

**STATE OF NEW MEXICO
VILLAGE OF VIRDEN
Independent Accountants' Report on
Applying Agreed-Upon Procedures
For the Year Ended
June 30, 2015**

**Harshwal & Company LLP
Certified Public Accountants
6739 Academy Road NE, Suite 130
Albuquerque, NM 87109
(505) 814-1201**

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

June 30, 2015

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STATE OF NEW MEXICO

VILLAGE OF VIRDEN

OFFICIAL ROSTER

YEAR ENDED JUNE 30, 2015

Name	Title
<u>Council Members</u>	
Rulene Jensen	Mayor
Carl Crotts	Councilor
Kent Clouse	Councilor
Roy Corona	Councilor
Kenny Wagley (07/10/14-3/10/15) Moved	Councilor
<u>Staff</u>	
Zoann Adams	Clerk/Treas.
Bridget Payne	Asst. Clerk/Treas.

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

**To: Rulene Jensen, Mayor
Village of Virden
and
Honorable Timothy Keller
New Mexico State Auditor
Santa Fe, New Mexico**

We have performed the procedures enumerated below which were agreed to by Village of Virden (Village) and New Mexico State Auditor (the specified parties), solely to assist users in determining the Village's financial reporting relating to its Cash, Capital Assets, Revenue, Expenditures, Journal Entries, and Budget information and its compliance with a Tier 4 entity under the Audit Act, Section 12-6-3B (4) NMSA 1978 and Section 2.2.2.16 NMAC as of and for the year ended June 30, 2015. The Village is responsible for its financial reporting to the State Auditor as described above. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

In accordance with Tier 4 of the Audit Act - Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC, our procedures and associated findings are as follows:

1. CASH

Procedures

a) Determine whether bank reconciliations are being performed in a timely manner and whether all bank and investment statements for the fiscal year are complete and on-hand. For purposes of performing our procedures, "timely" means completion of the bank reconciliations within one month after the last day of the reporting month and "complete" means that statements for bank and investment accounts are all accounted for by the Village.

b) Perform a random test of bank reconciliations for accuracy. Also, trace ending balances to the general ledger, supporting documentation and the financial reports submitted to DFA-Local Government Division (DFA-LGD). For purposes of performing our procedures "accuracy" means that reconciling items agree to deposit slips and subsequent bank or investment statements, and the reconciliations are mathematically correct.

c) Determine whether the local public body's financial institutions have provided it with the 50% of pledged collateral on all uninsured deposits as required by Section 6-10-17 NMSA 1978, NM Public Money Act, if applicable.

Findings

Bank accounts were complete and reconciled timely. 2 of 12 reconciliations were tested for accuracy and traced to the general ledger without exception. Financial reports were submitted to DFA without exception. The Village's uninsured cash balances were covered by collateral held by the pledging financial institution in the Village's name.

2. CAPITAL ASSETS

Procedures

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

Findings

Although the physical inventory of fixed asset listing of historical cost have been prepared, is not being formally certified by the governing authority of the agency. This has been noted as finding 2010-002 on page 18 of this report.

3. REVENUE

Procedures

Identify the nature and amount of revenue from sources by reviewing the budget, agreements, rate schedules, and underlying documentation.

a) Perform an analytical review; test actual revenue compared to budgeted revenue for the year for each type of revenue.

Select a sample of revenues based on auditor judgment and test using the following attributes:

b) Amount recorded in the general ledger agrees to the supporting documentation and the bank statement.

c) Proper recording of classification, amount, and period per review of supporting documentation and the general ledger. Perform this revenue work on the same accounting basis that the local public body keeps its accounting records on, cash basis, modified accrual basis, or accrual basis.

Findings

Revenue was analytically tested and met expectations without exception. 20 receipts were tested and were determined to be properly recorded as to amount, classification and period.

4. EXPENDITURES

Procedures

Select a sample of cash disbursements based on accountant's judgement and test using the following attributes:

- a) Determine that amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to the vendor's invoice, purchase order, contract and canceled check, as appropriate.
- b) Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures. For purposes of performing our procedures, disbursements were considered to be properly authorized if they contained evidence of review such as sign off on invoices or approval through correspondence.
- c) Determine that the bid process (or request for proposal process if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code (Section 13-1-28 through 13-1-199 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

Findings

25 disbursements were tested. Disbursements tested were accurate as to amount, payee, date and description, were properly authorized, and were in compliance with the budget, procurement code, and the Per Diem and Mileage Act, where applicable.

