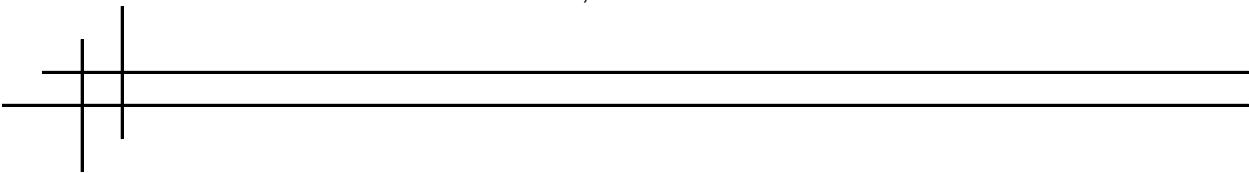


STATE OF NEW MEXICO
VILLAGE OF LOGAN

ANNUAL FINANCIAL REPORT
June 30, 2015

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



STATE OF NEW MEXICO
VILLAGE OF LOGAN
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VILLAGE OF LOGAN
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STATE OF NEW MEXICO
VILLAGE OF LOGAN
Official Roster
June 30, 2015

BOARD OF TRUSTEES

David Babb	Mayor
Apolonio Ramirez	Trustee
Russell Feerer	Trustee
Rose Marie Lower	Trustee
Benny Newton	Trustee

ADMINISTRATIVE OFFICIAL

Larry Wallin	Village Administrator
Rosalie Rachor	Clerk/Treasurer

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101

(855) 253-4313

Independent Auditor's Report

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of the Village of Logan

Mr. Keller and Members of the Board

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining funds information, and the budgetary comparisons for the general fund and major special revenue funds of Village of Logan (Village), as of and for the year ended June 30, 2015, and the related notes to the financial statements 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, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2015, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance 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, 2015, and the respective changes in financial position, thereof and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis which is required 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.

Other Information

The Vendor Schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2015, 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* in considering the Village's internal control over financial reporting and compliance.

De'Ann Willoughby CPA PC

Clovis, New Mexico
November 17, 2015

FINANCIAL SECTION

STATE OF NEW MEXICO
VILLAGE OF LOGAN
Government-Wide Statement of Net Position
June 30, 2015

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 1,223,269	\$ 1,015,479	\$ 2,238,748
Investments	270	0	270
Receivables			
Taxes	63,193	688	63,881
Accounts	25,214	67,633	92,847
Total Current Assets	<u>1,311,946</u>	<u>1,083,800</u>	<u>2,395,746</u>
Noncurrent Assets			
Restricted Cash	96,581	17,750	114,331
Capital Assets	8,620,510	16,645,490	25,266,000
Less: Accumulated Depreciation	<u>(5,641,910)</u>	<u>(2,603,781)</u>	<u>(8,245,691)</u>
Total Noncurrent Assets	<u>3,075,181</u>	<u>14,059,459</u>	<u>17,134,640</u>
Total Assets	<u>4,387,127</u>	<u>15,143,259</u>	<u>19,530,386</u>
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions	<u>58,704</u>	<u>0</u>	<u>58,704</u>
Total Deferred Outflows of Resources	<u>58,704</u>	<u>0</u>	<u>58,704</u>
Liabilities			
Current Liabilities			
Accounts Payable	12,745	22,879	35,624
Accrued Salaries & Benefits	5,090	1,990	7,080
Accrued Interest	287	36,923	37,210
Compensated Absences	29,592	6,081	35,673
Current Portion of Long-Term Debt	34,310	91,389	125,699
Total Current Liabilities	<u>82,024</u>	<u>159,262</u>	<u>241,286</u>
Noncurrent Liabilities			
Customer Deposits	0	17,750	17,750
Long Term Debt	254,022	5,237,438	5,491,460
Pension Liability	557,824	0	557,824
Total Noncurrent Liabilities	<u>811,846</u>	<u>5,255,188</u>	<u>6,067,034</u>
Total Liabilities	<u>893,870</u>	<u>5,414,450</u>	<u>6,308,320</u>
Deferred Inflows of Resources			
Deferred Inflows Related to Pensions	<u>229,162</u>	<u>0</u>	<u>229,162</u>
Total Deferred Inflows of Resources	<u>229,162</u>	<u>0</u>	<u>229,162</u>
Net Position			
Net Investment in Capital Assets	2,690,268	8,730,632	11,420,900
Unrestricted	<u>632,531</u>	<u>998,177</u>	<u>1,630,708</u>
Total Net Position	<u>\$ 3,322,799</u>	<u>\$ 9,728,809</u>	<u>\$ 13,051,608</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, 2015

Functions/Programs	Expenses	Program Revenues			Net(Expenses) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 334,177	\$ 66,695	\$ 90,000	\$ 0	\$ (177,482)	\$ 0	\$ (177,482)
Public Safety	581,456	60,276	241,381	0	(279,799)	0	(279,799)
Public Works	259,053	3,370	0	0	(255,683)	0	(255,683)
Health & Welfare	119,883	6,000	96,200	0	(17,683)	0	(17,683)
Culture & Recreation	77,782	0	0	0	(77,782)	0	(77,782)
Interest	3,312	0	0	0	(3,312)	0	(3,312)
Total Governmental Activities	\$ 1,375,663	\$ 136,341	\$ 427,581	\$ 0	(811,741)	0	(811,741)
Business-Type Activities							
Water & Sewer	\$ 1,064,823	\$ 688,546	\$ 0	\$ 0	0	(376,277)	(376,277)
Solid Waste	201,547	177,093	0	18,900	0	(5,554)	(5,554)
Total Business-type Activities	\$ 1,266,370	\$ 865,639	\$ 0	\$ 18,900	0	(381,831)	(381,831)
General Revenues							
Taxes							
Property					209,707	0	209,707
Gross Receipts					477,304	10,689	487,993
Gasoline					32,884	0	32,884
Other Taxes					27,704	0	27,704
Miscellaneous					52,216	0	52,216
Interest Income					0	600	600
Total General Revenues and Transfers					799,815	11,289	811,104
Change in Net Position							
					(11,926)	(370,542)	(382,468)
Net Position - Beginning							
					4,094,053	10,099,351	14,193,404
Restatement							
					(759,328)	0	(759,328)
Restated Beginning Net Position							
					3,334,725	10,099,351	13,434,076
Net Position - Ending							
					\$ 3,322,799	\$ 9,728,809	\$ 13,051,608

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, 2015

	<u>General</u>	<u>Special Revenue</u>	
		<u>Fire</u>	<u>EMS</u>
Assets			
Cash and Cash Equivalents	\$ 610,356	\$ 114,138	\$ 87,562
Investments	270	0	0
Receivables			
Taxes	50,894	0	0
Accounts	0	0	25,214
Restricted Cash	0	19,505	77,076
Total Assets	<u>\$ 661,520</u>	<u>\$ 133,643</u>	<u>\$ 189,852</u>
Liabilities			
Current Liabilities			
Accounts Payables	\$ 5,307	\$ 1,300	\$ 3,171
Accrued Salaries & Benefits	5,090	0	0
Total Liabilities	<u>10,397</u>	<u>1,300</u>	<u>3,171</u>
Fund Balances			
Restricted for:			
Special Revenue	0	132,343	186,681
Unassigned	651,123	0	0
Total Fund Balances	<u>651,123</u>	<u>132,343</u>	<u>186,681</u>
Total Liabilities and Fund Balances	<u>\$ 661,520</u>	<u>\$ 133,643</u>	<u>\$ 189,852</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, 2015

	Non-Major Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>
Assets		
Cash and Cash Equivalents	\$ 411,213	\$ 1,223,269
Investments	0	270
Receivables		
Taxes	12,299	63,193
Accounts	0	25,214
Restricted Cash	0	96,581
Total Assets	<u>\$ 423,512</u>	<u>\$ 1,408,527</u>
Liabilities		
Current Liabilities		
Accounts Payables	\$ 2,967	\$ 12,745
Accrued Salaries & Benefits	0	5,090
Total Liabilities	<u>2,967</u>	<u>17,835</u>
Fund Balances		
Restricted for:		
Special Revenue	420,545	739,569
Unassigned	0	651,123
Total Fund Balances	<u>420,545</u>	<u>1,390,692</u>
Total Liabilities and Fund Balances	<u>\$ 423,512</u>	<u>\$ 1,408,527</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 Position
 June 30, 2015

Total Fund Balance - Governmental Funds \$ 1,390,692

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Capital Assets	\$ 8,620,510	
Accumulated Depreciation	(5,641,910)	2,978,600

Deferred Outflows and Inflows Related to Pensions are the results of differences in expected and actual actuary experience and the difference in actuary projected and actual earnings. Also changes in proportion and differences between contributions and proportionate share of contributions.

