was \$1,042,400.

ARRA loan in the amount of \$361,784 is for the construction of sewer lines for the Village. The loan matures in 2031, the interest rate is 0% and payments are \$18,089. The balance of the loan on June 30, 2012 was \$343,695.

The annual requirements to amortize the loans as of June 30, 2012, including interest payments are as follows:

	Principal	Interest	Total
2013	\$ 83,989	\$ 202,070	\$ 286,059
2014	86,389	199,530	285,919
2015	88,889	196,990	285,879
2016	91,389	194,220	285,609
2017	94,789	181,450	276,239
2018-2022	518,646	911,360	1,430,006
2023-2027	606,546	823,090	1,429,636
2028-2032	695,457	716,190	1,411,647
2033-2037	754,600	586,360	1,340,960
2038-2042	910,500	428,760	1,339,260
2043-2047	1,101,600	237,910	1,339,510
2048-2050	555,300	33,920	589,220
	<u>\$ 5,588,094</u>	<u>\$ 4,711,850</u>	<u>\$ 10,299,944</u>

NOTE F: LEASE PURCHASE AGREEMENTS

The Village entered into a lease purchase agreement to purchase a piece of equipment called a Vac-Tron for \$39,500. The lease payments are \$924.22 monthly and are paid from the Streets Fund. The lease matures in 2015 and the Village will own the equipment. The equipment has been included in capital assets this fiscal year.

Following is a summary of the changes in extended term lease obligation for the year:

	Balance 06/30/11	New Leases	Payments	Balance 06/30/12	Amounts Due Within One Year
Equipment	\$ 37,290	\$ 0	\$ 9,165	\$ 28,125	9,713
	<u>\$ 37,290</u>	<u>\$ 0</u>	<u>\$ 9,165</u>	<u>\$ 28,125</u>	<u>9,713</u>
Schedule of Payments:					
		2013			11,091
		2014			11,091
		2015			8,318
		TOTAL Lease Payments			<u>30,500</u>
		Less: Imputed Interest			<u>(2,375)</u>
		Present Value of Net Minimum Lease Payments			<u>\$ 28,125</u>

NOTE G: PROPERTY TAXES

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

NOTE H: PENSION PLAN

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

Plan members are required to contribute 7% of their gross salary. The Village is required to contribute 10% of the gross covered salary, and 9.15% for all police employees. The Village's contributions to PERA for the year's ending June 30, 2012, 2011, and 2010, were \$97,148, \$94,662 and \$88,766 respectively, equal to the amount of the required contributions for each year.

NOTE I: POST-EMPLOYMENT BENEFITS

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

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

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

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

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the RHCA, Albuquerque State Government Center, 401 Roma, NW, Suite 200, Albuquerque, New Mexico 87102.

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, 2012, the statute required each participating employer to contribute 1.834% of each participating employee's annual salary; each participating employee was required to contribute .917% of their salary. In the fiscal years ending June 30, 2013 the contribution rates for employees and employers will rise as follows:

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For employees who are not members of an enhanced retirement plan the contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
2013	2.000%	1.000%

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

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

The Village's contributions to the RHCA for the years ended June 30, 2012, 2011 and 2010 were \$14,612, \$12,906 and \$9,494 respectively, which equal the required contributions for each year.

NOTE J: RECEIVABLES

Receivables as of June 30, 2012, were as follows:

<u>Receivables</u>	<u>General</u>	<u>Non-Major</u>
Property	\$ 4,719	\$ 0
Gross Receipts	31,030	4,378
Gasoline	0	2,448
Other Taxes	0	1,136
Accounts	0	34,590
	<u>\$ 35,749</u>	<u>\$ 42,552</u>

NOTE K: INTERFUND TRANSFERS

Interfund transfers during the year ended June 30, 2012, were as follows:

<u>Transfers Out</u>		<u>Transfer In</u>		
		<u>Senior Citizens</u>	<u>Lodgers Promotion</u>	<u>Total</u>
General Fund	\$ 20,000	\$ 20,000	\$ 0	\$ 20,000
Lodgers Tax	8,000	0	8,000	8,000
	<u>\$ 28,000</u>	<u>\$ 20,000</u>	<u>\$ 8,000</u>	<u>\$ 28,000</u>

The transfers out from the General Fund to the Senior Citizens Fund for financial support.