5. JOURNAL ENTRIES

Procedures

If non-routine journal entries, such as adjustments or reclassifications, are posted to the general ledger, test significant items for the following attributes:

- a) Journal entries appear reasonable and have supporting documentation.
- b) The local public body has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed.

Findings

All journal entries tested were reasonable, had adequate support, and were reviewed monthly by the Board of Directors.

6. BUDGET

Procedures

Obtain the original fiscal year budget and all budget amendments made throughout the fiscal year and perform the following:

- a) Verify, through a review of the minutes and correspondence, that the original budget and subsequent budget adjustments were approved by the local public body's governing body and DFA-LGD.
- b) Determine if the total actual expenditures exceeded the final budget at the legal level of budgetary control; if so, report a compliance finding.
- c) From the original and final approved budgets and general ledger, prepare a schedule of revenues and expenditures – budget and actual on the budgetary basis used by the local public body (cash, accrual or modified accrual basis) for each individual fund.

Findings

We noted that total actual expenditures exceeded the final budget by \$78 in enterprise fund. This has been noted as finding 2015-001 on page 19 of this report.

OTHER

Procedures

If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, such instances must be disclosed in the report as required by Section, 12-6-6 NMSA 1978. The findings must include the required content per Section 2.2.2.10 (I) (3) (C) NMAC.

Findings

Nothing noted.

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

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

Harshwal & Company LLP
Certified Public Accountants

Harshwal & Company LLP

Albuquerque, New Mexico
November 25, 2015

**SCHEDULE OF REVENUES &
EXPENDITURES - BUDGET AND
ACTUAL (NON GAAP BASIS)**

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON GAAP BASIS)

GENERAL FUND

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
GENERAL FUND				
REVENUES				
Taxes:				
Property current	\$ 1,328	\$ 1,328	\$ 1,440	\$ 112
Gross receipts	8,300	8,300	7,259	(1,041)
Intergovernmental				
Gas tax [0.01 cent]	5,004	5,004	5,004	
MVD	357	357	331	(26)
Small city assistance	90,000	90,000	90,000	
Licenses and permits				
Charges for services	5,635	5,635	10,148	4,513
Refund and other income	100	100	79	(21)
Interest	50	50	31	(19)
Total Revenues	110,774	110,774	114,292	3,518
EXPENDITURES				
Culture and recreation	16,973	16,973	13,482	3,491
Finance and administration	36,506	36,506	40,877	(4,371)
Other-Miscellaneous	22,734	22,734	16,151	6,583
Street utilities	2,500	2,500	2,454	46
Total Expenditures	78,713	78,713	72,964	5,749
Net change in fund balances	32,061	32,061	41,328	9,267
Fund balances, beginning of year	37,117	12,423	246,260	233,837
Fund balances, end of year	\$ 69,178	\$ 44,484	\$ 287,588	\$ 243,104

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON GAAP BASIS)

SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
	<u>Budget</u>			
FIRE FUND				
REVENUES				
State fire allotment	\$ 66,196	\$ 66,196	\$ 66,196	\$ 0
Misc Rev	<u>22</u>	<u>22</u>	<u>1,056</u>	<u>1,034</u>
Total revenues	<u>66,218</u>	<u>66,218</u>	<u>67,252</u>	<u>1,034</u>
EXPENDITURES	<u>66,196</u>	<u>66,196</u>	<u>38,147</u>	<u>28,049</u>
Net change in fund balances	22	22	29,105	29,083
Fund balances, beginning of year	<u>4,925</u>	<u>(930)</u>	<u>27,774</u>	<u>28,704</u>
Fund balances, end of year	<u>\$ 4,947</u>	<u>\$ (908)</u>	<u>\$ 56,879</u>	<u>\$ 57,787</u>

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON GAAP BASIS)