Deferred Outflows Related to Pensions	58,704	
Deferred Inflows Related to Pensions	(229,162)	(170,458)

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	(288,332)	
Pension Liability	(557,824)	
Accrued interest on Notes Payable	(287)	
Compensated Absences	(29,592)	(876,035)

Total Net Position - Governmental Activities \$ 3,322,799

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, 2015

	General	Special Revenue	
		Fire	EMS
Revenues			
Taxes			
Property	\$ 209,707	\$ 0	\$ 0
Gross Receipts	414,883	0	0
Franchise	4,035	0	0
Lodgers	0	0	0
Gasoline	0	0	0
Other	10,910	0	0
License & Permits	3,400	0	0
State Grants	90,000	210,267	8,714
Charges for Services	63,295	0	60,276
Miscellaneous	37,088	8,297	2,556
Total Revenues	<u>833,318</u>	<u>218,564</u>	<u>71,546</u>
Expenditures			
Current			
General Government	339,467	0	0
Public Safety	346,911	82,563	55,369
Public Works	141,723	0	0
Health & Welfare	0	0	0
Culture & Recreation	18,093	0	0
Capital Outlay	61,200	260,786	0
Debt Service			
Principal	0	24,054	3,667
Interest	0	1,898	578
Total Expenditures	<u>907,394</u>	<u>369,301</u>	<u>59,614</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(74,076)</u>	<u>(150,737)</u>	<u>11,932</u>
Other Financing Sources (Uses)			
Loan Proceeds	0	0	75,567
Transfers In (Out)	(19,573)	0	0
Total Other Sources (Uses)	<u>(19,573)</u>	<u>0</u>	<u>75,567</u>
Net Change in Fund Balance	(93,649)	(150,737)	87,499
Fund Balance at Beginning of year	<u>744,772</u>	<u>283,080</u>	<u>99,182</u>
Fund Balance End of Year	<u>\$ 651,123</u>	<u>\$ 132,343</u>	<u>\$ 186,681</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, 2015

	Non-Major Governmental Funds	Total Governmental Funds
Revenues		
Taxes		
Property	\$ 0	\$ 209,707
Gross Receipts	62,421	477,304
Franchise	0	4,035
Lodgers	12,759	12,759
Gasoline	32,884	32,884
Other	0	10,910
License & Permits	0	3,400
State Grants	118,600	427,581
Charges for Services	9,370	132,941
Miscellaneous	4,275	52,216
Total Revenues	<u>240,309</u>	<u>1,363,737</u>
Expenditures		
Current		
General Government	0	339,467
Public Safety	10,584	495,427
Public Works	16,566	158,289
Health & Welfare	108,886	108,886
Culture & Recreation	37,255	55,348
Capital Outlay	5,000	326,986
Debt Service		
Principal	17,865	45,586
Interest	868	3,344
Total Expenditures	<u>197,024</u>	<u>1,533,333</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>43,285</u>	<u>(169,596)</u>
Other Financing Sources (Uses)		
Loan Proceeds	0	75,567
Transfers In (Out)	19,573	0
Total Other Sources (Uses)	<u>19,573</u>	<u>75,567</u>
Net Change in Fund Balance	62,858	(94,029)
Fund Balance at Beginning of year	<u>357,687</u>	<u>1,484,721</u>
Fund Balance End of Year	<u>\$ 420,545</u>	<u>\$ 1,390,692</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, 2015

Net Change in Fund Balance	\$	(94,029)
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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 Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

Depreciation expense	\$ (249,014)	
Capital Outlay	<u>326,986</u>	77,972

Pension contributions are reported as expenses in the government funds but are deferred outflows in the Statement of Net Position. Pension expense is reported in the Statement of Activities but not in the governmental funds.

Pension Contributions	58,704	
Pension Expense	<u>(27,659)</u>	31,045

The issuance of long-term debt provides current financial resources to governmental funds but has no effect on net (75,567)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 45,586

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, 2014	319	
Accrued Interest, June 30, 2015	<u>(287)</u>	32

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, 2014	32,627	
Compensated Absences, June 30, 2015	<u>(29,592)</u>	<u>3,035</u>

Changes in Net Position of Governmental Activities	\$	<u><u>(11,926)</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

