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**STATE OF NEW MEXICO  
VILLAGE OF MAXWELL HOUSING AUTHORITY  
(A COMPONENT UNIT OF THE VILLAGE OF MAXWELL)**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**JUNE 30, 2010**

**VILLAGE OF MAXWELL HOUSING AUTHORITY**  
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**JUNE 30, 2010**

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**VILLAGE OF MAXWELL HOUSING AUTHORITY**  
**OFFICIAL ROSTER**  
**JUNE 30, 2010**

**Board of Directors**

<b><u>Name</u></b>	<b><u>Title</u></b>
<i>Eliza Galli</i>	<i>Chair</i>
<i>Frances Stevens</i>	<i>Vice Chair</i>
<i>Gail Bailey</i>	<i>Board Member</i>

**Administrative Officials**

<i>Robert Portillos</i>	<i>Executive Director</i>
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**INDEPENDENT AUDITORS' REPORT**

Mr. Hector H. Balderas, State Auditor and  
To the Board of Directors  
Village of Maxwell Housing Authority  
(A Component Unit of the Village of Maxwell)  
Maxwell, New Mexico

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of Village of Maxwell Housing Authority (a component unit of the Village of Maxwell), as of and for the year ended June 30, 2010, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents. We have also audited the budgetary comparisons of the Housing Authority presented as supplementary information in the individual fund financial statements as of and for the year ended June 30, 2010 as listed in the table of contents. These financial statements are the responsibility of Village of Maxwell Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of the Village of Maxwell Housing Authority, as of June 30, 2010, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly the budgetary comparisons of the major and non-major funds in accordance with the budgetary basis described in Note. 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2010 on our consideration of the Village of Maxwell Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

To the Board of Directors  
Village of Maxwell Housing Authority  
(A Component Unit of the Village of Maxwell)  
Maxwell, New Mexico  
Page Two

The management's discussion and analysis on pages 4 through 7 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and combining and individual fund financial statements. The additional schedule listed as "other supplementary information" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Kriegel/Gray/Shaw & Co., P.C.*  
Kriegel/Gray/Shaw & Co., P.C.

November 22, 2010

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010

The following is an analysis for the Maxwell Housing Authority's financial performance. It is to provide the reader with an overview to the Authority's financial activities for the fiscal year ended June 30, 2010. The information contained here in this MD&A should be considered in conjunction with the Authority's basic financial statements.

## Financial Highlights

- The Maxwell Housing Authority's total assets increased from \$273,940 to \$334,363 an increase of \$60,423 or 22.06%.
- The net asset's balance increased from \$265,198 to \$323,905 at June 30, 2010. This represents an increase of \$58,707 or 22.14% from the previous year. The unrestricted net asset balance increased from \$86,764 to \$100,549, an increase of \$13,785 or 15.89%.
- Revenues increased from \$104,023 to \$184,773 an increase of \$80,750 or 77.63% from the previous year.
- Total expenses increased by \$7,462, from \$118,604 to \$126,066 for the current year. This represents a decrease of 6.29%.

## Using this Annual Report

This annual report consists of basic financial statements and notes to the financial statements. Management's Discussion and Analysis provides a narrative of the Authority's financial performance and activities for the year ended June 30, 2010. The basic statements provide readers with a broad overview of the Authority's finances. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The basic financial statements consist of three statements:

1. The Statement of Net Assets provides information on all the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial situation of the Authority is improving.
2. The Statement of Activities presents information showing how the Authority's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Certain revenues and expenses are reported in this statement that will result in cash flows in future periods.
3. The Statement of Cash Flows presents information showing how the Authority's cash changed during the most recent fiscal year. It shows the sources and uses of cash.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010

The agency has two individual programs. These include the Low Rent Housing Program and the Capital Fund Program.

- The Low Rent Housing Program consists of the 21 dwelling units. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula. Tenants typically pay dwelling rent, which is based on a formula that equates to 30 percent of the tenant's adjusted gross income.
- The Capital Fund program is also funded from HUD based on a formula. The purpose of this program is to provide funding for the modernization and improvement of the Low Rent Housing Program. These resources allow the Housing Authority to provide capital improvements for the current dwelling structures and assist in their operations.

## Housing Authority Activities & Highlights

The Housing Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements. The table below lists the asset and liability comparisons for the years ended June 30, 2010 and June 30, 2009.

### Statement of Net Assets-Condensed FYE June 30

<u>Category</u>	<u>FYE 2010</u>	<u>FYE 2009</u>	<u>Dollar Change</u>
Current Assets	\$107,976	\$92,664	\$15,312
Noncurrent Assets	3,031	2,842	189
Capital Assets (Net of Depreciation)	223,356	178,434	44,922
<i>Total Assets</i>	<i>334,363</i>	<i>273,940</i>	<i>60,423</i>
Current Liabilities	2,038	1,307	731
Long Term Liabilities	8,420	7,435	985
<i>Total Liabilities</i>	<i>10,458</i>	<i>8,742</i>	<i>1,716</i>
Unrestricted Net Assets	100,549	86,764	13,785
Investment in Net Capital Assets	223,356	178,434	44,922
<i>Total Net Assets</i>	<i>\$323,905</i>	<i>\$265,198</i>	<i>\$58,707</i>

#### *Cash & Investments*

Unrestricted cash and investments totaled \$106,770, an increase of \$14,486 from the previous year.

#### *Current Assets*

Current assets increased 16.52%, \$92,664 to \$107,976 due primarily to an increase in cash at year end.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010

## *Current Liabilities*

Current liabilities increased from \$1,307 to \$2,038 or 55.93%. This increase was a result of an increase of \$999 due to other funds.

## *Net Assets*

The total net asset balance increased from \$265,198 to \$323,905 at June 30, 2010. Unrestricted net assets are the amount of available funds for future appropriations. These funds are reserved for expenditures of the actual program. The Authority's unrestricted net assets total \$100,549, an increase of \$13,785 from the previous year.