NOTE L: RISK MANAGEMENT

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

NOTE M: SURETY BOND

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

NOTE N: JOINT POWERS AGREEMENTS

Quay County Gaming Authority

The Village of San Jon and the communities of Logan, San Jon and Tukumcari have entered into an Agreement with the Quay County Gaming Authority on April 1, 2007. Whereas, all parties are interested in creating economic development in Quay County after years of economic stagnation; and whereas the State of New Mexico have entered into gambling compacts with the New Mexico Indian Tribes, which allows the State of New Mexico to issue an additional license to conduct Para-mutual horse racing in the State of New Mexico, and whereas a study completed by the Greater Tukumcari Economic Development Corporation has determined that Quay County would be an ideal place for a Para-mutual horse racing track and casino; whereas the Parties believe that it would be in the best interest of the State of New Mexico as well as each Party to this Agreement that the license, track facility and casino be owned and operated by the entities which are Parties to this Agreement; and whereas the Parties desire to pursue the acquisition of a license and ownership of a race track and casino by a Joint Powers Agreement; and whereas it is the desire that Quay County Gaming Authority have the power to carry out the purposes and functions as set forth herein.

The Purposes: The purposes of this Agreement are to pursue through all appropriate means an application for a license to conduct a horse racing meet pursuant to the New Mexico Horse Racing Act and regulations of the State Racing Commission. Also to provide a mechanism, upon being granted a license to conduct a horse racing track and casino for the benefit of the State of New Mexico and Parties to this Agreement.

Contributions: The initial contribution for each entity is as follows: 1.City of Tukumcari: \$24,000 2.County of Quay: \$18,000 3.Village of Logan \$9,000 4.Village of San Jon \$6,000. This shall be the full amount of the project for all communities.

Income Distribution: The Parties anticipate there will be income to distribute to each Party on an annual basis after the payment of all operating expenses, debt service and management fees. The amount subject to distribution, or "net profit", shall be distributed to each Party on an annual basis as follows: 1.City of Tukumcari 40% 2.County of Quay 30% 3.Village of Logan 15% 4.Village of San Jon 10% 5.Quay County Gaming Authority 5%.

Books and Records: Detailed records of all transactions made pursuant to this Joint Powers Agreement shall be kept and maintained by the Authority Board. Books and records shall be available for inspection subject to applicable statues and shall be available to any of the member's Party to this Agreement upon reasonable request for access to the records. The financial records of the Authority shall be audited annually in accordance with the Single Audit Act and reviewed and approved by the State Auditor's Office. The results of the audit shall be reported to the Authority Board. Quay County shall be responsible for all operations, audit responsibility, and shall act as the fiscal agent. All Revenues and Expenditures shall be reported to the Department of Finance- Local Government Division.

Termination and Distribution of Assets

In the event of dissolution of the Authority, for any reason, or termination of this Agreement, the assets of the Authority shall be distributed to the Parties, with each receiving as its share of the distribution the same percentage of that Party's share of the distributable income as set forth in Article VI. An independent appraisal of all of the properties, improvements, equipment and other assets of the Authority shall be conducted and shall form the basis of the distribution of the assets according to this termination section. In the event of dissolution, termination or withdrawal, the Parties shall not be entitled to a refund of the amounts paid. In the event that all the Parties to the Agreement should elect

to terminate this Agreement, the Authority Board shall undertake to immediately establish the conditions under which distribution of assets shall be undertaken in accordance with the provisions of this section. During and after termination is shall be the responsibility of the Authority Board to coordinate the distribution of the assets and conduct a final audit on the operations of the Authority and to deliver such audit to the appropriate state authorities and local jurisdictions that were party to the Agreement during the year in which the termination occurred. Until this occurs this agreement shall be ongoing.

Severability

It is hereby declared to be the intention of the Parties that the articles, sections, subsections, paragraphs, sentences, clauses, and phrases of this Agreement are severable, and if any phrase, clause, sentence, paragraph, section, or article of this Agreement shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, sections, and articles of this Agreement, since the same would have been entered into by the Parties without such invalid portion.