GENERAL

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

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes				
Property	\$ 195,112	\$ 195,112	\$ 195,748	\$ 636
Franchise	4,000	4,000	4,035	35
Gross Receipts	385,000	385,000	455,945	70,945
Other	9,500	9,500	9,978	478
State Grants	120,000	120,000	90,000	(30,000)
License & Permits	3,500	3,500	3,400	(100)
Charges for Services	34,400	34,400	63,295	28,895
Miscellaneous	18,000	18,000	37,088	19,088
Total Revenues	<u>769,512</u>	<u>769,512</u>	<u>859,489</u>	<u>89,977</u>
Expenditures				
Executive				
Personnel Services	79,114	79,114	64,400	14,714
Operating Expenses	9,500	9,500	10,296	(796)
Total Executive	<u>88,614</u>	<u>88,614</u>	<u>74,696</u>	<u>13,918</u>
Financial Department				
Personnel Services	225,032	225,032	215,349	9,683
Operating Expenses	90,100	90,100	45,859	44,241
Capital Outlay	0	0	32,921	(32,921)
Total Financial Department	<u>315,132</u>	<u>315,132</u>	<u>294,129</u>	<u>21,003</u>
Police Department				
Personnel Services	307,817	307,817	303,484	4,333
Operating Expenses	57,200	57,200	46,249	10,951
Capital Outlay	0	0	28,279	(28,279)
Total Police Department	<u>365,017</u>	<u>365,017</u>	<u>378,012</u>	<u>(12,995)</u>
Highway & Streets				
Personnel Services	49,813	49,813	46,207	3,606
Operating Expenses	66,900	66,900	24,498	42,402
Total Highway & Streets	<u>116,713</u>	<u>116,713</u>	<u>70,705</u>	<u>46,008</u>
Motor Vehicle Department				
Personnel Services	52,180	52,180	52,656	(476)
Operating Expenses	18,800	18,800	18,322	478
Total Motor Vehicle Department	<u>70,980</u>	<u>70,980</u>	<u>70,978</u>	<u>2</u>
Civic Center				
Personnel Services	12,256	12,256	12,400	(144)
Operating Expenses	5,600	5,600	5,459	141
Total Civic Center	<u>\$ 17,856</u>	<u>\$ 17,856</u>	<u>\$ 17,859</u>	<u>\$ (3)</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Insurance				
Employee Bonds	\$ 800	\$ 800	\$ 750	\$ 50
General Fund	15,000	15,000	0	15,000
Risk Management	10,000	10,000	1,759	8,241
Workers Compensation	16,000	16,000	5,078	10,922
Total Insurance	<u>41,800</u>	<u>41,800</u>	<u>7,587</u>	<u>34,213</u>
Miscellaneous				
Election Expense	3,000	3,000	0	3,000
RPCCHA Capital Outlay	7,000	7,000	2,717	4,283
Assistance to Chamber of Commerce	10,000	10,000	0	10,000
Legal Fees	50,000	50,000	1,170	48,830
Ute Commission	600	600	600	0
Dilapidated Building Removal	10,000	10,000	0	10,000
EPCOG	600	600	0	600
NM State Library	350	350	315	35
Total Miscellaneous	<u>81,550</u>	<u>81,550</u>	<u>4,802</u>	<u>76,748</u>
Economic Development				
Operating Expenses	3,000	3,000	0	3,000
Total Economic Development	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
Total Expenditures	<u>1,100,662</u>	<u>1,100,662</u>	<u>918,768</u>	<u>181,894</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(331,150)</u>	<u>(331,150)</u>	<u>(59,279)</u>	<u>271,871</u>
Other Financing Sources (Uses)				
Transfers In (Out)	<u>(3,000)</u>	<u>(3,000)</u>	<u>(19,573)</u>	<u>(16,573)</u>
Total Other Sources (Uses)	<u>\$ (3,000)</u>	<u>\$ (3,000)</u>	<u>\$ (19,573)</u>	<u>\$ (16,573)</u>
Net Change in Cash Balance	\$ (334,150)	\$ (334,150)	\$ (78,852)	\$ 255,298
Cash Balance Beginning of Year	<u>689,478</u>	<u>689,478</u>	<u>689,478</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 355,328</u>	<u>\$ 355,328</u>	<u>\$ 610,626</u>	<u>\$ 255,298</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (78,852)	
Net Change in Taxes Receivables			(26,172)	
Net Change in Accounts Payable			5,498	
Net Change in Accrued Salaries and Benefits			5,877	
Net Change in Fund Balance			<u>\$ (93,649)</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 161,744	\$ 161,744	\$ 210,267	\$ 48,523
Miscellaneous	900	900	8,297	7,397
Total Revenues	<u>162,644</u>	<u>162,644</u>	<u>218,564</u>	<u>55,920</u>
Expenditures				
Public Safety				
Operating Expenses	206,244	206,244	82,633	123,611
Capital Outlay	220,000	220,000	260,786	(40,786)
Debt Service				
Principal	0	0	24,054	(24,054)
Interest	0	0	1,898	(1,898)
Total Expenditures	<u>426,244</u>	<u>426,244</u>	<u>369,371</u>	<u>56,873</u>
Excess (Deficiency) of Revenues Over Expenditures	(263,600)	(263,600)	(150,807)	112,793
Cash Balance Beginning of Year	<u>284,450</u>	<u>284,450</u>	<u>284,450</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 20,850</u>	<u>\$ 20,850</u>	<u>\$ 133,643</u>	<u>\$ 112,793</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (150,807)	
Net Change in Accounts Payable			70	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (150,737)</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 9,331	\$ 9,331	\$ 8,714	\$ (617)
Ambulance Services	30,000	30,000	59,652	29,652
Loan Proceeds	0	0	75,567	75,567
Miscellaneous	800	800	2,556	1,756
Total Revenues	<u>40,131</u>	<u>40,131</u>	<u>146,489</u>	<u>106,358</u>
Expenditures				
Public Safety				
Personnel Services	1,405	1,405	1,193	212
Operating Expenses	64,290	64,290	55,173	9,117
Debt Service				
Principal	0	0	3,667	(3,667)
Interest	0	0	578	(578)
Total Expenditures	<u>65,695</u>	<u>65,695</u>	<u>60,611</u>	<u>5,084</u>
Excess (Deficiency) of Revenues Over Expenditures	(25,564)	(25,564)	85,878	111,442
Cash Balance Beginning of Year	<u>78,760</u>	<u>78,760</u>	<u>78,760</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 53,196</u>	<u>\$ 53,196</u>	<u>\$ 164,638</u>	<u>\$ 111,442</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 85,878	
Net Change in Receivables			624	
Net Change in Accounts Payable			933	
Net Change in Accrued Salaries and Benefits			64	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 87,499</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 Position
 June 30, 2015

Assets	Water and Sewer	Solid Waste	Total
Current Assets			
Cash and Cash Equivalents	\$ 654,787	\$ 360,692	\$ 1,015,479
Receivables			
Accounts	55,177	12,456	67,633
Taxes	0	688	688
Total Current Assets	<u>709,964</u>	<u>373,836</u>	<u>1,083,800</u>
Noncurrent Assets			
Restricted Cash	17,750	0	17,750
Capital Assets	16,423,491	221,999	16,645,490
Less Accumulated Depreciation	(2,467,827)	(135,954)	(2,603,781)
Total Noncurrent Assets	<u>13,973,414</u>	<u>86,045</u>	<u>14,059,459</u>
Total Assets	<u>14,683,378</u>	<u>459,881</u>	<u>15,143,259</u>
Liabilities			
Current Liabilities			
Accounts Payable	17,690	5,189	22,879
Accrued Salaries & Benefits	1,990	0	1,990
Accrued Interest	36,923	0	36,923
Compensated Absences	6,081	0	6,081
Current Amount Due	91,389	0	91,389
Total Current Liabilities	<u>154,073</u>	<u>5,189</u>	<u>159,262</u>
Noncurrent Liabilities			
Customer Deposits	17,750	0	17,750
Bonds and Loans	5,237,438	0	5,237,438
Total Noncurrent Liabilities	<u>5,255,188</u>	<u>0</u>	<u>5,255,188</u>
Total Liabilities	<u>5,409,261</u>	<u>5,189</u>	<u>5,414,450</u>
Net Position			
Net Investment in Capital Assets	8,644,587	86,045	8,730,632
Unrestricted	629,530	368,647	998,177
Total Net Position	<u>\$ 9,274,117</u>	<u>\$ 454,692</u>	<u>\$ 9,728,809</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 Net Position
 For the Year Ended June 30, 2015

	Water and Sewer	Solid Waste	Total
Revenues			
Sales & Service	\$ 664,275	\$ 177,093	\$ 841,368
Fees	24,271	0	24,271
Total Revenues	<u>688,546</u>	<u>177,093</u>	<u>865,639</u>
Expenses			
Operating Expenses	459,788	191,673	651,461
Depreciation	408,252	9,874	418,126
Total Expenses	<u>868,040</u>	<u>201,547</u>	<u>1,069,587</u>
Operating Income (Loss)	<u>(179,494)</u>	<u>(24,454)</u>	<u>(203,948)</u>
Nonoperating Revenue (Expenses)			
Environmental Gross Receipts Tax	0	10,689	10,689
State Grant	0	18,900	18,900
Interest Income	500	100	600
Interest Expense	(196,784)	0	(196,784)
Total Nonoperating Revenue (Expense)	<u>(196,284)</u>	<u>29,689</u>	<u>(166,595)</u>
Change in Net Position	(375,778)	5,235	(370,543)
Total Net Position - Beginning	<u>9,649,895</u>	<u>449,456</u>	<u>10,099,351</u>
Total Net Position - Ending	<u>\$ 9,274,117</u>	<u>\$ 454,691</u>	<u>\$ 9,728,808</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, 2015