### Statement of Revenues & Expenses FYE June 30

<u>Category</u>	<u>FYE 2010</u>	<u>FYE 2009</u>	<u>Dollar Change</u>
Rental Revenue	\$39,789	\$39,463	\$326
HUD Operating Grants	53,428	53,274	154
Capital Grants	88,580	7,927	80,653
Interest Income	1,452	1,882	(430)
Other Revenue	1,524	1,477	47
<i>Total Revenue</i>	<u>184,773</u>	<u>104,023</u>	<u>80,750</u>
Personnel	56,958	54,941	2,017
Operating	43,662	35,516	8,146
Depreciation	25,446	28,147	(2,701)
<i>Total Expenses</i>	<u>126,066</u>	<u>118,604</u>	<u>7,462</u>
<i>Excess of Revenue over Expenses</i>	<u>\$58,707</u>	<u>(\$14,581)</u>	<u>\$73,288</u>

## *Results of Operations*

Operating revenues of the Authority are generated principally from dwelling rents and HUD grants (including Operating and Capital Funds). The Authority's revenues increased by \$80,750. Total expenses increased by \$7,462 from the previous year. Revenues increased from the previous year principally due to the increase activity noted in the CFP Program, as well as an increase in rental revenue. Expenses increased from the previous year principally due to increased operating costs related to the increase in grant income.

## *Budgets*

There were no budget adjustments during the year consistent with the HUD budgeting process. There were no significant variations from budget to actuals during the year.



# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010

## *Capital Assets*

As of June 30, 2010, the Maxwell Housing Authority's investment in capital assets was \$223,356. This investment includes land, building, building improvements, office equipment, and maintenance equipment.

<b>Category</b>	<b>FYE 2010</b>	<b>FYE 2009</b>	<b>Dollar Change</b>
Land	\$5,000	\$5,000	\$0
Construction in process	0	0	0
Buildings	815,341	769,042	46,299
Equipment	31,798	30,397	1,401
Non-dwelling Structures	54,229	31,562	22,667
Accumulated Depreciation	(683,012)	(657,566)	(25,446)
<i>Total Net Fixed Assets</i>	<i>\$223,356</i>	<i>\$178,435</i>	<i>\$44,921</i>

The increase in buildings consisted of concrete drive replacements and storage sheds with concrete pads. Equipment consisting of a riding mower was purchased. The projects were being funded through the 2008 and 2009 CFP Programs.

No significant changes in financial position or results of operations are anticipated for the fiscal year ending June 30, 2010.

## **Request for Information**

This financial report is designed to provide a general overview of the Authority's accountability for all those interested.

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Maxwell Housing Authority  
Robert Portillos, Executive Director  
P.O. Box 188  
Maxwell, New Mexico 87728

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

## PROPRIETARY FUNDS

### STATEMENTS OF NET ASSETS

JUNE 30, 2010

	Business-Type Activities		
	Low Rent	Nonmajor Fund CFP	Total
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$106,770	\$0	\$106,770
Prepaid insurance	63	0	63
Tenant receivable - net of allowance	0	0	0
Interest receivable	144	0	144
Inventory	0	0	0
Due from HUD	0	0	0
Due from other funds	0	999	999
<i>Total current assets</i>	106,977	999	107,976
<b>Noncurrent Assets:</b>			
Restricted cash	3,031	0	3,031
Net capital assets	156,204	67,152	223,356
<i>Total noncurrent assets</i>	159,235	67,152	226,387
<b>Total assets</b>	<b>\$266,212</b>	<b>\$68,151</b>	<b>\$334,363</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$788	\$0	\$788
Deferred revenue	0	0	0
Wages payable	0	0	0
Prepaid rent	251	0	251
Due to other funds	999	0	999
<i>Total current liabilities</i>	2,038	0	2,038
<b>Long-term Liabilities:</b>			
Accrued compensated absences	5,289	0	5,289
Tenant security deposits	3,131	0	3,131
<i>Total liabilities</i>	10,458	0	10,458
<b>Net Assets:</b>			
Invested in capital assets	156,204	67,152	223,356
Unrestricted	99,550	999	100,549
<i>Total net assets</i>	255,754	68,151	323,905
<b>Total liabilities and net assets</b>	<b>\$266,212</b>	<b>\$68,151</b>	<b>\$334,363</b>

The Notes to Financial Statements are an integral part of these statements.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

## PROPRIETARY FUNDS

### STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities		
	Low Rent	Nonmajor Fund CFP	Total
<b>OPERATING REVENUES:</b>			
Rental income	\$39,789	\$0	\$39,789
Other revenue	1,524	0	1,524
<i>Total operating revenues</i>	<u>41,313</u>	<u>0</u>	<u>41,313</u>
<b>OPERATING EXPENSES:</b>			
Personnel	55,958	1,000	56,958
Operating	32,883	10,779	43,662
Depreciation	21,580	3,866	25,446
<i>Total operating expenses</i>	<u>110,421</u>	<u>15,645</u>	<u>126,066</u>
<i>Net operating income (loss)</i>	(69,108)	(15,645)	(84,753)
<b>NON-OPERATING REVENUE AND (EXPENSES)</b>			
HUD operating subsidy/capital grants	53,428	88,580	142,008
Interest	1,452	0	1,452
Gain/loss on asset	0	0	0
<i>Total non-operating revenue and (expenses)</i>	<u>54,880</u>	<u>88,580</u>	<u>143,460</u>
<i>Income (loss) before transfers</i>	(14,228)	72,935	58,707
Transfers in (out)	6,000	(6,000)	0
Capital transfers in (out)	25,143	(25,143)	0
	<u>31,143</u>	<u>(31,143)</u>	<u>0</u>
<i>Change in net assets</i>	16,915	41,792	58,707
Total net assets - beginning of year	238,839	26,359	265,198
<b><i>Total net assets, end of year</i></b>	<b><u>\$255,754</u></b>	<b><u>\$68,151</u></b>	<b><u>\$323,905</u></b>

The Notes to Financial Statements are an integral part of these statements.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