CAPITAL PROJECT FUND

YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
CAPITAL PROJECT FUND				
REVENUES				
State Grants	<u>\$ 193,526</u>	<u>\$ 193,526</u>	<u>\$ 193,526</u>	<u>\$</u>
Total Revenues	<u>193,526</u>	<u>193,526</u>	<u>193,526</u>	<u></u>
EXPENDITURES				
Parks/Recreation	79,000	79,000		79,000
Utilities	<u>114,536</u>	<u>114,536</u>	<u>10,561</u>	<u>103,975</u>
Total Expenditures	<u>193,536</u>	<u>193,536</u>	<u>10,561</u>	<u>182,975</u>
Net change in fund balances	(10)	(10)	182,965	182,975
Fund balances, beginning of year				
Fund balances, end of year	<u>\$ (10)</u>	<u>\$ (10)</u>	<u>\$ 182,965</u>	<u>\$ 182,975</u>

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON GAAP BASIS)

ENTERPRISE FUND

YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
	<u>Budget</u>			
WATER FUND				
REVENUES				
Utility services	\$ 15,578	\$ 15,578	\$ 14,116	\$ (1,462)
Total revenues	<u>15,578</u>	<u>15,578</u>	<u>14,116</u>	<u>(1,462)</u>
EXPENDITURES	<u>10,827</u>	<u>10,827</u>	<u>10,905</u>	<u>(78)</u>
Net change in fund balances	4,751	4,751	3,211	(1,540)
Fund balances, beginning of year	<u>3,485</u>	<u>3,056</u>	<u>46,179</u>	<u>43,123</u>
Fund balances, end of year	<u>\$ 8,236</u>	<u>\$ 7,807</u>	<u>\$ 49,390</u>	<u>\$ 41,583</u>

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2015

MUNICIPALITY: Village of Virden		DEPARTMENT OF FINANCE AND ADMINISTRATION LOCAL GOVERNMENT DIVISION					I HEREBY CERTIFY THAT THE CONTENTS IN THIS REPORT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND THAT THIS REPORT DEPICTS ALL FUNDS					
Period Ending: 06/30/2015		SUBMIT TO LOCAL GOVERNMENT DIVISION NO LATER THAN 30 DAYS AFTER THE CLOSE OF EACH QUARTER.					Signature 06/30/2015 Date					
Prepared By: Zoann Adams		YEAR-TO-DATE TRANSACTIONS										
Fund #	FUND NAME	BEGINNING CASH BALANCE CURRENT FY (1)	REVENUES TO DATE (2)	TRANSFERS TO DATE (3)	EXPENDITURES TO DATE (4)	ADJUSTMENTS (5)	QTR ENDING CASH BALANCE (1)+(2)-(3)-(4)+(5) (6)	INVESTMENTS (7)	CASH + INVESTMENTS (8)	REQUIRED RESERVES (9)	AVAILABLE CASH (8) - (9)	
101	GENERAL FUND (GF)	\$159,522	114,292	0	72,964	0	\$200,850	0	\$200,850	6,080	\$194,770	
201	CORRECTION	\$0	0	0	0	0	\$0	0	\$0		\$0	
202	ENVIRONMENTAL GRT	\$0	0	0	0	0	\$0	0	\$0		\$0	
206	EMS	\$0	0	0	0	0	\$0	0	\$0		\$0	
207	ENHANCED 911	\$0	0	0	0	0	\$0	0	\$0		\$0	
209	FIRE PROTECTION FUND	\$31,479	67,252	0	38,147	0	\$60,584	0	\$60,584		\$60,584	
211	LEPF	\$0	0	0	0	0	\$0	0	\$0		\$0	
214	LODGERS' TAX	\$0	0	0	0	0	\$0	0	\$0		\$0	
216	MUNICIPAL STREET	\$0	0	0	0	0	\$0	0	\$0		\$0	
217	RECREATION	\$0	0	0	0	0	\$0	0	\$0		\$0	
218	INTERGOVERNMENTAL GRANT	\$0	0	0	0	0	\$0	0	\$0		\$0	
219	SENIOR CITIZEN	\$0	0	0	0	0	\$0	0	\$0		\$0	
223	DWI PROGRAM	\$0	0	0	0	0	\$0	0	\$0		\$0	
299	OTHER	\$0	0	0	0	0	\$0	0	\$0		\$0	
300	CAPITAL PROJECT FUNDS	\$0	193,526	0	10,561	0	\$182,965	0	\$182,965		\$182,965	
401	G. O. BONDS	\$0	0	0	0	0	\$0	0	\$0		\$0	
402	REVENUE BONDS	\$0	0	0	0	0	\$0	0	\$0		\$0	
403	DEBT SERVICE OTHER	\$0	0	0	0	0	\$0	0	\$0		\$0	
500	ENTERPRISE FUNDS											
	Water Fund	\$54,812	14,116	0	10,905	0	\$58,023	0	\$58,023		\$58,023	
	Solid Waste	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Waste Water	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Airport	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Ambulance	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Cemetery	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Housing	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Parking	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Other Enterprise (enter fund name)	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Other Enterprise (enter fund name)	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Other Enterprise (enter fund name)	\$0	0	0	0	0	\$0	0	\$0		\$0	
	Other Enterprise (enter fund name)	\$0	0	0	0	0	\$0	0	\$0		\$0	
600	INTERNAL SERVICE FUNDS	\$0	0	0	0	0	\$0	0	\$0		\$0	
700	TRUST AND AGENCY FUNDS	\$0	0	0	0	0	\$0	0	\$0		\$0	
GRAND TOTAL		\$245,813	\$389,186	\$0	\$132,577	\$0	\$502,422	\$0	\$502,422	\$6,080	\$496,342	