	Water and Sewer	Solid Waste	Total
Cash Flows from Operating Activities			
Cash Received From Customers	\$ 684,942	\$ 207,473	\$ 892,415
Cash Paid to Suppliers and Employees	459,178	220,849	680,027
Net Cash Provided by Operating Activities	<u>225,764</u>	<u>(13,376)</u>	<u>212,388</u>
Cash Flows from Noncapital Financing Activities			
Taxes	0	10,689	10,689
Net Cash Provided by Noncapital Financing Activities	<u>0</u>	<u>10,689</u>	<u>10,689</u>
Cash Flows from Capital & Related Financing Activities			
Acquisition and Construction of Capital Assets	0	(22,171)	(22,171)
State Grant	0	18,900	18,900
Principal Paid	(99,871)	0	(99,871)
Interest Paid	(196,784)	0	(196,784)
Net Cash Provided by Capital & Related Financing Activities	<u>(296,655)</u>	<u>(3,271)</u>	<u>(299,926)</u>
Cash Flows from Investing Activities			
Interest Received	500	100	600
Net Cash Provided by Investing Activities	<u>500</u>	<u>100</u>	<u>600</u>
Net Increase (Decrease) in Cash	(70,391)	(5,858)	(76,249)
Cash, Beginning of Year	742,928	366,550	1,109,478
Cash, End of Year	<u>\$ 672,537</u>	<u>\$ 360,692</u>	<u>\$ 1,033,229</u>
Cash and Cash Equivalents	\$ 654,787	\$ 360,692	\$ 1,015,479
Restricted Cash	17,750	0	17,750
Total Cash	<u>\$ 672,537</u>	<u>\$ 360,692</u>	<u>\$ 1,033,229</u>
Reconciliation of Net Income to Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$ (179,494)	\$ (24,454)	\$ (203,948)
Depreciation	408,253	9,874	418,127
Change in Assets and Liabilities			
(Increase) Decrease in Taxes Receivable	0	1,247	1,247
(Increase) Decrease in Accounts Receivable	(6,078)	(557)	(6,635)
(Increase) Decrease in Inventories	3,579	0	3,579
Increase (Decrease) in Accounts Payable	(2,307)	514	(1,793)
Increase (Decrease) in Accrued Salaries & Benefits	(541)	0	(541)
Increase (Decrease) in Compensated Absences	377	0	377
Increase (Decrease) in Customer Deposits	1,975	0	1,975
Net Cash Provided by Operating Activities	<u>\$ 225,764</u>	<u>\$ (13,376)</u>	<u>\$ 212,388</u>

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

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. 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 Position and the Statement of Changes in Net Position) 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 Assets and Liabilities 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.

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)

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 Position. 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.

Solid Waste - 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 Solid Waste 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.

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 Fund. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Position 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.

Unearned and Unavailable Revenue

The Village reports unearned and unavailable revenues on its Statement of Net Position and Fund Balance Sheet. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and the revenue is recognized. Unavailable revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

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 Position

Net position represent the difference between assets and liabilities. Net position 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 positions 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 positions are available it will first be applied to restricted resources.

Restricted Net Position

For the government-wide statement of net position, net positions are reported as restricted when constraints placed on net positions use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Nonspendable fund balance indicates that portion of fund equity is not spendable such as inventory.

The restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resources providers, or through enabling legislation.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual amount that is not restricted or committed.

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.

Reconciliation of Budgetary Basis to GAAP Basis Statements

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

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

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

Reconciliations are located at the bottom of each budget actual.

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B. Deposits 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.

<u>Name of Account</u>	Balance Per Bank <u>06/30/2015</u>	Reconciled Balance	<u>Type</u>
General Fund	\$ 2,271,915	\$ 2,255,500	Checking-Interest Bearing
EMS Account	1,000	1,000	Checking-Interest Bearing
Sewer Phase I	<u>1</u>	<u>0</u>	Checking-Non Interest Bearing
TOTAL Deposited	2,272,916	<u>\$ 2,256,500</u>	
Less: FDIC Coverage	<u>(500,000)</u>		
Uninsured Amount	1,772,916		
50% collateral requirement	886,458		
Pledged securities	<u>1,283,773</u>		
Over (Under) requirement	<u>\$ 397,315</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>	Par/Market Value	<u>Maturity Date</u>
Logan NM Sch Dist No 32	541066BC9	136,023	04/15/2019
Logan NM Sch Dist No 32	541066BD7	135,230	04/15/2020
Los Lunas Sch Dist No 001	545562ND8	340,024	07/15/2016
Roosevelt Cnty NM Gross Recpts	776461AL9	128,093	06/01/2017
Roosevelt Cnty NM Gross Recpts	776461AL9	51,237	06/01/2017
FNMA Fixed Rate Note	3133814P7	493,166	11/15/2019
		<u>\$ 1,283,773</u>	

<u>Name of Account</u>	Balance Per Bank <u>06/30/2015</u>	Reconciled Balance	<u>Type</u>
NMFA 6	\$ 6	\$ 6	Savings
NMFA 7	19,506	19,506	Savings
NMFA 8	2,008	2,008	Savings
NMFA 8	<u>75,060</u>	<u>75,060</u>	Savings
TOTAL Deposited	96,580	<u>\$ 96,580</u>	
Less: FDIC Coverage	<u>(96,580)</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>	<u>Bank Balance</u>
Insured	\$ 596,580
Collateralized:	
Collateral held by the pledging bank in Village's name	1,283,773
Uninsured and uncollateralized	489,143
Total Deposits	<u>\$ 2,369,496</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, 2015 \$6489,143 of the Village's bank balance of \$2,369,496 was exposed to custodial credit risk.

State Treasurer

	<u>Balance 06/30/2015</u>	<u>Reconciled Balance</u>	<u>Type</u>
Village of Logan	\$ 270	\$ 270	Savings
	<u>270</u>	<u>\$ 270</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.
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, 2015, the LGIP WAM(R) is 54.6 days and WAM(F) is 77.7 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.

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There was \$19,505 restricted cash in the Fire Fund. This money is restricted for the purpose of retiring debt for the fire truck financed by New Mexico Finance Authority. There is restricted cash in the EMS from a loan from NMFA to purchase equipment of \$ 77,076. The loan closed in June and the equipment was purchased in the next fiscal year. The restricted cash in the Water and Sewer Fund of \$17,750 is for customer deposits.

C. Receivables

Receivables as of June 30, 2015, were as follows:

<u>Receivables</u>	General	EMS	Non-Major
Property	\$ 20,792	0	\$ 0
Gross Receipts	29,170	0	8,251
Gasoline	0	0	2,715
Other Taxes	932	0	1,333
Accounts	0	25,214	0
	<u>\$ 50,894</u>	<u>25,214</u>	<u>\$ 12,299</u>

D. Interfund Receivables, Payables and Transfers

Interfund transfers during the year ended June 30, 2015, were as follows:

<u>Transfers Out</u>		<u>Transfer In</u>	
General Fund	\$ 20,000	Senior Citizens	\$ 20,000
Corrections	427	General	427
	<u>\$ 20,427</u>		<u>20,427</u>

The transfers out from the General Fund to the Senior Citizens Fund for financial support. The transfer from Corrections to General was to close the Corrections Fund.

E. Capital Assets

Capital Assets Balances and Activity for the Year Ended June 30, 2015, is as follows:

	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Governmental Activities				
Capital Assets, not being Depreciated				
Land	\$ 56,500	\$ 32,921	\$ 0	\$ 89,421
Total Capital Assets, not being Depreciated	<u>56,500</u>	<u>32,921</u>	<u>0</u>	<u>89,421</u>
Capital Assets, being Depreciated				
Infrastructure	4,307,469	0	0	4,307,469
Buildings & Improvements	2,016,325	0	0	2,016,325
Equipment	1,913,230	294,065	0	2,207,295
Total Capital Assets, being Depreciated	<u>8,237,024</u>	<u>294,065</u>	<u>0</u>	<u>8,531,089</u>
Total Capital Assets	<u>\$ 8,293,524</u>	<u>\$ 326,986</u>	<u>\$ 0</u>	<u>\$ 8,620,510</u>

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Less Accumulated Depreciation

Infrastructure	\$ 3,507,823	\$ 90,657	\$ 0	\$ 3,598,480
Buildings & Improvements	909,419	52,757	0	962,176
Equipment	975,654	105,600	0	1,081,254
Total Accumulated Depreciation	<u>5,392,896</u>	<u>249,014</u>	<u>0</u>	<u>5,641,910</u>
Capital Assets, net	\$ <u>2,900,628</u>	\$ <u>77,972</u>	\$ <u>0</u>	\$ <u>2,978,600</u>

Depreciation expense was charged to governmental activities as follows:

General	\$ 18,497
Public Safety	97,896
Public Works	99,190
Health & Welfare	10,997
Culture & Recreation	22,434
Total depreciation expenses	<u>\$ 249,014</u>