San Jon Cooperative Ambulance and The Village of Logan

The Village entered into a joint powers agreement with the San Jon Cooperative Ambulance on December 10th, 1996. The Village of Logan which represents the Logan Fire Department and Logan Ambulance Service, and the County of Quay which represents the Bard-Endee Fire Department and the Nara Visa Fire Department. The purpose of the agreement states that the departments involved provide fire, rescue, and ambulance services for approximately 1165 square miles. Currently, all services are dispatched by the Quay County Sheriff's Department. Several areas within the service area of these departments are unable have radio communication with the Quay County Sheriff's Department due to the distance and locations involved. The village of San Jon acting as the lead agency applied for and received funding from the Emergency Medical Services Fund Act in the amount of \$17,000.00 These funds are to erect a Tower and install a Repeater Unit. The purpose of this agreement is to equally divide between the San Jon Fire Department, San Jon Cooperative Ambulance Service, Bard-Endee Fire Department, Logan Ambulance Service, Logan Fire Department, and the Nara Visa Fire Department all operation and maintenance costs for the duration of the agreement. The Village of San Jon is the fiscal agent, responsible for operations, as well has having Audit Responsibilities. The Local Government Division is the government agency where revenues and expenditures are reported. The Village of Logan contributed \$281 dollars to the San Jon Cooperative Ambulance Service. The Joint Powers agreement shall remain in effect until January 1, 2092 or until this tower and repeater is no longer needed.

NOTE O: COMMITMENTS

The Village is building a sewer system. To date the costs have been over \$13,393,125. It is expected \$2,000,000 will finish the project. The funding is provided by grants and loans from USDA and ARRA funds.

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

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

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

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

Streets Gas Tax - 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 the authority of state statute. (NMSA 7-1-16.9 and 7-13-1 to 18)

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

Lodgers Tax - To account for a Lodger's Tax which is to be used for cultural and recreational purposes. The fund was created by the authority of state statute. (NMSA 3-38-13 to 24)

Lodgers Tax Promotional - To account for revenues and expenditures provided by a Lodger's Tax Fund for the advertising and promotion of the Village. The fund was created by the authority of state statute.

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

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

Infrastructure - To account for a reserve account used to improvements to roads, sewer system, and the water system. The fund was created by the authority of state statute.

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2012

	<u>EMS Fund</u>	<u>Law Enforcement</u>	<u>Correction</u>
ASSETS			
Cash and Cash Equivalents	\$ 67,181	\$ 4,296	\$ 427
Receivables			
Taxes	0	0	0
Accounts	34,590	0	0
Due from Grantor	0	0	0
Restricted Cash	1,972	0	0
Total Assets	<u>\$ 103,743</u>	<u>\$ 4,296</u>	<u>\$ 427</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 1,528	\$ 0	\$ 0
Accrued Salaries & Benefits	54	0	0
Total Liabilities	<u>1,582</u>	<u>0</u>	<u>0</u>
Fund Balance			
Restricted for, reported in:			
Special Revenue Fund	102,161	4,296	427
Total Fund Balance	<u>102,161</u>	<u>4,296</u>	<u>427</u>
Total Liabilities and Fund Balance	<u>\$ 103,743</u>	<u>\$ 4,296</u>	<u>\$ 427</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2012

	Street Gas Tax	Cemetery	Lodgers Tax
ASSETS			
Cash and Cash Equivalents	\$ 70,464	\$ 7,485	\$ 21,124
Receivables			
Taxes	2,448	0	1,136
Accounts	0	0	0
Due from Grantor	0	0	0
Restricted Cash	0	0	0
Total Assets	<u>\$ 72,912</u>	<u>\$ 7,485</u>	<u>\$ 22,260</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 61	\$ 0
Accrued Salaries & Benefits	0	0	0
Total Liabilities	<u>0</u>	<u>61</u>	<u>0</u>
Fund Balance			
Restricted for, reported in:			
Special Revenue Fund	<u>72,912</u>	<u>7,424</u>	<u>22,260</u>
Total Fund Balance	<u>72,912</u>	<u>7,424</u>	<u>22,260</u>
Total Liabilities and Fund Balance	<u>\$ 72,912</u>	<u>\$ 7,485</u>	<u>\$ 22,260</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2012