FORM MODIFIED 12/09/08

LAST UPDATE: 11/17/15 12:31 AM

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2015

MUNICIPALITY: Village of Virden
 Period Ending: 06/30/2015

GENERAL FUND - MUNICIPALITY

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMBRAN CES Y-T-D	Variance With Adjusted Budget Positive (Negative)	
	Approved Budget	Budget Adjustments	Adjusted Budget			\$	%
REVENUES							
Taxes:							
Property Tax - Current Year	\$1,328	\$0	\$1,328	\$1,440		\$112	108.43%
Property Tax - Delinquent	\$0	\$0	\$0	\$0		\$0	n/a
Property Tax - Penalty & Interest	\$0	\$0	\$0	\$0		\$0	n/a
Oil and Gas - Equipment	\$0	\$0	\$0	\$0		\$0	n/a
Oil and Gas - Production	\$0	\$0	\$0	\$0		\$0	n/a
Franchise Fees	\$0	\$0	\$0	\$0		\$0	n/a
Gross receipts - Local Option	\$3,300	\$0	\$3,300	\$2,725		(\$575)	82.58%
Gross Receipts - Infrastructure	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - Environment	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - Other Dedication	\$0	\$0	\$0	\$0		\$0	n/a
Intergovernmental -State Shared:							
Gross receipts	\$5,000	\$0	\$5,000	\$4,534		(\$466)	90.68%
Cigarette Tax	\$0	\$0	\$0	\$0		\$0	n/a
Gas Tax [1 cent]	\$5,004	\$0	\$5,004	\$5,004		\$0	100.00%
Gas Tax [2 cent]	\$0	\$0	\$0	\$0		\$0	n/a
Motor Vehicle	\$357	\$0	\$357	\$331		(\$26)	92.72%
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Local	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriations	\$0	\$0	\$0	\$0		\$0	n/a
Small Cities Assistance	\$90,000	\$0	\$90,000	\$90,000		\$0	100.00%
Licenses and Permits	\$0	\$0	\$0	\$0		\$0	n/a
Charges for Services	\$5,635	\$0	\$5,635	\$10,148		\$4,513	180.09%
Fines and Forfeits	\$0	\$0	\$0	\$0		\$0	n/a
Interest on Investments	\$50	\$0	\$50	\$31		(\$19)	62.00%
Miscellaneous	\$100	\$0	\$100	\$79		(\$21)	79.00%
TOTAL GENERAL FUND REVENUES	\$110,774	\$0	\$110,774	\$114,292		\$3,518	103.18%
EXPENDITURES							
Executive-Legislative	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Judicial	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Elections	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Finance & Administration	\$36,506	\$0	\$36,506	\$40,877	\$0	(\$4,371)	111.97%
Public Safety	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Highways & Streets	\$2,500	\$0	\$2,500	\$2,454	\$0	\$46	98.16%
Senior Citizens	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Sanitation	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Health and Welfare	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Culture and Recreation	\$16,973	\$0	\$16,973	\$13,482	\$0	\$3,491	79.43%
Economic Development & Housing	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Airport	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Other - Miscellaneous	\$22,734	\$0	\$22,734	\$16,151	\$0	\$6,583	71.04%
TOTAL GENERAL FUND EXPENDITURES	\$78,713	\$0	\$78,713	\$72,964	\$0	\$5,749	92.70%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL - OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$41,328			