	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Water & Sewer				
Capital Assets not being Depreciated				
Land	\$ 193,412	\$ 0	\$ 0	\$ 193,412
Construction in Progress	0	0	0	0
Total Capital Assets not being Depreciated	<u>193,412</u>	<u>0</u>	<u>0</u>	<u>193,412</u>
Other Capital Assets				
Buildings & Improvements	16,042,501	0	0	16,042,501
Equipment	187,578	0	0	187,578
Total Capital Assets, being Depreciated	<u>16,230,079</u>	<u>0</u>	<u>0</u>	<u>16,230,079</u>
Total Capital Assets	<u>16,423,491</u>	<u>0</u>	<u>0</u>	<u>16,423,491</u>
Less Accumulated Depreciation				
Buildings & Improvements	1,963,369	394,272	0	2,357,641
Equipment	96,206	13,980	0	110,186
Total Accumulated Depreciation	<u>2,059,575</u>	<u>408,252</u>	<u>0</u>	<u>2,467,827</u>
Capital Assets, net	\$ <u>14,363,916</u>	\$ <u>(408,252)</u>	\$ <u>0</u>	\$ <u>13,955,664</u>

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	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Solid Waste				
Capital Assets not being Depreciated				
Land	\$ 25,000	\$ 0	\$ 0	\$ 25,000
Total Capital Assets not being Depreciated	25,000	0	0	25,000
Other Capital Assets				
Equipment	174,719	22,280	0	196,999
Total Capital Assets, being Depreciated	174,827	22,280	0	196,999
Capital Assets, net	199,827	22,280	0	221,999
Less Accumulated Depreciation				
Equipment	126,088	9,866	0	135,954
Total Accumulated Depreciation	126,081	9,866	0	135,954
Capital Assets, net	\$ 73,746	\$ 12,414	\$ 0	\$ 86,045

F. Long-Term Liabilities and Other Liabilities

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

	Balance 6/30/14	Additions	Reductions	Balance 6/30/15	Amounts Due Within One Year
Governmental Activities					
Notes Payable	\$ 250,231	\$ 75,567	\$ 37,466	\$ 288,332	\$ 34,310
Other Liabilities					
Compensated Absences	\$ 32,586	\$ 27,098	\$ 27,057	\$ 29,592	\$ 29,592

Description	Fund	Maturity Date	Original Amount	Interest Rate	Balance
Fire 81-8927-15-4	Fire	08/15/2024	\$ 101,500	0.00%	\$ 61,515
Fire 81-8763-23-7	Fire	08/15/2023	260,000	3.4%-3.84%	144,839
Dodge Charger	LEPF	04/11/2015	30,000	4.00%	10,078
Ambulance	EMS	04/01/2024	75,567	0.00%	71,900
					\$ 288,332

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 fund owes NMFA for an ambulance. Charge for services is pledged for the loan.

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The annual requirements to amortize the loans as of June 30, 2015, including interest payments are as follows:

	Principal	Interest	Total
2016	\$ 42,267	\$ 2,063	\$ 44,330
2017	32,383	1,567	33,950
2018	32,585	1,340	33,925
2019	32,794	1,139	33,933
2020	33,012	930	33,942
2021-2024	115,291	1,441	116,732
	<u>\$ 288,332</u>	<u>\$ 8,480</u>	<u>\$ 296,812</u>

Proprietary Funds

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

	Balance 6/30/14	Additions	Reductions	Balance 6/30/15	Amounts Due Within One Year
Business-Type Activities					
Loans Payable	\$ 5,417,717	\$ 0	\$ 88,890	\$ 5,328,827	\$ 91,389
Loans Payable	<u>10,982</u>	<u>0</u>	<u>10,982</u>	<u>0</u>	<u>0</u>
Total Notes Payable	<u>\$ 5,417,717</u>	<u>\$ 0</u>	<u>\$ 99,872</u>	<u>\$ 5,328,827</u>	<u>\$ 91,389</u>
Other Liabilities					
Compensated Absences	<u>\$ 8,576</u>	<u>\$ 11,452</u>	<u>\$ 14,325</u>	<u>\$ 6,081</u>	<u>\$ 6,081</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, 2015 was \$4,046,000.

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, 2015 was \$993,400.

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, 2015 was \$289,427.

A vehicle was financed by Kansas State Bank for \$22,000. The loan matures in 2015, the interest rate is 4% and payments are \$11,316. The balance of the loan on June 30, 2015 was \$0.

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The annual requirements to amortize the loans as of June 30, 2015, including interest payments are as follows:

	Principal	Interest	Total
2016	\$ 91,389	\$ 194,220	\$ 285,609
2017	94,789	181,450	276,239
2018	97,289	188,560	285,849
2019	100,789	185,560	286,349
2020	103,289	182,350	285,639
2021-2025	569,847	860,400	1,430,247
2026-2030	667,846	761,460	1,429,306
2031-2035	716,989	641,390	1,358,379
2036-2040	844,800	495,400	1,340,200
2041-2045	1,020,600	318,720	1,339,320
2046-2050	1,021,200	102,750	1,123,950
	<u>\$ 5,328,827</u>	<u>\$ 4,112,260</u>	<u>\$ 9,441,087</u>

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 6/30/14	New Leases	Payments	Balance 6/30/15	Amounts Due Within One Year
Equipment	\$ 8,120	\$ 0	\$ 8,120	\$ 0	0
	<u>\$ 8,120</u>	<u>\$ 0</u>	<u>\$ 8,120</u>	<u>\$ 0</u>	<u>0</u>

G. Retirement Plan

Summary of Significant Accounting Policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Mexico Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. The Public Employees Retirement Fund (PERA Fund) is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C- 1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), and the provisions of Sections 29-4-1 through 29-4-11, NMSA 1978 governing the State Police Pension Fund, each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund.

PERA issues a publicly available financial report and a comprehensive annual financial report that can be obtained at <http://saonm.org/> using the Audit Report Search function for agency 366.

Benefits provided. For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2014 available at http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf.

Contributions. The contribution requirements of defined benefit plan members and the Village are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit report at http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf. The PERA coverage options that apply to Village are Municipal Plan 2 (Plan) and Police 5 (Police). Statutorily required contributions to the pension plan from the Village were \$34,124 for the Plan and \$24,580 for a total of \$58,704 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014.

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The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred Inflows and Outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. The Village's proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity's percentage of that membership group's total employer contributions for the fiscal year ended June 30, 2014. Only employer contributions for the pay period end dates that fell within the period of July 1, 2013 to June 30, 2014 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2014 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

For the Plan \$385,394 and the Police \$172,430 for a total of \$557,824, at June 30, 2015, the Village reported a liability for its proportionate share of the net pension liability. At June 30, 2014, the Village's proportion was 0.049% for the Plan and 0.0529% for Police for a total 0.10230%, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the Village recognized \$16,078 for the Plan and \$11,581 for the Police for a total of \$27,659 pension expense. At June 30, 2015, the Village reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Plan Deferred Outflows of Resources	Police Deferred Outflows of Resources	Total Deferred Outflows of Resources
Differences between expected and actual experience	\$ 0	\$ 0	\$ 0
Changes of assumptions	0	0	0
Net difference between projected and actual earnings on pension plan investments	0	0	0
Changes in proportion and differences between the Village's contributions and proportionate share of Village's contributions subsequent to the measurement date	0	0	0
	<u>34,124</u>	<u>24,580</u>	<u>58,704</u>
Total	<u>\$ 34,124</u>	<u>\$ 24,580</u>	<u>\$ 58,704</u>
	Deferred Inflows of Resources	Deferred Inflows of Resources	Total Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 0	\$ 0

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Changes of assumptions	(261)	(14,009)	(14,270)
Net difference between projected and actual earnings on pension plan investments	(150,768)	(64,124)	(214,892)
Changes in proportion and differences between the Village's contributions and proportionate share of	0	0	0
Village's contributions subsequent to the measurement date	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$ <u>(151,029)</u>	\$ <u>(78,133)</u>	\$ <u>(229,162)</u>

The Plan's \$24,839 and Police's \$33,865 reported as deferred outflows of resources related to pensions resulting from the Village's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:			
2016	\$	(37,757)	\$ (57,273)
2017		(37,757)	(57,273)
2018		(37,757)	(57,273)
2019		(37,757)	(57,273)
2020		(1)	(70)
Total	\$	<u>(151,029)</u>	\$ <u>(229,162)</u>

Actuarial assumptions. As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2013 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2014. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2014 actuarial valuation.

Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
(1) Investment rate of return	7.75% annual rate, net of investment expense
(2) Payroll growth	3.50% annual rate
(3) Projected salary increases	3.50 to 14.25% annual rate
(4) Includes inflation at	3.00% annual rate

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The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	21.10%	5.00%
International Equity	24.80%	5.20%
Private Equity	7.00%	8.20%
Core and Global Fixed Income	26.10%	1.85%
Fixed Income Plus Sectors	5.00%	4.80%
Real Estate	5.00%	5.30%
Real Assets	7.00%	5.70%
Absolute Return	4.00%	4.15%

Discount rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that future contributions will be made in accordance with statutory rates. On this basis, the pension plan's fiduciary net position together with the expected future contributions are sufficient to provide all projected future benefit payments of current plan members as determined in accordance with GASBS 67. Therefore, the 7.75% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Village's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the Village's net pension liability in the Municipal Plan 2 and Police 5 PERA Fund Divisions that the Village participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The Village's proportionate share of the net pension liability for the Plan	\$ 726,515	\$ 385,394	\$ 121,825
	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The Village's proportionate share of the net pension liability for Police	\$ 328,859	\$ 172,430	\$ 55,658

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FY14 Restated PERA financial report. The report is available at <http://www.pera.state.nm.us/publications.html>.

H. Retiree Health Care

Plan Description. 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.

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

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

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. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2015, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act. The Village is not a member of the enhanced retirement plan.

The Village's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$10,748, \$11,573 and \$11,602 respectively, which equal the required contributions for each year.

I. 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.

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

J. Commitments

The Village is involved in small renovations and repairs.

K. Subsequent Events

Subsequent events were evaluated through November 17, 2015, which is the date the financial statements were available to be issued.

L. Joint Powers Agreements

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.

M. Deficient Fund Balance

The Law Enforcement Fund had a deficient fund balance of \$(31) and Senior Citizens \$(197) at year end.

M. Restatement

Net Position was restated \$(759,328) for pension liability balance at the end of the prior year.

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

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)

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.

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 FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue		
	Law Enforcement	Correction	Street Gas Tax
Assets			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 95,980
Receivables			
Taxes	0	0	2,715
Accounts	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 98,695</u>
Liabilities			
Accounts Payable	\$ 31	\$ 0	\$ 0
Accrued Salaries & Benefits	0	0	0
Total Liabilities	<u>31</u>	<u>0</u>	<u>0</u>
Fund Balance			
Restricted for, reported in:			
Special Revenue Fund	<u>(31)</u>	<u>0</u>	<u>98,695</u>
Total Fund Balance	<u>(31)</u>	<u>0</u>	<u>98,695</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 98,695</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue		
	Cemetery	Lodgers Tax	Health Clinic
Assets			
Cash and Cash Equivalents	\$ 9,716	\$ 27,836	\$ 9,484
Receivables			
Taxes	0	1,333	0
Accounts	0	0	0
Total Assets	<u>\$ 9,716</u>	<u>\$ 29,169</u>	<u>\$ 9,484</u>
Liabilities			
Accounts Payable	\$ 69	\$ 968	\$ 198
Accrued Salaries & Benefits	0	0	0
Total Liabilities	<u>69</u>	<u>968</u>	<u>198</u>
Fund Balance			
Restricted for, reported in:			
Special Revenue Fund	<u>9,647</u>	<u>28,201</u>	<u>9,286</u>
Total Fund Balance	<u>9,647</u>	<u>28,201</u>	<u>9,286</u>
Total Liabilities and Fund Balance	<u>\$ 9,716</u>	<u>\$ 29,169</u>	<u>\$ 9,484</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue		Capital Projects
	Recreation	Senior Citizens	Infrastructure
Assets			
Cash and Cash Equivalents	\$ 3,414	\$ 1,428	\$ 263,355
Receivables			
Taxes	0	0	8,251
Accounts	0	0	0
Total Assets	<u>\$ 3,414</u>	<u>\$ 1,428</u>	<u>\$ 271,606</u>
Liabilities			
Accounts Payable	\$ 76	\$ 1,625	\$ 0
Accrued Salaries & Benefits	0	0	0
Total Liabilities	<u>76</u>	<u>1,625</u>	<u>0</u>
Fund Balance			
Restricted for, reported in:			
Special Revenue Fund	<u>3,338</u>	<u>(197)</u>	<u>271,606</u>
Total Fund Balance	<u>3,338</u>	<u>(197)</u>	<u>271,606</u>
Total Liabilities and Fund Balance	<u>\$ 3,414</u>	<u>\$ 1,428</u>	<u>\$ 271,606</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 NONMAJOR FUNDS
 Combining Balance Sheet
 June 30, 2015

	<u>Total</u>
Assets	
Cash and Cash Equivalents	\$ 411,213
Receivables	
Taxes	12,299
Accounts	0
Total Assets	<u>\$ 423,512</u>
Liabilities	
Accounts Payable	\$ 2,967
Accrued Salaries & Benefits	0
Total Liabilities	<u>2,967</u>
Fund Balance	
Restricted for, reported in:	
Special Revenue Fund	<u>420,545</u>
Total Fund Balance	<u>420,545</u>
Total Liabilities and Fund Balance	<u>\$ 423,512</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue		
	Law Enforcement	Correction	Street Gas Tax
Revenues			
Taxes			
Lodgers	\$ 0	\$ 0	\$ 0
Gross Receipts	0	0	0
Gasoline	0	0	32,884
State Grants	22,400	0	0
Charges for Services	0	0	0
Miscellaneous	2,000	0	0
Total Revenues	<u>24,400</u>	<u>0</u>	<u>32,884</u>
Expenditures			
Current			
Public Safety	10,584	0	0
Public Works	0	0	9,294
Culture & Recreation	0	0	0
Health & Welfare	0	0	0
Capital Outlay	5,000	0	0
Debt Service			
Principal	9,745	0	8,120
Interest	676	0	192
Total Expenditures	<u>26,005</u>	<u>0</u>	<u>17,606</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,605)</u>	<u>0</u>	<u>15,278</u>
Other Financing Sources (Uses)			
Transfers In (Out)	0	(427)	0
Total Other Sources (Uses)	<u>0</u>	<u>(427)</u>	<u>0</u>
Net Change in Fund Balance	(1,605)	(427)	15,278
Fund Balances at Beginning of Year	<u>1,574</u>	<u>427</u>	<u>83,417</u>
Fund Balance End of Year	<u>\$ (31)</u>	<u>\$ 0</u>	<u>\$ 98,695</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue		
	Cemetery	Lodgers Tax	Health Clinic
Revenues			
Taxes			
Lodgers	\$ 0	\$ 12,759	\$ 0
Gross Receipts	0	0	0
Gasoline	0	0	0
State Grants	0	0	96,200
Charges for Services	3,370	0	6,000
Miscellaneous	150	0	2,000
Total Revenues	<u>3,520</u>	<u>12,759</u>	<u>104,200</u>
Expenditures			
Current			
Public Safety	0	0	0
Public Works	1,043	0	0
Culture & Recreation	0	12,047	0
Health & Welfare	0	0	108,886
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>1,043</u>	<u>12,047</u>	<u>108,886</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,477</u>	<u>712</u>	<u>(4,686)</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	2,477	712	(4,686)
Fund Balances at Beginning of Year	<u>7,170</u>	<u>27,489</u>	<u>13,972</u>
Fund Balance End of Year	<u>\$ 9,647</u>	<u>\$ 28,201</u>	<u>\$ 9,286</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue		Capital Projects
	Recreation	Senior Citizens	Infrastructure
Revenues			
Taxes			
Lodgers	\$ 0	\$ 0	\$ 0
Gross Receipts	0	0	62,421
Gasoline	0	0	0
State Grants	0	0	0
Charges for Services	0	0	0
Miscellaneous	0	0	125
Total Revenues	<u>0</u>	<u>0</u>	<u>62,546</u>
Expenditures			
Current			
Public Safety	0	0	0
Public Works	0	0	6,229
Culture & Recreation	3,658	21,550	0
Health & Welfare	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>3,658</u>	<u>21,550</u>	<u>6,229</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,658)</u>	<u>(21,550)</u>	<u>56,317</u>
Other Financing Sources (Uses)			
Transfers In (Out)	0	20,000	0
Total Other Sources (Uses)	<u>0</u>	<u>20,000</u>	<u>0</u>
Net Change in Fund Balance	(3,658)	(1,550)	56,317
Fund Balances at Beginning of Year	<u>6,996</u>	<u>1,353</u>	<u>215,289</u>
Fund Balance End of Year	<u>\$ 3,338</u>	<u>\$ (197)</u>	<u>\$ 271,606</u>