	<u>Lodgers Tax Promotional</u>	<u>Recreation</u>	<u>Senior Citizens</u>
ASSETS			
Cash and Cash Equivalents	\$ 4,245	\$ 8,594	\$ 1,608
Receivables			
Taxes	0	0	0
Accounts	0	0	0
Due from Grantor	0	0	0
Restricted Cash	0	0	0
Total Assets	<u>\$ 4,245</u>	<u>\$ 8,594</u>	<u>\$ 1,608</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 52	\$ 777	\$ 1,010
Accrued Salaries & Benefits	0	0	0
Total Liabilities	<u>52</u>	<u>777</u>	<u>1,010</u>
Fund Balance			
Restricted for, reported in:			
Special Revenue Fund	<u>4,193</u>	<u>7,817</u>	<u>598</u>
Total Fund Balance	<u>4,193</u>	<u>7,817</u>	<u>598</u>
Total Liabilities and Fund Balance	<u>\$ 4,245</u>	<u>\$ 8,594</u>	<u>\$ 1,608</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2012

	<u>Infrastructure</u>	<u>Total</u>
ASSETS		
Cash and Cash Equivalents	\$ 225,055	\$ 410,479
Receivables		
Taxes	4,378	7,962
Accounts	0	34,590
Due from Grantor	0	0
Restricted Cash	0	1,972
Total Assets	<u>\$ 229,433</u>	<u>\$ 455,003</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	\$ 0	\$ 3,428
Accrued Salaries & Benefits	0	54
Total Liabilities	<u>0</u>	<u>3,428</u>
Fund Balance		
Restricted for, reported in:		
Special Revenue Fund	<u>229,433</u>	<u>451,521</u>
Total Fund Balance	<u>229,433</u>	<u>451,521</u>
Total Liabilities and Fund Balance	<u>\$ 229,433</u>	<u>\$ 454,949</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2012

	EMS Fund	Law Enforcement	Correction
Revenues			
Taxes			
Lodgers	\$ 0	\$ 0	\$ 0
Gasoline	0	0	0
Other	0	0	0
Interest Income	103	51	0
State Grants	8,334	22,400	0
Charges for Services	75,165	0	0
Miscellaneous	2,250	2,450	0
Total Revenues	<u>85,852</u>	<u>24,901</u>	<u>0</u>
Expenditures			
Current			
Public Safety	66,793	21,551	0
Public Works	0	0	0
Culture & Recreation	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	8,816	0	0
Interest	0	0	0
Total Expenditures	<u>75,609</u>	<u>21,551</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,243</u>	<u>3,350</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In (Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	10,243	3,350	0
Fund Balances at Beginning of Year	<u>91,918</u>	<u>946</u>	<u>427</u>
Fund Balance End of Year	<u>\$ 102,161</u>	<u>\$ 4,296</u>	<u>\$ 427</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2012

	Street Gas Tax	Cemetery	Lodgers Tax
Revenues			
Taxes			
Lodgers	\$ 0	\$ 0	\$ 9,487
Gasoline	30,910	0	0
Other	0	0	0
Interest Income	175	11	48
State Grants	0	0	0
Charges for Services	0	2,550	0
Miscellaneous	0	3,250	0
Total Revenues	<u>31,085</u>	<u>5,811</u>	<u>9,535</u>
Expenditures			
Current			
Public Safety	0	0	0
Public Works	22,922	2,478	0
Culture & Recreation	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	9,166	0	0
Interest	1,925	0	0
Total Expenditures	<u>34,013</u>	<u>2,478</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,928)</u>	<u>3,333</u>	<u>9,535</u>
Other Financing Sources (Uses)			
Transfers In (Out)	0	0	(8,000)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(8,000)</u>
Net Change in Fund Balance	(2,928)	3,333	1,535
Fund Balances at Beginning of Year	<u>75,840</u>	<u>4,091</u>	<u>20,725</u>
Fund Balance End of Year	<u>\$ 72,912</u>	<u>\$ 7,424</u>	<u>\$ 22,260</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2012