## PROPRIETARY FUNDS

### STATEMENTS OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities		
	Low Rent	Nonmajor Fund CFP	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers (including other funds)	\$41,690	\$0	\$41,690
Cash paid to suppliers	(33,214)	(10,779)	(43,993)
Cash paid to employees	(55,262)	(1,000)	(56,262)
<i>Net cash provided (used) by operating activities</i>	<u>(46,786)</u>	<u>(11,779)</u>	<u>(58,565)</u>
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES</b>			
Grants - subsidies	53,428	0	53,428
Transfers in (out)	6,000	(6,000)	0
Advances to (from) other funds	999	(999)	0
<i>Net cash provided (used) by non capital financing activities</i>	<u>60,427</u>	<u>(6,999)</u>	<u>53,428</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital grant	0	88,580	88,580
Purchase of capital assets	(566)	(69,802)	(70,368)
Book value of assets deleted	0	0	0
Disposition of assets	0	0	0
<i>Net cash provided (used) by capital and related financing activities</i>	<u>(566)</u>	<u>18,778</u>	<u>18,212</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	1,600	0	1,600
<i>Net increase (decrease) in pooled cash and investments</i>	14,675	0	14,675
Pooled cash and investments, beginning of year	95,126	0	95,126
<i>Pooled cash and investments, end of year</i>	<u>\$109,801</u>	<u>\$0</u>	<u>\$109,801</u>
<b>Non Cash Transactions:</b>			
Capital transfers in (out)	\$25,143	(\$25,143)	

The Notes to Financial Statements are an integral part of these statements.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

## PROPRIETARY FUNDS

### STATEMENTS OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities		
	Low Rent	Nonmajor Fund CFP	Total
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (loss)	(\$69,108)	(\$15,645)	(\$84,753)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	21,580	3,866	25,446
Change in assets and liabilities:			
Accounts receivable	0	0	0
Deferred revenue	0	0	0
Inventory	0	0	0
Prepaid expenses	25	0	25
Tenants prepaid rent	88	0	88
Accounts and contracts payable	(356)	0	(356)
Accrued payroll	0	0	0
Accrued vacation compensation	696	0	696
Customer deposits	289	0	289
Due to other funds	0	0	0
<b><i>Total adjustments</i></b>	<b>22,322</b>	<b>3,866</b>	<b>26,188</b>
<b><i>Net cash provided (used) by operating activities</i></b>	<b>(\$46,786)</b>	<b>(\$11,779)</b>	<b>(\$58,565)</b>

The Notes to Financial Statements are an integral part of these statements.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The function of the Village of Maxwell Housing Authority is to administer the Housing and Urban Development (HUD) programs to provide housing for qualified individuals in the Village of Maxwell Area.

This funding is provided through various grant programs.

The financial statements of the Village of Maxwell Housing Authority (Housing Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Village of Maxwell Housing Authority's most significant accounting policies are described below.

### Reporting Entity

The Housing Authority is a component unit of the Village of Maxwell. The accompanying financial statements present only the Village of Maxwell Housing Authority's financial information.

The Village of Maxwell Housing Authority is a Village organization created by Village Ordinance to provide housing for qualified Village residents. The Village has the ability to appoint management, influence operations, and influence the disposition of funds.

The Village of Maxwell Housing Authority has no component units.

### Basis of Presentation

For financial reporting purposes, the accounts of the Village of Maxwell Housing Authority are organized into funds each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, retained earnings, revenues and expenses as appropriate. The various funds are summarized by type in the financial statements. All programs have been accounted for as proprietary funds under the HUD UFRS guidelines.

### Proprietary Fund Type

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including amortization and depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Proprietary activities have applied all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: FASB statements and Interpretations, APB opinions, and ARB's of Committee on Accounting Procedure. FASB statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements, have also been applied.

**VILLAGE OF MAXWELL HOUSING AUTHORITY**  
(A Component Unit of the Village of Maxwell)  
**NOTES TO FINANCIAL STATEMENTS**  
JUNE 30, 2010

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Proprietary Funds are as follows:

Low Income Housing Project – To account for the rental activities of the Village-owned low income housing project.

Public Housing Capital Fund Program – To account for HUD’s Public Housing Capital Fund Program, which replaces CIAP and CGP. Provides funds for capital improvements for Housing Authority-owned housing.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenses 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 financial statements of the Village of Maxwell Housing Authority are reported using the economic resources measurement focus and the accrual basis of accounting.

Proprietary fund types are reported on the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Grant revenue is recognized as soon as all eligibility requirements imposed by the provider have been met.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

**Budgets and Budgetary Accounting**

The Housing Authority adopts budgets for Proprietary Funds in accordance with the Housing and Urban Development program agreements.

Budgetary Compliance – Budgetary control is required to be maintained at the individual fund level.

Actual fund revenues may be either over or under the budgeted amounts; however, the variance is required to be reasonable, particularly in the case of over-budgeted revenues. Major over-budgeted revenues require a budget amendment as soon as the extent of the shortage is reasonably ascertainable.

Budget Amendments – Budget increases and decreases can only be accomplished by Commission resolution, followed by DFA approval. Similarly, budget transfers must follow the same procedure.

Budgetary Basis – State law prescribes that the Village’s budget be prepared on the basis of cash receipts and cash expenses. Therefore, budgetary comparisons shown in exhibits are prepared on a cash basis to compare actual revenues and expenses with a cash basis budget as amended.

**Income Taxes**

As a local government entity, the Village is not subject to federal or state income taxes.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Compensated Absences

The Village allows employees to accrue annual leave based on years of service. Upon termination, accrued annual leave is paid in full. Employees are eligible to be paid half of their accrued sick leave up to 240 hours upon termination.

The accrual for compensated absences made as of June 30, 2010 is \$5,289.

#### Cash and Cash Equivalents

For the purpose of the statement of cash flows the proprietary fund considers all highly liquid investments to be cash equivalents.

#### Interfund Transactions

There are transactions that constitute reimbursements to a fund for expenditures initially expended from one fund that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

Interfund payables and receivables are reflected in the appropriate fund.

#### Capital Assets

Purchase or constructed capital assets are reported at cost or estimated historical cost. The Housing Authority defines capital assets as assets with lives of greater than one-year and a cost or donated value of \$5,000 or greater.