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2015

	<u>Total</u>
Revenues	
Taxes	
Lodgers	\$ 12,759
Gross Receipts	62,421
Gasoline	32,884
State Grants	118,600
Charges for Services	9,370
Miscellaneous	4,275
Total Revenues	<u>240,309</u>
Expenditures	
Current	
Public Safety	10,584
Public Works	16,566
Culture & Recreation	37,255
Health & Welfare	108,886
Capital Outlay	5,000
Debt Service	
Principal	17,865
Interest	868
Total Expenditures	<u>197,024</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>43,285</u>
Other Financing Sources (Uses)	
Transfers In (Out)	19,573
Total Other Sources (Uses)	<u>19,573</u>
Net Change in Fund Balance	62,858
Fund Balances at Beginning of Year	<u>357,687</u>
Fund Balance End of Year	<u>\$ 420,545</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 22,400	\$ 22,400	\$ 22,400	\$ 0
Miscellaneous	0	2,000	2,000	0
Total Revenues	<u>22,400</u>	<u>24,400</u>	<u>24,400</u>	<u>0</u>
Expenditures				
Public Safety				
Operating Expenses	16,689	18,689	13,689	5,000
Capital Outlay	0	0	5,000	(5,000)
Debt Service				
Principal	9,745	9,745	9,745	0
Interest	676	676	676	0
Total Expenditures	<u>16,689</u>	<u>18,689</u>	<u>29,110</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	5,711	5,711	(4,710)	(10,421)
Cash Balance Beginning of Year	<u>4,710</u>	<u>4,710</u>	<u>4,710</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 10,421</u>	<u>\$ 10,421</u>	<u>\$ 0</u>	<u>\$ (10,421)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,710)	
Net Change in Accounts Payable			<u>3,105</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1,605)</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Fees	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Public Safety				
Operating Expenses	0	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)				
Transfers In (Out)	(427)	(427)	(427)	0
Total Other Sources (Uses)	<u>(427)</u>	<u>(427)</u>	<u>(427)</u>	<u>0</u>
Net Change in Cash Balance	(427)	(427)	(427)	0
Cash Balance Beginning of Year	<u>427</u>	<u>427</u>	<u>427</u>	<u>0</u>
Cash Balance End of Year	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance-Cash Basis			\$ (427)	
Net Change in Fund Balance-GAAP Basis			\$ <u><u>(427)</u></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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Gas Tax	\$ 30,600	\$ 30,600	\$ 32,952	\$ 2,352
Total Revenues	<u>30,600</u>	<u>30,600</u>	<u>32,952</u>	<u>2,352</u>
Expenditures				
Public Works				
Operating Expenses	20,000	20,000	9,295	10,705
Capital Outlay	50,000	50,000	0	50,000
Debt Service				
Principal	0	0	8,120	(8,120)
Interest	0	0	192	(192)
Total Expenditures	<u>70,000</u>	<u>70,000</u>	<u>17,607</u>	<u>52,393</u>
Excess (Deficiency) of Revenues Over Expenditures	(39,400)	(39,400)	15,345	54,745
Cash Balance Beginning of Year	<u>80,635</u>	<u>80,635</u>	<u>80,635</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 41,235</u>	<u>\$ 41,235</u>	<u>\$ 95,980</u>	<u>\$ 54,745</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 15,345	
Net Change in Taxes Receivables			(67)	
Net Change in Accounts Payable			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 15,278</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for Services	\$ 4,000	\$ 4,000	\$ 3,370	\$ (630)
Miscellaneous	100	100	150	50
Total Revenues	<u>4,100</u>	<u>4,100</u>	<u>3,520</u>	<u>50</u>
Expenditures				
Public Works				
Operating Expenses	<u>5,300</u>	<u>5,300</u>	<u>1,479</u>	<u>3,821</u>
Total Expenditures	<u>5,300</u>	<u>5,300</u>	<u>1,479</u>	<u>3,821</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,200)	(1,200)	2,041	3,241
Cash Balance Beginning of Year	<u>7,675</u>	<u>7,675</u>	<u>7,675</u>	<u>0</u>
Cash Balance End of Year	\$ <u>6,475</u>	\$ <u>6,475</u>	\$ <u>9,716</u>	\$ <u>3,241</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,041	
Net Change in Account Payable			<u>436</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>2,477</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Lodgers Tax	\$ 8,000	\$ 8,000	\$ 12,514	\$ 4,514
Miscellaneous	300	300	0	(300)
Total Revenues	<u>8,300</u>	<u>8,300</u>	<u>12,514</u>	<u>4,214</u>
Expenditures				
Culture & Recreation				
Operating	<u>20,000</u>	<u>20,000</u>	<u>11,147</u>	<u>8,853</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>11,147</u>	<u>8,853</u>
Excess (Deficiency) of Revenues Over Expenditures	(11,700)	(11,700)	1,367	13,067
Cash Balance Beginning of Year	<u>26,469</u>	<u>26,469</u>	<u>26,469</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 14,769</u>	<u>\$ 14,769</u>	<u>\$ 27,836</u>	<u>\$ 13,067</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,367	
Net Change in Taxes Receivables			244	
Net Change in Account Payable			<u>(899)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 712</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Charge for Services	\$ 6,000	\$ 6,000	\$ 6,000	\$ 0
State Grant	103,700	103,700	96,200	(7,500)
Other	0	0	2,000	2,000
Total Revenues	<u>109,700</u>	<u>109,700</u>	<u>104,200</u>	<u>(5,500)</u>
Expenditures				
Public Works				
Operating Expenses	<u>108,700</u>	<u>108,700</u>	<u>108,688</u>	<u>12</u>
Total Expenditures	<u>108,700</u>	<u>108,700</u>	<u>108,688</u>	<u>12</u>
Excess (Deficiency) of Revenues Over Expenditures	1,000	1,000	(4,488)	(5,488)
Cash Balance Beginning of Year	<u>13,972</u>	<u>13,972</u>	<u>13,972</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 14,972</u>	<u>\$ 14,972</u>	<u>\$ 9,484</u>	<u>\$ (5,488)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,488)	
Net Change in Account Payable			<u>(198)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (4,686)</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Culture & Recreation				
Operating Expenses	<u>7</u>	<u>6,000</u>	<u>3,582</u>	<u>2,418</u>
Total Expenditures	<u>7</u>	<u>6,000</u>	<u>3,582</u>	<u>2,418</u>
Excess (Deficiency) of Revenues Over Expenditures	(7)	(6,000)	(3,582)	2,418
Cash Balance Beginning of Year	<u>6,996</u>	<u>6,996</u>	<u>6,996</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 6,989</u>	<u>\$ 996</u>	<u>\$ 3,414</u>	<u>\$ 2,418</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,582)	
Net Change in Account Payable			<u>(76)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (3,658)</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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Culture & Recreation				
Operating Expenses	20,000	20,000	19,987	13
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>19,987</u>	<u>13</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(20,000)</u>	<u>(20,000)</u>	<u>(19,987)</u>	<u>13</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	13	13
Cash Balance Beginning of Year	<u>1,415</u>	<u>1,415</u>	<u>1,415</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,415</u>	<u>\$ 1,415</u>	<u>\$ 1,428</u>	<u>\$ 13</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 13	
Net Change in Accounts Payable			(1,563)	
Net Change in Fund Balance			<u>\$ (1,550)</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 CAPITAL PROJECTS FUND-INFRASTRUCTURE
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Non-GAAP-Budgetary Basis)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Gross Receipts Tax	\$ 63,000	\$ 63,000	\$ 64,107	\$ 1,107
Miscellaneous	0	0	125	125
Total Revenues	<u>63,000</u>	<u>63,000</u>	<u>64,232</u>	<u>1,232</u>
Expenditures				
Public Works				
Operating Expenses	<u>60,000</u>	<u>60,000</u>	<u>6,230</u>	<u>53,770</u>
Total Expenditures	<u>60,000</u>	<u>60,000</u>	<u>6,230</u>	<u>53,770</u>
Excess (Deficiency) of Revenues Over Expenditures	3,000	3,000	58,002	55,002
Cash Balance Beginning of Year	<u>205,353</u>	<u>205,353</u>	<u>205,353</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 208,353</u>	<u>\$ 208,353</u>	<u>\$ 263,355</u>	<u>\$ 55,002</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 58,002	
Net Change in Taxes Receivables			<u>(1,685)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 56,317</u>	