	<u>Lodgers Tax Promotional</u>	<u>Recreation</u>	<u>Senior Citizens</u>
Revenues			
Taxes			
Lodgers	\$ 0	\$ 0	\$ 0
Gasoline	0	0	0
Other	0	2	0
Interest Income	15	22	0
State Grants	0	0	0
Charges for Services	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>15</u>	<u>24</u>	<u>0</u>
Expenditures			
Current			
Public Safety	0	0	0
Public Works	0	0	0
Culture & Recreation	9,393	1,742	20,277
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>9,393</u>	<u>1,742</u>	<u>20,277</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,378)</u>	<u>(1,718)</u>	<u>(20,277)</u>
Other Financing Sources (Uses)			
Transfers In (Out)	<u>8,000</u>	<u>0</u>	<u>20,000</u>
Total Other Sources (Uses)	<u>8,000</u>	<u>0</u>	<u>20,000</u>
Net Change in Fund Balance	(1,378)	(1,718)	(277)
Fund Balances at Beginning of Year	<u>5,571</u>	<u>9,535</u>	<u>875</u>
Fund Balance End of Year	<u>\$ 4,193</u>	<u>\$ 7,817</u>	<u>\$ 598</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2012

	<u>Infrastructure</u>	<u>Total</u>
Revenues		
Taxes		
Lodgers	\$ 0	\$ 9,487
Gasoline	62,713	93,623
Other	0	2
Interest Income	685	1,110
State Grants	0	30,734
Charges for Services	0	77,715
Miscellaneous	0	7,950
Total Revenues	<u>63,398</u>	<u>220,621</u>
Expenditures		
Current		
Public Safety	0	88,344
Public Works	0	25,400
Culture & Recreation	0	31,412
Capital Outlay	38,576	38,576
Debt Service		
Principal	0	17,982
Interest	0	1,925
Total Expenditures	<u>38,576</u>	<u>203,639</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>24,822</u>	<u>16,982</u>
Other Financing Sources (Uses)		
Transfers In (Out)	0	20,000
Total Other Sources (Uses)	<u>0</u>	<u>20,000</u>
Net Change in Fund Balance	24,822	36,982
Fund Balances at Beginning of Year	<u>204,611</u>	<u>414,539</u>
Fund Balance End of Year	<u>\$ 229,433</u>	<u>\$ 451,521</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-EMS
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 500	\$ 500	\$ 103	\$ (397)
State Grant	12,000	12,000	8,334	(3,666)
Ambulance Services	35,000	35,000	73,828	38,828
Miscellaneous	1,000	1,000	2,250	1,250
Total Revenues	<u>48,500</u>	<u>48,500</u>	<u>84,515</u>	<u>36,015</u>
Expenditures				
Public Safety				
Personnel Services	1,404	1,404	1,278	126
Operating Expenses	40,534	40,534	57,850	(17,316)
Debt Service				
Principal	8,816	8,816	8,816	0
Interest	0	0	0	0
Capital Outlay	23,850	23,850	0	23,850
Total Expenditures	<u>74,604</u>	<u>74,604</u>	<u>67,944</u>	<u>6,660</u>
Excess (Deficiency) of Revenues Over Expenditures	(26,104)	(26,104)	16,571	42,675
Cash Balance Beginning of Year	<u>52,582</u>	<u>52,582</u>	<u>52,582</u>	<u>0</u>
Cash Balance End of Year	\$ <u>26,478</u>	\$ <u>26,478</u>	\$ <u>69,153</u>	\$ <u>42,675</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 16,571	
Net Change in Receivables			(2,505)	
Net Change in Inventory			(2,295)	
Net Change in Accounts Payable			(1,528)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 10,243</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-LAW ENFORCEMENT