Donated capital assets are recorded at their estimated fair value at the date of donation. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives'</u>
Buildings	40
Non Dwelling Structures	15
Machinery and Equipment	5 – 7

Software is capitalized in the machinery and equipment category.

#### Inventory

Inventory is valued at cost, which approximates market using the first-in/first-out (FIFO) method. Inventory is recorded as expenditures when consumed rather than when purchased.



**VILLAGE OF MAXWELL HOUSING AUTHORITY**

(A Component Unit of the Village of Maxwell)

**NOTES TO FINANCIAL STATEMENTS**

JUNE 30, 2010

**NOTE 2. CASH**

Cash consists of United States currency and financial institution checking accounts. The Housing Authority follows state law in regard to deposits and investments. At June 30, 2010, the Housing Authority held only short term certificates of deposit and therefore, they were shown as cash equivalents.

All financial institutions in which the Housing Authority has an account are covered by Federal Deposit Insurance Corporation (FDIC) insurance.

**Cash on Deposit**

	<u>Bank Balance</u>	<u>Carrying Amounts</u>
<u>International Bank</u>		
Public Fund – regular checking	\$49,279	\$49,279
Public Fund – interest checking	3,031	3,031
Certificate of deposit	33,078	33,078
Certificate of deposit	23,375	23,375
Certificate of deposit	1,013	1,013
<i>Total cash on deposit</i>	109,776	109,776
Petty cash		25
<i>Total cash</i>		<b>\$109,801</b>

There were no uninsured bank deposits (not covered by F.D.I.C).

	<u>International Bank</u>
Amount held in bank	\$109,776
Less F.D.I.C.	(109,776)
<i>Amount uninsured</i>	<b>\$0</b>
100% Collateral requirement	<b>\$0</b>

**NOTE 3. ACCOUNTS RECEIVABLE AND MORTGAGES RECEIVABLE**

Accounts receivable are reported at their gross value. Those amounts considered doubtful have been recorded as allowance for doubtful accounts in the amount of \$12,164.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

### NOTE 4. CHANGES IN CAPITAL ASSETS

Capital Assets are stated at historical cost. The following is a summary of changes in Capital Assets for the fiscal year in the proprietary funds:

	Balance June 30, 2009	Additions	Transfers	Balance June 30, 2010
<b>Non Depreciable Assets:</b>				
Land	\$5,000	\$0	\$0	\$5,000
Construction in process	0	0	0	0
<b>Depreciable Assets:</b>				
Buildings	769,041	46,300	0	815,341
Non dwelling structures	31,562	22,667	0	54,229
Machinery and equipment	30,398	1,400	0	31,798
<i>Total</i>	<u>836,001</u>	<u>70,367</u>	<u>0</u>	<u>906,368</u>
<b>Less Accumulated Depreciation:</b>				
Buildings	(622,634)	(21,338)	0	(643,972)
Non dwelling structures	(8,416)	(2,608)	0	(11,024)
Machinery and equipment	(26,516)	(1,500)	0	(28,016)
<i>Total accumulated depreciation</i>	<u>(657,566)</u>	<u>(25,446)</u>	<u>0</u>	<u>(683,012)</u>
<i>Net capital assets</i>	<u>\$178,435</u>	<u>\$44,921</u>	<u>\$0</u>	<u>\$223,356</u>

Depreciation expense for the year was \$25,446.

### NOTE 5. NET ASSETS

The unrestricted net assets represent the amounts available for budgeting future operations (i.e., current).

#### Net Assets

Net assets are displayed in three components:

Invested in Capital Assets, net of related debt – This component consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any related debt attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets – Net assets are reported as restricted when constraints placed on net asset use are either (1) externally imposed by creditors, grantors, contributions or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets – Net assets that do not meet the definition of “restricted” and “Invested in capital assets, net of related debt.”

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

### NOTE 6. PARTICIPATION IN PUBLIC ENTITY RISK POOL

The Village is a member of the New Mexico Self-Insurers' Fund (the "Fund"). The Fund was created to formulate, develop, and administer a program of modified self-funding for the Fund's membership, obtain lower costs for insurance coverage, and develop a comprehensive loss control program. The Village pays an annual premium to the Fund for its workers' compensation liability, general liability, auto liability, auto physical damage, and property coverage. The Village's agreement with the Fund provides that the Fund will be self-sustaining through member premiums, and will provide, through commercial companies reinsurance contracts, individual stop loss coverage for member cities.

### NOTE 7. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the basic financial statements, of certain information concerning individual funds including:

A.	<b>Net Working Capital:</b> Proprietary Funds	<b>\$105,938</b>
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### NOTE 8. PERA PENSION PLAN

The Housing Authority employees participate in a public employee retirement system through the Village of Maxwell. For further disclosures, see the Village of Maxwell's financial statements.

**VILLAGE OF MAXWELL HOUSING AUTHORITY**

(A Component Unit of the Village of Maxwell)

**NOTES TO FINANCIAL STATEMENTS**

JUNE 30, 2010

**NOTE 9. TRANSFERS AND DUE FROM/TO OTHER FUNDS**

Transfers between funds were as follows:

<b>Operating Transfers In:</b>	<b>Operating Transfers Out</b>		<b>Totals</b>
	<b>Low Rent</b>	<b>CFP</b>	
Low Rent	\$0	\$6,000	\$6,000
CFP	0	0	0
<b><i>Total</i></b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$6,000</b>

Transfers are used to move the portion of CFP funding allotted for operating expenditures to the Low Rent Fund.

<b>Capital Transfers In:</b>	<b>Capital Transfers Out</b>		<b>Totals</b>
	<b>Low Rent</b>	<b>CFP</b>	
Low Rent	\$0	\$25,143	\$25,143
CFP	0	0	0
<b><i>Total</i></b>	<b>\$0</b>	<b>\$25,143</b>	<b>\$25,143</b>

Capital transfers arose from the purchase or construction of capital assets in one fund, which were then transferred to another fund where they are being utilized.