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

REQUIRED SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 Schedules of Required Supplementary Information for Pension Plan

Schedule of the Village's Proportionate Share of the Net Pension Liability

Last 10 Fiscal Years*

	<u>2015</u>
Village's proportion of the net pension liability	0.10230%
Village's proportionate share of the net pension liability	\$ 557,824
Village's covered-employee payroll	\$ 589,448
Village's proportionate share of the net pension liability as a percentage of its covered-employee payroll	94.63%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Village will present information for those years for which information is available.

Schedule of Village's Contributions

Last 10 Fiscal Years*

	<u>2015</u>
Contractually required contribution	\$ 58,704
Contributions in relation to the contractually required contribution	<u>58,704</u>
Contribution deficiency (excess)	<u>\$ 0</u>
Village's covered-employee payroll	\$ 589,448
Contributions as a percentage of covered-employee payroll	9.96%

* These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Village will present information for those years for which information is available.

STATE OF NEW MEXICO

VILLAGE OF LOGAN

Notes to Required Supplementary Information

For the Year Ended June 30, 2015

Changes of benefit terms. The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY14 audit available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement Association 2014.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf).

Changes of assumptions. The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2014 report is available at http://www.pera.state.nm.us/pdf/Investments/RetirementFundValuationReports/6-30-2014%20PERA%20Valuation%20Report_FINAL.pdf. The summary of Key Findings for the PERA Fund (on page 2 of the report) states “based on a recent experience study for the five-year period ending June 30, 2013, the economic and demographic assumptions were updated for this valuation. The changes in assumptions resulted in a decrease of \$30.8 million to Fund liabilities and an increase of 0.13% to the funded ratio. For details about changes in the actuarial assumptions, see Appendix B on page 60 of the report.

OTHER SUPPLEMENTAL INFORMATION

PROPRIETARY FUNDS

Water, Sewer and Solid Waste

To account for the provision of water, sewer and solid waste 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, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for Services	\$ 651,000	\$ 651,000	\$ 660,171	\$ 9,171
Fees	25,600	25,600	24,271	(1,329)
Other	62,500	62,500	500	(62,000)
Total Revenues	<u>739,100</u>	<u>739,100</u>	<u>684,942</u>	<u>(54,158)</u>
Expenditures				
Public Works				
Personnel Services	252,323	252,323	227,400	24,923
Operating Expenses	243,975	243,975	230,738	13,237
Debt Service				
Principal	300,000	300,000	99,871	200,129
Interest	0	0	197,324	(197,324)
Total Expenditures	<u>796,298</u>	<u>796,298</u>	<u>755,333</u>	<u>40,965</u>
Excess (Deficiency) of Revenues Over Expenditures	(57,198)	(57,198)	(70,391)	(13,193)
Cash Balance Beginning of Year	<u>742,928</u>	<u>742,928</u>	<u>742,928</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 685,730</u>	<u>\$ 685,730</u>	<u>\$ 672,537</u>	<u>\$ (13,193)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (70,391)	
Depreciation			(408,252)	
Principal			99,871	
Net Change in Accounts Receivables			6,078	
Net Change in Accounts Payable			(3,579)	
Net Change in Accrued Salaries and Benefits			2,307	
Net Change in Accrued Interest			540	
Net Change in Compensated Absences			(377)	
Net Change in Customer Deposits			(1,975)	
Change in Net Position			<u>\$ (375,778)</u>	

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

STATE OF NEW MEXICO
VILLAGE OF LOGAN
 PROPRIETARY FUND-SOLID WASTE FUND
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Non-GAAP-Budgetary Basis)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for Services	\$ 171,500	\$ 171,500	\$ 177,784	\$ 6,284
Environmental Gross Receipts Tax	10,000	10,000	10,689	689
State Grant	21,900	21,900	18,900	(3,000)
Other	0	0	100	100
Total Revenues	<u>203,400</u>	<u>203,400</u>	<u>207,473</u>	<u>4,073</u>
Expenditures				
Public Works				
Personnel Services	72,170	72,170	37,346	34,824
Operating Expenses	176,300	176,300	153,814	22,486
Capital Outlay	53,900	53,900	22,171	31,729
Total Expenditures	<u>302,370</u>	<u>302,370</u>	<u>213,331</u>	<u>89,039</u>
Excess (Deficiency) of Revenues Over Expenditures	(98,970)	(98,970)	(5,858)	93,112
Cash Balance Beginning of Year	<u>366,550</u>	<u>366,550</u>	<u>366,550</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 267,580</u>	<u>\$ 267,580</u>	<u>\$ 360,692</u>	<u>\$ 93,112</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,858)	
Depreciation			(9,874)	
Capital Outlay			22,171	
Net Change in Taxes Receivables			(1,247)	
Net Change in Accounts Receivable			557	
Net Changes in Accounts Payables			(514)	
Change in Net Position			<u>\$ 5,235</u>	

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

STATE OF NEW MEXICO

VILLAGE OF LOGAN

Vendor Schedule

For the Year Ended June 30, 2015

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
Contract No. FS12-13	Contract Pricing - HGACBUY	Siddon-Martin Emergency Group	\$260,786.00	N/A	Siddon-Martin Emergency Group	N	N	Purchase New Fire Truck
Product Code UE07					4214 2ND ST N.W.			
					ALBUQUERQUE , NM 87107			

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101

(855) 253-4313

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

Independent Auditor's Report

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of the Village of Logan

Mr. Keller and Members of the Board

We have audited, in accordance with the 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, 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 and major special revenue fund, of the Village of Logan (Village) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and the combining and individual funds and related budgetary comparisons of the Village, presented as supplemental information, and have issued our report thereon dated November 17, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit, of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.


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 Village's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that are less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

 CPA PC

Clovis, New Mexico
November 17, 2015

Financial Statement Audit Findings

Prior Year Audit Findings

2014-001 Bank Reconciliations

Status

Resolved

Current Year Audit Findings

None

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 17, 2015. In attendance were Davis Babb-Mayor, Larry Wallin-Village Administrator, Rosemarie Lower-Councilmember, Rosalie Rachor-Clerk and De'Aun Willoughby, CPA.