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 500	\$ 500	\$ 51	\$ (449)
State Grant	22,400	22,400	22,400	0
Miscellaneous	0	0	2,450	2,450
Total Revenues	<u>22,900</u>	<u>22,900</u>	<u>24,901</u>	<u>2,001</u>
Expenditures				
Public Safety				
Operating Expenses	14,900	14,900	21,551	(6,651)
Capital Outlay	7,910	7,910	0	7,910
Total Expenditures	<u>22,810</u>	<u>22,810</u>	<u>21,551</u>	<u>1,259</u>
Excess (Deficiency) of Revenues Over Expenditures	90	90	3,350	3,260
Cash Balance Beginning of Year	<u>946</u>	<u>946</u>	<u>946</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,036</u>	<u>\$ 1,036</u>	<u>\$ 4,296</u>	<u>\$ 3,260</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 3,350</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 3,350</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-CORRECTION
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 41	\$ 41	\$ 0	\$ (41)
Total Revenues	<u>41</u>	<u>41</u>	<u>0</u>	<u>(41)</u>
Expenditures				
Public Safety				
Housing of Prisoners	41	41	0	41
Total Expenditures	<u>41</u>	<u>41</u>	<u>0</u>	<u>41</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>427</u>	<u>427</u>	<u>427</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 427</u>	<u>\$ 427</u>	<u>\$ 427</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-STREET GAS TAX FUND
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Gas Tax	\$ 35,000	\$ 35,000	\$ 32,033	\$ (2,967)
Interest Income	600	600	176	(424)
Total Revenues	<u>35,600</u>	<u>35,600</u>	<u>32,209</u>	<u>(3,391)</u>
Expenditures				
Public Works				
Operating Expenses	70,000	70,000	22,922	47,078
Debt Service				
Principal	0	0	9,166	(9,166)
Interest	0	0	1,925	(1,925)
Total Expenditures	<u>70,000</u>	<u>70,000</u>	<u>34,013</u>	<u>35,987</u>
Excess (Deficiency) of Revenues Over Expenditures	(34,400)	(34,400)	(1,804)	32,596
Cash Balance Beginning of Year	<u>72,268</u>	<u>72,268</u>	<u>72,268</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 37,868</u>	<u>\$ 37,868</u>	<u>\$ 70,464</u>	<u>\$ 32,596</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,804)	
Net Change in Taxes Receivables			<u>(1,124)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (2,928)</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-CEMETERY
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 200	\$ 200	\$ 11	\$ (189)
Charges for Services	1,500	1,500	2,550	1,050
Miscellaneous	1,100	1,100	3,250	2,150
Total Revenues	<u>2,800</u>	<u>2,800</u>	<u>5,811</u>	<u>1,050</u>
Expenditures				
Public Works				
Operating Expenses	<u>3,500</u>	<u>3,500</u>	<u>2,417</u>	<u>1,083</u>
Total Expenditures	<u>3,500</u>	<u>3,500</u>	<u>2,417</u>	<u>1,083</u>
Excess (Deficiency) of Revenues Over Expenditures	(700)	(700)	3,394	4,094
Cash Balance Beginning of Year	<u>4,091</u>	<u>4,091</u>	<u>4,091</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,391</u>	<u>\$ 3,391</u>	<u>\$ 7,485</u>	<u>\$ 4,094</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,394	
Net Change in Account Payable			<u>(61)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 3,333</u>	