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2015

FIRE PROTECTION	209							
REVENUES								
State - Fire Marshall All	209	66,196	0	66,196	66,196		0	100.00%
Miscellaneous	209	22	0	22	1,056		1,034	4800.00%
AL Revenues		66,218	0	66,218	67,252		1,034	101.56%
EXPENDITURES	209	66,196	0	66,196	38,147	0	28,049	57.63%
OTHER FINANCING SOURCES								
Transfers In	209	0	0	0	0		0	n/a
Transfers (Out)	209	0	0	0	0		0	n/a
TOTAL - OTHER FINANCING SOU		0	0	0	0		0	n/a
Excess (deficiency) of rever	209				29,105			

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2015

MUNICIPALITY: Village of Virden
 Period Ending: 06/30/2015

CAPITAL PROJECTS

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMBRANCES Y-T-D	Variance With Adjusted Budget Positive (Negative)	
	Approved Budget	Budget Adjustments	Adjusted Budget			\$	%
REVENUES							
GRT- Dedication	\$0	\$0	\$0	\$0		\$0	n/a
GRT- Infrastructure	\$0	\$0	\$0	\$0		\$0	n/a
Bond Proceeds	\$0	\$0	\$0	\$0		\$0	n/a
State Grants	\$0	\$0	\$0	\$0		\$0	n/a
CDBG funding	\$0	\$0	\$0	\$0		\$0	n/a
State Grants	\$193,526	\$0	\$193,526	\$193,526		\$0	100.00%
Federal Grants (other)	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriations	\$0	\$0	\$0	\$0		\$0	n/a
Investment Income	\$0	\$0	\$0	\$0		\$0	n/a
Miscellaneous	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL CAPITAL PROJECTS REVENUES	\$193,526	\$0	\$193,526	\$193,526		\$0	100.00%
EXPENDITURES							
Parks/Recreation	\$79,000	\$0	\$79,000	\$0	\$0	\$79,000	0.00%
Housing	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Equipment & Buildings	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Facilities	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Transit	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Utilities	\$114,536	\$0	\$114,536	\$10,561	\$0	\$103,975	9.22%
Airports	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Debt Service Payments (P&I)-GO Bonds	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Debt Service Payments (P&I)-Rev. Bonds	\$0	\$0	\$0	\$0	\$0	\$0	n/a
Other	\$0	\$0	\$0	\$0	\$0	\$0	n/a
TOTAL CAPITAL PROJECTS EXPENDITURE	\$193,536	\$0	\$193,536	\$10,561	\$0	\$182,975	5.46%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL - OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$182,965			

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

YEAR-END FINANCIAL REPORT SUBMITTED TO DFA

YEAR ENDED JUNE 30, 2015

MUNICIPALITY: Village of Virden
Period Ending 06/30/15

ENTERPRISE FUNDS

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES	BUDGETED AMOUNTS			ACTUALS Y-T-D	ENCUMBRAN CES Y-T-D	Variance With Adjusted Budget Positive (Negative)	
	Approved Budget	Budget Adjustments	Adjusted Budget			\$	%
REVENUES							
Water Fund							
Charges for Services	\$15,578	\$0	\$15,578	\$14,116		(\$1,462)	90.62%
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - dedicated	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriation	\$0	\$0	\$0	\$0		\$0	n/a
Other	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL REVENUES - Water Fund	\$15,578	\$0	\$15,578	\$14,116		(\$1,462)	90.62%
EXPENDITURES							
Water Fund	\$10,827	\$0	\$10,827	\$10,905	\$0	(\$78)	100.72%
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL-OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$3,211			
REVENUES							
Solid Waste							
Charges for Services	\$0	\$0	\$0	\$0		\$0	n/a
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - dedicated	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriation	\$0	\$0	\$0	\$0		\$0	n/a
Other	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL REVENUES - Solid Waste Fund	\$0	\$0	\$0	\$0		\$0	n/a
EXPENDITURES							
Solid Waste	\$0	\$0	\$0	\$0	\$0	\$0	n/a
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL-OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$0			
REVENUES							
Waste Water							
Charges for Services	\$0	\$0	\$0	\$0		\$0	n/a
Interest on Investments	\$0	\$0	\$0	\$0		\$0	n/a
Gross Receipts - dedicated	\$0	\$0	\$0	\$0		\$0	n/a
Grants - Federal	\$0	\$0	\$0	\$0		\$0	n/a
Grants - State	\$0	\$0	\$0	\$0		\$0	n/a
Legislative Appropriation	\$0	\$0	\$0	\$0		\$0	n/a
Other	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL REVENUES - Waste Water Fund	\$0	\$0	\$0	\$0		\$0	n/a
EXPENDITURES							
Waste Water	\$0	\$0	\$0	\$0	\$0	\$0	n/a
OTHER FINANCING SOURCES							
Transfers In	\$0	\$0	\$0	\$0		\$0	n/a
Transfers (Out)	\$0	\$0	\$0	\$0		\$0	n/a
TOTAL-OTHER FINANCING SOURCES	\$0	\$0	\$0	\$0		\$0	n/a
Excess (deficiency) of revenues over expenditures				\$0			