**NOTE 10. CHANGES IN ACCRUED COMPENSATED ABSENCES**

The following summarized the changes in accrued compensated absences during 2010:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010	Amount Due Within One Year
Accrued compensated absences	\$4,593	\$2,594	\$1,898	\$5,289	\$0

**SUPPLEMENTARY INFORMATION**

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

LOW RENT

PROPRIETARY FUND

STATEMENT OF REVENUES AND EXPENSES

BUDGET (NON-GAAP) AND ACTUAL (CASH BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Approved Budget	Revised Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Rental income	\$38,370	\$38,370	\$39,877	\$1,507
Other	1,680	1,680	1,524	(156)
<i>Total revenues</i>	<u>40,050</u>	<u>40,050</u>	<u>41,401</u>	<u>1,351</u>
<b>OPERATING EXPENSES:</b>				
Tenant services	100	100	0	100
Personnel	52,410	52,410	49,010	3,400
Admin expenses	12,330	12,330	10,715	1,615
Operating and maintenance	20,450	20,450	25,558	(5,108)
Capital outlay	570	570	566	4
Utilities	4,200	4,200	3,219	981
<i>Total operating expenses</i>	<u>90,060</u>	<u>90,060</u>	<u>89,068</u>	<u>992</u>
<i>Operating income (loss)</i>	(50,010)	(50,010)	(47,667)	2,343
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
HUD grants and subsidy	53,558	53,558	53,428	(130)
Interest	2,040	2,040	1,600	(440)
Transfers in	6,000	6,000	6,000	0
<i>Total non-operating revenue (expenses)</i>	<u>61,598</u>	<u>61,598</u>	<u>61,028</u>	<u>(570)</u>
<i>Net income</i>	<u>\$11,588</u>	<u>\$11,588</u>	<u>\$13,361</u>	<u>\$1,773</u>

Since accounting principles applied for *purposes* of developing data on a *budgetary* basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America, a reconciliation of resultant basis, timing, perspective, and entity differences in excess (deficiency) of revenues over expenditures for the year ended June 30, 2010, is presented below:

Net income (budgetary basis)	\$13,361
Adjustments for revenue accruals, transfers, earnings on investments	24,907
Adjustments for expenditures for payables, inventory, capital outlay, capital transfers and depreciation	(21,353)
<b>Change in net assets (GAAP basis)</b>	<b>\$16,915</b>

The Notes to Financial Statements are an integral part of these statements.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

CFP FUND - 2007

PROPRIETARY FUND

## STATEMENT OF REVENUES AND EXPENSES BUDGET (NON-GAAP) AND ACTUAL (CASH BASIS) FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Approved Budget	Revised Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental	\$0	\$0	\$0	\$0
Rental income	0	0	0	0
Other	0	0	0	0
Gain/loss on sale of asset	0	0	0	0
<i>Total revenues</i>	0	0	0	0
<b>OPERATING EXPENSES:</b>				
Operations	0	0	0	0
Audit costs	0	0	0	0
Capital outlay	0	0	0	0
Management improvements	0	0	0	0
Administration	0	0	0	0
Fees and costs	0	0	0	0
<i>Total operating expenses</i>	0	0	0	0
<i>Operating income (loss)</i>	0	0	0	0
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
HUD grants and subsidy	0	0	0	0
Interest	0	0	0	0
Transfers (out)	0	0	0	0
<i>Total non-operating revenue (expenses)</i>	0	0	0	0
<i>Net income</i>	\$0	\$0	\$0	\$0

Since accounting principles applied for *purposes* of developing data on a *budgetary* basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America, a reconciliation of resultant basis, timing, perspective, and entity differences in excess (deficiency) of revenues over expenditures for the year ended June 30, 2010, is presented below:

Net income (budgetary basis)	\$0
Adjustments for revenue accruals, transfers, earnings on investments	0
Adjustments for expenditures for payables, inventory, capital outlay, capital transfers and depreciation	(25,143)
<b>Change in net assets (GAAP basis)</b>	<b>(\$25,143)</b>

The Notes to Financial Statements are an integral part of these statements.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

CFP FUND - 2008

PROPRIETARY FUND

## STATEMENT OF REVENUES AND EXPENSES BUDGET (NON-GAAP) AND ACTUAL (CASH BASIS) FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Approved Budget	Revised Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental	\$0	\$0	\$0	\$0
Rental income	0	0	0	0
Other	0	0	0	0
Gain/loss on sale of asset	0	0	0	0
<i>Total revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>OPERATING EXPENSES:</b>				
Operations	0	0	0	0
Audit costs	0	0	0	0
Capital outlay	26,586	26,586	26,586	0
Management improvements	455	455	455	0
Administration	0	0	0	0
Fees and costs	2,000	2,000	2,000	0
<i>Total operating expenses</i>	<u>29,041</u>	<u>29,041</u>	<u>29,041</u>	<u>0</u>
<i>Operating income (loss)</i>	(29,041)	(29,041)	(29,041)	0
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
HUD grants and subsidy	\$29,041	\$29,041	\$29,041	0
Interest	0	0	0	0
Transfers (out)	0	0	0	0
<i>Total non-operating revenue (expenses)</i>	<u>29,041</u>	<u>29,041</u>	<u>29,041</u>	<u>0</u>
<i>Net income</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Since accounting principles applied for *purposes* of developing data on a *budgetary* basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America, a reconciliation of resultant basis, timing, perspective, and entity differences in excess (deficiency) of revenues over expenditures for the year ended June 30, 2010, is presented below:

Net income (budgetary basis)	\$0
Adjustments for revenue accruals, transfers, earnings on investments	0
Adjustments for expenditures for payables, inventory, capital outlay, capital transfers and depreciation	21,131
<b>Change in net assets (GAAP basis)</b>	<b>\$21,131</b>

The Notes to Financial Statements are an integral part of these statements.



# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

CFP FUND - 2009

PROPRIETARY FUND

## STATEMENT OF REVENUES AND EXPENSES BUDGET (NON-GAAP) AND ACTUAL (CASH BASIS) FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Approved Budget	Revised Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental	\$0	\$0	\$0	\$0
Rental income	0	0	0	0
Other	0	0	0	0
Gain/loss on sale of asset	0	0	0	0
<i>Total revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>OPERATING EXPENSES:</b>				
Operations	0	0	0	0
Audit costs	1,500	1,500	1,500	0
Capital outlay	3,332	3,332	3,332	0
Management improvements	999	999	999	0
Administration	1,000	1,000	1,000	0
Fees and costs	0	0	0	0
<i>Total operating expenses</i>	<u>6,831</u>	<u>6,831</u>	<u>6,831</u>	<u>0</u>
<i>Operating income (loss)</i>	(6,831)	(6,831)	(6,831)	0
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
HUD grants and subsidy	\$12,831	\$12,831	\$12,831	0
Interest	0	0	0	0
Transfers (out)	(6,000)	(6,000)	(6,000)	0
<i>Total non-operating revenue (expenses)</i>	<u>6,831</u>	<u>6,831</u>	<u>6,831</u>	<u>0</u>
<i>Net income</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Since accounting principles applied for *purposes* of developing data on a *budgetary* basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America, a reconciliation of resultant basis, timing, perspective, and entity differences in excess (deficiency) of revenues over expenditures for the year ended June 30, 2010, is presented below:

Net income (budgetary basis)	\$0
Adjustments for revenue accruals, transfers, earnings on investments	0
Adjustments for expenditures for payables, inventory, capital outlay, capital transfers and depreciation	2,399
<b>Change in net assets (GAAP basis)</b>	<b>\$2,399</b>

The Notes to Financial Statements are an integral part of these statements.

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)

CFP FUND - 2009 ARRA GRANT

PROPRIETARY FUND

STATEMENT OF REVENUES AND EXPENSES

BUDGET (NON-GAAP) AND ACTUAL (CASH BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Approved Budget	Revised Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental	\$0	\$0	\$0	\$0
Rental income	0	0	0	0
Other	0	0	0	0
Gain/loss on sale of asset	0	0	0	0
<i>Total revenues</i>	0	0	0	0
<b>OPERATING EXPENSES:</b>				
Operations	0	0	0	0
Audit costs	0	0	0	0
Capital outlay	46,708	46,708	46,708	0
Management improvements	0	0	0	0
Administration	0	0	0	0
Fees and costs	0	0	0	0
<i>Total operating expenses</i>	46,708	46,708	46,708	0
<i>Operating income (loss)</i>	(46,708)	(46,708)	(46,708)	0
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
HUD grants and subsidy	\$46,708	\$46,708	\$46,708	0
Interest	0	0	0	0
Transfers (out)	0	0	0	0
<i>Total non-operating revenue (expenses)</i>	46,708	46,708	46,708	0
<i>Net income</i>	\$0	\$0	\$0	\$0

Since accounting principles applied for *purposes* of developing data on a *budgetary* basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America, a reconciliation of resultant basis, timing, perspective, and entity differences in excess (deficiency) of revenues over expenditures for the year ended June 30, 2010, is presented below:

Net income (budgetary basis)	\$0
Adjustments for revenue accruals, transfers, earnings on investments	0
Adjustments for expenditures for payables, inventory, capital outlay, capital transfers and depreciation	43,405
<b>Change in net assets (GAAP basis)</b>	<b>\$43,405</b>

The Notes to Financial Statements are an integral part of these statements.

**OTHER SUPPLEMENTARY INFORMATION**

Housing Authority of the Village of Maxwell (NM026)  
 MAXWELL, NM  
 Financial Data Schedule

Submission Type: Audited/Non-A-133

Fiscal Year End: 06/30/2010

	Project Total	14.885 Formula Capital Fund Stimulus Grant	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$50,217		\$50,217	\$0	\$50,217
112 Cash - Restricted - Modernization and Development	\$0		\$0	\$0	\$0
113 Cash - Other Restricted	\$0		\$0	\$0	\$0
114 Cash - Tenant Security Deposits	\$3,131		\$3,131	\$0	\$3,131
115 Cash - Restricted for Payment of Current Liabilities	\$0		\$0	\$0	\$0
100 Total Cash	\$53,348	\$0	\$53,348	\$0	\$53,348
121 Accounts Receivable - PHA Projects	\$0		\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0		\$0	\$0	\$0
124 Accounts Receivable - Other Government	\$0		\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$12,164		\$12,164	\$0	\$12,164
126 Accounts Receivable - Tenants	\$0		\$0	\$0	\$0
126.1 Allowance for Doubtful Accounts - Tenants	\$0		\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	-\$12,164		-\$12,164	\$0	-\$12,164
127 Notes, Loans, & Mortgages Receivable - Current	\$0		\$0	\$0	\$0
128 Fraud Recovery	\$0		\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0		\$0	\$0	\$0
129 Accrued Interest Receivable	\$144		\$144	\$0	\$144
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$144	\$0	\$144	\$0	\$144
131 Investments - Unrestricted	\$56,453		\$56,453	\$0	\$56,453
132 Investments - Restricted	\$0		\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0		\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$63		\$63	\$0	\$63
143 Inventories	\$0		\$0	\$0	\$0
143.1 Allowance for Obsolete Inventories	\$0		\$0	\$0	\$0