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

STATE OF NEW MEXICO

VILLAGE OF LOGAN

SPECIAL REVENUE FUND-LODGERS TAX

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

For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Lodgers Tax	\$ 10,000	\$ 10,000	\$ 9,400	\$ (600)
Miscellaneous	300	300	47	(253)
Total Revenues	<u>10,300</u>	<u>10,300</u>	<u>9,447</u>	<u>(853)</u>
Expenditures				
Culture & Recreation				
Operating	100	100	0	100
Total Expenditures	<u>100</u>	<u>100</u>	<u>0</u>	<u>100</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,200</u>	<u>10,200</u>	<u>9,447</u>	<u>(753)</u>
Other Financing Sources (Uses)				
Transfers In (Out)	<u>(8,000)</u>	<u>(8,000)</u>	<u>(8,000)</u>	<u>0</u>
Total Other Sources (Uses)	<u>(8,000)</u>	<u>(8,000)</u>	<u>(8,000)</u>	<u>0</u>
Net Change in Cash Balance	2,200	2,200	1,447	(753)
Cash Balance Beginning of Year	<u>19,677</u>	<u>19,677</u>	<u>19,677</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 21,877</u>	<u>\$ 21,877</u>	<u>\$ 21,124</u>	<u>\$ (753)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 1,447	
Net Change in Taxes Receivables			88	
Net Change in Fund Balance			<u>\$ 1,535</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-LODGERS TAX PROMOTIONAL
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 100	\$ 100	\$ 15	\$ (85)
Total Revenues	<u>100</u>	<u>100</u>	<u>15</u>	<u>(85)</u>
Expenditures				
Culture & Recreation				
Operating Expenses	13,000	13,000	9,341	3,659
Total Expenditures	<u>13,000</u>	<u>13,000</u>	<u>9,341</u>	<u>3,659</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(12,900)</u>	<u>(12,900)</u>	<u>(9,326)</u>	<u>3,574</u>
Other Financing Sources (Uses)				
Transfers In (Out)	8,000	8,000	8,000	0
Total Other Sources (Uses)	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Net Change in Cash Balance	(4,900)	(4,900)	(1,326)	3,574
Cash Balance Beginning of Year	<u>5,571</u>	<u>5,571</u>	<u>5,571</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 671</u>	<u>\$ 671</u>	<u>\$ 4,245</u>	<u>\$ 3,574</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (1,326)	
Net Change in Accounts Payable			(52)	
Net Change in Fund Balance			<u>\$ (1,378)</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-RECREATION
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Cigarette Taxes	\$ 0	\$ 0	\$ 2	\$ 2
Interest Income	400	400	22	(378)
Total Revenues	<u>400</u>	<u>400</u>	<u>24</u>	<u>(376)</u>
Expenditures				
Culture & Recreation				
Operating Expenses	1,100	1,100	965	135
Total Expenditures	<u>1,100</u>	<u>1,100</u>	<u>965</u>	<u>135</u>
Excess (Deficiency) of Revenues Over Expenditures	(700)	(700)	(941)	(241)
Cash Balance Beginning of Year	<u>9,535</u>	<u>9,535</u>	<u>9,535</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 8,835</u>	<u>\$ 8,835</u>	<u>\$ 8,594</u>	<u>\$ (241)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (941)	
Net Change in Account Payable			<u>(777)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1,718)</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-SENIOR CITIZENS
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Miscellaneous	\$ 0	\$ 0	\$ 390	\$ 390
Total Revenues	<u>0</u>	<u>0</u>	<u>390</u>	<u>390</u>
Expenditures				
Culture & Recreation				
Operating Expenses	20,000	20,000	19,267	733
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>19,267</u>	<u>733</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(20,000)</u>	<u>(20,000)</u>	<u>(18,877)</u>	<u>1,123</u>
Other Financing Sources (Uses)				
Transfers In (Out)	20,000	20,000	20,000	0
Total Other Sources (Uses)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
Net Change in Cash Balance	0	0	1,123	1,123
Cash Balance Beginning of Year	<u>485</u>	<u>485</u>	<u>485</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 485</u>	<u>\$ 485</u>	<u>\$ 1,608</u>	<u>\$ 1,123</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 1,123	
Net Change in Receivables			(390)	
Net Change in Accounts Payable			(1,010)	
Net Change in Fund Balance			<u>\$ (277)</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
SPECIAL REVENUE FUND-INFRASTRUCTURE
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Gross Receipts Tax	\$ 70,000	\$ 70,000	\$ 63,740	\$ (6,260)
Interest Income	500	500	685	185
Total Revenues	<u>70,500</u>	<u>70,500</u>	<u>64,425</u>	<u>(6,075)</u>
Expenditures				
Public Works				
Capital Outlay	100,000	100,000	38,576	61,424
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>38,576</u>	<u>61,424</u>
Excess (Deficiency) of Revenues Over Expenditures	(29,500)	(29,500)	25,849	55,349
Cash Balance Beginning of Year	<u>199,206</u>	<u>199,206</u>	<u>199,206</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 169,706</u>	<u>\$ 169,706</u>	<u>\$ 225,055</u>	<u>\$ 55,349</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 25,849	
Net Change in Taxes Receivables			<u>(1,027)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 24,822</u>	