144	Inter Program Due From	\$0	\$0	\$0	\$0	\$0	\$0	\$0
145	Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0
150	Total Current Assets	\$110,008	\$0	\$110,008	\$0	\$110,008	\$0	\$110,008
161	Land	\$5,000	\$5,000	\$5,000	\$0	\$5,000	\$0	\$5,000
162	Buildings	\$869,570	\$869,570	\$869,570	\$0	\$869,570	\$0	\$869,570
163	Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
164	Furniture, Equipment & Machinery - Administration	\$31,797	\$31,797	\$31,797	\$0	\$31,797	\$0	\$31,797
165	Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
166	Accumulated Depreciation	-\$683,012	-\$683,012	-\$683,012	\$0	-\$683,012	\$0	-\$683,012
167	Construction in Progress	\$0	\$0	\$0	\$0	\$0	\$0	\$0
168	Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0	\$0
160	Total Capital Assets, Net of Accumulated Depreciation	\$223,355	\$0	\$223,355	\$0	\$223,355	\$0	\$223,355
171	Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0
172	Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0	\$0	\$0
173	Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0
174	Other Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0
176	Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0	\$0	\$0
180	Total Non-Current Assets	\$223,355	\$0	\$223,355	\$0	\$223,355	\$0	\$223,355
190	Total Assets	\$333,363	\$0	\$333,363	\$0	\$333,363	\$0	\$333,363
311	Bank Overdraft	\$0	\$0	\$0	\$0	\$0	\$0	\$0
312	Accounts Payable <= 90 Days	\$788	\$788	\$788	\$0	\$788	\$0	\$788
313	Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0	\$0	\$0
321	Accrued Wage/Payroll Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0
322	Accrued Compensated Absences - Current Portion	\$1,375	\$1,375	\$1,375	\$0	\$1,375	\$0	\$1,375
324	Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0
325	Accrued Interest Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
332	Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
333	Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
341	Tenant Security Deposits	\$3,131	\$3,131	\$3,131	\$0	\$3,131	\$0	\$3,131
342	Deferred Revenues	\$251	\$251	\$251	\$0	\$251	\$0	\$251

343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$0	\$0	\$0	\$0	\$0
344	Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
345	Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
346	Accrued Liabilities - Other	\$0	\$0	\$0	\$0	\$0
347	Inter Program - Due To	\$0	\$0	\$0	\$0	\$0
348	Loan Liability - Current	\$0	\$0	\$0	\$0	\$0
310	Total Current Liabilities	\$5,545	\$0	\$5,545	\$0	\$5,545
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0	\$0
352	Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
353	Non-current Liabilities - Other	\$0	\$0	\$0	\$0	\$0
354	Accrued Compensated Absences - Non Current	\$3,914	\$3,914	\$3,914	\$0	\$3,914
355	Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0
356	FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0
357	Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0
350	Total Non-Current Liabilities	\$3,914	\$0	\$3,914	\$0	\$3,914
300	Total Liabilities	\$9,459	\$0	\$9,459	\$0	\$9,459
508.1	Invested In Capital Assets, Net of Related Debt	\$223,355	\$223,355	\$223,355	\$0	\$223,355
509.2	Fund Balance Reserved					
511.2	Unreserved, Designated Fund Balance					
511.1	Restricted Net Assets	\$0	\$0	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$100,549	\$0	\$100,549	\$0	\$100,549
512.2	Unreserved, Undesignated Fund Balance					
513	Total Equity/Net Assets	\$323,904	\$0	\$323,904	\$0	\$323,904
600	Total Liabilities and Equity/Net Assets	\$333,363	\$0	\$333,363	\$0	\$333,363

Housing Authority of the Village of Maxwell (NM026)  
 MAXWELL, NM

Financial Data Schedule

Submission Type: Audited/Non-A-133

Fiscal Year End: 06/30/2010

	Project Total	14.885 Formula Capital Fund Stimulus Grant	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$39,789		\$39,789	\$0	\$39,789
70400 Tenant Revenue - Other	\$287		\$287	\$0	\$287
70500 Total Tenant Revenue	\$40,076	\$0	\$40,076	\$0	\$40,076
70600 HUD PHA Operating Grants	\$70,814	\$1,393	\$72,207	\$0	\$72,207
70610 Capital Grants	\$24,486	\$45,315	\$69,801	\$0	\$69,801
70710 Management Fee	\$0		\$0	\$0	\$0
70720 Asset Management Fee	\$0		\$0	\$0	\$0
70730 Book Keeping Fee	\$0		\$0	\$0	\$0
70740 Front Line Service Fee	\$0		\$0	\$0	\$0
70750 Other Fees	\$0		\$0	\$0	\$0
70700 Total Fee Revenue	\$0		\$0	\$0	\$0
70800 Other Government Grants	\$0		\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$1,452		\$1,452	\$0	\$1,452
71200 Mortgage Interest Income	\$0		\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0		\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0		\$0	\$0	\$0
71400 Fraud Recovery	\$0		\$0	\$0	\$0
71500 Other Revenue	\$1,237		\$1,237	\$0	\$1,237
71600 Gain or Loss on Sale of Capital Assets	\$0		\$0	\$0	\$0
72000 Investment Income - Restricted	\$0		\$0	\$0	\$0
70000 Total Revenue	\$138,065	\$46,708	\$184,773	\$0	\$184,773
91100 Administrative Salaries	\$28,905		\$28,905	\$0	\$28,905
91200 Auditing Fees	\$4,759		\$4,759	\$0	\$4,759

91300 Management Fee	\$0			\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0			\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$170			\$170	\$0	\$170	\$170
91500 Employee Benefit contributions - Administrative	\$3,446			\$3,446	\$0	\$3,446	\$3,446
91600 Office Expenses	\$3,786			\$3,786	\$0	\$3,786	\$3,786
91700 Legal Expense	\$0			\$0	\$0	\$0	\$0
91800 Travel	\$0			\$0	\$0	\$0	\$0
91810 Allocated Overhead	\$0			\$0	\$0	\$0	\$0
91900 Other	\$3,831			\$3,831	\$0	\$3,831	\$3,831
91000 Total Operating - Administrative	\$44,897	\$0		\$44,897	\$0	\$44,897	\$44,897
92000 Asset Management Fee	\$0			\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0			\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0			\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0			\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$0			\$0	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0		\$0	\$0	\$0	\$0
93100 Water	\$270			\$270	\$0	\$270	\$270
93200 Electricity	\$1,951			\$1,951	\$0	\$1,951	\$1,951
93300 Gas	\$910			\$910	\$0	\$910	\$910
93400 Fuel	\$0			\$0	\$0	\$0	\$0
93500 Labor	\$0			\$0	\$0	\$0	\$0
93600 Sewer	\$81			\$81	\$0	\$81	\$81
93700 Employee Benefit Contributions - Utilities	\$0			\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$0			\$0	\$0	\$0	\$0
93000 Total Utilities	\$3,212	\$0		\$3,212	\$0	\$3,212	\$3,212
94100 Ordinary Maintenance and Operations - Labor	\$19,207			\$19,207	\$0	\$19,207	\$19,207
94200 Ordinary Maintenance and Operations - Materials and Other	\$9,465			\$9,465	\$0	\$9,465	\$9,465
94300 Ordinary Maintenance and Operations Contracts	\$6,475	\$1,393		\$7,868	\$0	\$7,868	\$7,868
94500 Employee Benefit Contributions - Ordinary Maintenance	\$2,806			\$2,806	\$0	\$2,806	\$2,806
94000 Total Maintenance	\$37,953	\$1,393		\$39,346	\$0	\$39,346	\$39,346
95100 Protective Services - Labor	\$0			\$0	\$0	\$0	\$0



95200	Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0	\$0	\$0
95300	Protective Services - Other	\$0	\$0	\$0	\$0	\$0	\$0
95500	Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
95000	Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
96110	Property Insurance	\$6,035	\$6,035	\$0	\$0	\$6,035	\$6,035
96120	Liability Insurance	\$2,107	\$2,107	\$0	\$0	\$2,107	\$2,107
96130	Workmen's Compensation	\$1,865	\$1,865	\$0	\$0	\$1,865	\$1,865
96140	All Other Insurance	\$177	\$177	\$0	\$0	\$177	\$177
96100	Total Insurance Premiums	\$10,184	\$10,184	\$0	\$0	\$10,184	\$10,184
96200	Other General Expenses	\$0	\$0	\$0	\$0	\$0	\$0
96210	Compensated Absences	\$2,594	\$2,594	\$0	\$0	\$2,594	\$2,594
96300	Payments in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0
96400	Bad debt - Tenant Rents	\$387	\$387	\$0	\$0	\$387	\$387
96500	Bad debt - Mortgages	\$0	\$0	\$0	\$0	\$0	\$0
96600	Bad debt - Other	\$0	\$0	\$0	\$0	\$0	\$0
96800	Severance Expense	\$0	\$0	\$0	\$0	\$0	\$0
96000	Total Other General Expenses	\$2,981	\$2,981	\$0	\$0	\$2,981	\$2,981
96710	Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$0	\$0	\$0
96720	Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0	\$0	\$0
96730	Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0	\$0
96700	Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0
96900	Total Operating Expenses	\$99,227	\$1,393	\$100,620	\$0	\$100,620	\$100,620
97000	Excess of Operating Revenue over Operating Expenses	\$38,938	\$45,315	\$84,153	\$0	\$84,153	\$84,153
97100	Extraordinary Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
97200	Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0	\$0	\$0
97300	Housing Assistance Payments	\$0	\$0	\$0	\$0	\$0	\$0
97350	HAP Portability-In	\$0	\$0	\$0	\$0	\$0	\$0
97400	Depreciation Expense	\$25,446	\$25,446	\$0	\$0	\$25,446	\$25,446
97500	Fraud Losses	\$0	\$0	\$0	\$0	\$0	\$0



11610 Land Purchases	\$0	\$0	\$0	\$0
11620 Building Purchases	\$68,401	\$68,401	\$68,401	\$68,401
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$1,400	\$1,400	\$1,400	\$1,400
11650 Leasehold Improvements Purchases	\$0	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0	\$0



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Mr. Hector H. Balderas, State Auditor and  
To the Board of Directors  
Village of Maxwell Housing Authority  
(A Component Unit of the Village of Maxwell)  
Maxwell, New Mexico

We have audited the financial statements of each major fund and the aggregate remaining fund information and the related budgetary comparisons presented as supplementary information of Village of Maxwell Housing Authority (a component unit of the Village of Maxwell), as of and for the year ended June 30, 2010, and have issued our report thereon dated November 22, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weakness as described above.

Mr. Hector H. Balderas, State Auditor and  
To the Board of Directors  
Village of Maxwell Housing Authority  
(A Component Unit of the Village of Maxwell)  
Maxwell, New Mexico  
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**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Village of Maxwell Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2010-01.

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

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

*Kriegel/Gray/Shaw & Co., P.C.*  
Kriegel/Gray/Shaw & Co., P.C.

November 22, 2010

# VILLAGE OF MAXWELL HOUSING AUTHORITY

(A Component Unit of the Village of Maxwell)  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

## CURRENT YEAR SIGNIFICANT DEFICIENCIES:

### 2010-01 Audit Report Not Submitted Timely

**Statement of Condition** – The audit report for the year ended June 30, 2010 was not submitted timely. The report was submitted to the Office of the State Auditor on December 1, 2010, but was rejected due to the exclusion of the Financial Data Schedule.

**Criteria** – Audit of Housing Authorities must be submitted by December 1 in accordance with the New Mexico State Auditor Rule 2.2.2. NMAC.

**Cause** – The “audited submission” of the Financial Data Schedule was not available on the HUD website as of the December 1 due date. The “unaudited submission” was still in HUD review status at that time. The auditor incorrectly understood that the Financial Data Schedule required to be included in the audit report to be the “audited submission.”

**Effect** – Noncompliance with New Mexico State Auditor Rule 2.2.2. NMAC.

**Recommendation** – Clarify any submission requirements in the future prior to the report due date.

**Management’s Response** – We concur with Kriegel/Gray/Shaw & Co., P.C.’s finding and recommendation.

## CURRENT STATUS ON PRIOR YEAR FINDINGS:

None.

# **VILLAGE OF MAXWELL HOUSING AUTHORITY**

(A Component Unit of the Village of Maxwell)

**EXIT CONFERENCE**

**JUNE 30, 2010**

## **EXIT CONFERENCE:**

The exit conference was held November 8, 2010 and was attended by the following:

### **From the Village of Maxwell Housing Authority:**

Frances Stevens, Commissioner

Melissa Cruz, Assistant Director

Robert Portillos, Executive Director

### **From Kriegel/Gray/Shaw & Co., P.C.:**

Ken Shaw, CPA/Shareholder

Kristi Granados, CPA, Staff Auditor

## **FINANCIAL STATEMENTS PREPARATION**

The financial statements were prepared by Kriegel/Gray/Shaw & Co., P.C.