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

ENTERPRISE FUNDS

Water and Sewer and Landfill

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

STATE OF NEW MEXICO

VILLAGE OF LOGAN

PROPRIETARY FUND-WATER AND SEWER FUND

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

For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Charges for Services	\$ 661,100	\$ 661,100	\$ 770,572	\$ 109,472
Connection Fees	252,000	252,000	337,710	85,710
Interest Income	10,000	10,000	2,253	(7,747)
Federal Grant	495,870	495,870	495,870	0
Miscellaneous	2,671	2,671	17,551	14,880
Total Revenues	<u>1,421,641</u>	<u>1,421,641</u>	<u>1,623,956</u>	<u>202,315</u>
Expenditures				
Public Works				
Personnel Services	256,160	256,160	222,895	33,265
Operating Expenses	170,001	170,001	173,139	(3,138)
Capital Outlay	445,540	445,540	616,816	(171,276)
Debt Service				
Principal	81,589	81,589	81,589	0
Interest	204,500	204,500	204,500	0
Total Expenditures	<u>1,157,790</u>	<u>1,157,790</u>	<u>1,298,939</u>	<u>(141,149)</u>
Excess (Deficiency) of Revenues Over Expenditures	263,851	263,851	325,017	61,166
Cash Balance Beginning of Year	<u>728,335</u>	<u>728,335</u>	<u>728,335</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 992,186</u>	<u>\$ 992,186</u>	<u>\$ 1,053,352</u>	<u>\$ 61,166</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 325,017	
Depreciation			(400,062)	
Capital Outlay			616,816	
Principal			81,589	
Net Change in Accounts Receivables			19,360	
Net Change in Inventory			(6,076)	
Net Change in Accounts Payable			1,176	
Net Change in Accrued Salaries and Benefits			(350)	
Net Change in Accrued Interest			5,815	
Net Change in Compensated Absences			2,879	
Net Change in Customer Deposits			(3,300)	
Change in Net Assets-GAAP Basis			<u>\$ 642,864</u>	

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

STATE OF NEW MEXICO

VILLAGE OF LOGAN

PROPRIETARY FUND-LANDFILL FUND

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

For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Charges for Services	\$ 175,500	\$ 175,500	\$ 164,514	\$ (10,986)
Environmental Gross Receipts Tax	10,000	10,000	10,649	649
Interest Income	3,000	3,000	1,270	(1,730)
Miscellaneous	0	0	5,729	5,729
Total Revenues	<u>188,500</u>	<u>188,500</u>	<u>182,162</u>	<u>(6,338)</u>
Expenditures				
Public Works				
Personnel Services	44,937	44,937	49,127	(4,190)
Operating Expenses	118,000	118,000	111,852	6,148
Capital Outlay	96,000	96,000	5,800	90,200
Total Expenditures	<u>258,937</u>	<u>258,937</u>	<u>166,779</u>	<u>92,158</u>
Excess (Deficiency) of Revenues Over Expenditures	(70,437)	(70,437)	15,383	85,820
Cash Balance Beginning of Year	<u>378,108</u>	<u>378,108</u>	<u>378,108</u>	<u>0</u>
Cash Balance End of Year	\$ <u>307,671</u>	\$ <u>307,671</u>	\$ <u>393,491</u>	\$ <u>85,820</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 15,383	
Depreciation			(11,363)	
Capital Outlay			5,800	
Net Change in Taxes Receivables			(146)	
Net Change in Accounts Receivable			1,277	
Net Changes in Accounts Payables			(2,089)	
Net Change in Accrued Salaries and Benefits			(11)	
Net Changes in Compensated Absences			3,453	
Change in Net Assets-GAAP Basis			\$ <u>12,304</u>	

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

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards*

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

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund, major special revenue funds, and the combining individual funds and related budgetary comparison presented as supplemental information of the Village of Logan (Village) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 21, 2012. 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

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

A 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 correct 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; 11-1. 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; 11-1.

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

This report is intended solely for the information and use of management, the New Mexico State Legislature and its committees, the Office of the State Auditor, the New Mexico Department of Finance and Administration - Local Government and federal awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

De'Ann Willoughby CPA PC

November 21, 2012

Financial Statement Audit Findings

Prior Year Audit Findings

	<u>Status</u>
11-1 Compensated Absences	Repeated & Modified
11-2 Stale Dated Transactions	Resolved
11-3 Insurance	Resolved

Current Year Audit Findings

11-1 Compensated Absences-Compliance and Internal Control-Significant Deficiency Condition

The Village's records could be overstating the compensated absences by \$51,543.70.

Criteria

Good internal controls and sound business practices require the Village calculate compensated absences in accordance with the personnel policy.

Cause

The personnel policy contradicts itself causing the possible miscalculation of compensated absences.

Effect

Compensated absences could be calculated and paid at a higher amount than the policy may have indicated.

Recommendation

The policy should be rewritten to clearly state the compensated absence policy.

Response

We are in the process of rewriting the personnel policy to clarify the compensated absences.

Financial Statement Preparation

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

Exit Conference

An exit conference was held on November 21, 2012. In attendance were David Babb-Mayor, Russell Feere-Trustee, Angelina Cordova-Clerk and De'Aun Willoughby, CPA.