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED JUNE 30, 2015

1. **Current Year Findings**

	<u>Type of Finding</u>	<u>Prior Year Finding Number</u>	<u>Current Year Finding Number</u>
Fixed Assets Certification by the Board of Directors	D	2010-002(10-2)	2010-002
Lack of Timely Monitoring of Budget Line Items – Excess of Expenditures Over Authorized Budget	D	N/A	2015-001

Follow-up on Prior Year Findings:

	<u>Type of Finding</u>	<u>Prior Year Finding Number</u>	<u>Status</u>
Physical Inventory and Capital Listing	D	2010-002(10-2)	Repeated
Late Submission of the Agreed Upon Procedures Report	C	2010-004(10-4)	Resolved
Lack of Internal Control Over Journal Entries-Repeated	D	2012-002(12-2)	Resolved
Material Weakness- Internal Control over Cash Disbursements	D	2014-001	Resolved

* **Legend for Findings:**

- A. Fraud
- B. Illegal Act(s)
- C. Internal Control Deficiency(ies)
- D. Noncompliance

**STATE OF NEW MEXICO
VILLAGE OF VIRDEN
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2015**

SECTION II. CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENT AUDIT

2010-002 Fixed Assets Certification by the Board of Directors- Modified & Repeated

Condition

Although the physical inventory of fixed asset listing of historical cost have been prepared, is not being formally certified by the governing authority of the agency.

Criteria

Section 12-6-10(A) NMSA, 1978 requires each agency to conduct an annual physical inventory of movable chattels and equipment on an inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory list after the physical inventory. This certification should be provided to the agency's auditors.

Cause

This Village was not aware of this requirement.

Effect

The Village has not complied with Section 12-6-10 NMSA 1978 requirements.

Auditor's Recommendation

We recommend that the Village continues to perform a yearly inventory of the fixed assets and in addition certify this listing by acceptance. This should be substantiated in the minutes of the Board of directors, and the copy should be retained in their permanent records.

Management Response

Going forward the Village Council will formally certify the fixed assets listing during a Council meeting starting in June 2016.

Estimated Completion Date

June 2016

Responsible party

The Village Council

**STATE OF NEW MEXICO
VILLAGE OF VIRDEN
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2015**

SECTION II. CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENT AUDIT

2015-001 Lack of Timely Monitoring of Budget Line Items – Excess of Expenditures Over Authorized Budget (Findings that Do Not Rise to the Level of a Significant Deficiency)

Condition

It was noted that total actual expenditures exceeded the final budget by \$78 in enterprise fund.

Criteria

2015 Agreed Upon Procedures reflected in Tier 4 of the Audit Act stipulates that total actual expenditures are not to exceed the final budget at the legal level of budgetary control.

Cause

The Village under budgeted their total expenditures for fiscal year 2015.

Effect

The Village is not in compliance with 2015 Agreed Upon Procedures reflected in Tier 4 of the Audit Act.

Auditor's Recommendation

Management should monitor their budget throughout the year and submit any budget adjustments to DFA-LGD.

Management Response

Going forward and starting immediately The Village Clerk and the council will be more aware of the budget and make budget adjustments in 2016.

Estimated Completion Date

Budget adjustments in 2016

Responsible party

The Village Clerk and the council.

STATE OF NEW MEXICO

VILLAGE OF VIRDEN

EXIT CONFERENCE

YEAR ENDED JUNE 30, 2015

The report contents were discussed at an exit conference held on November 25, 2015 with the following in attendance:

Village of Virden

Rulene Jensen, Mayor
Carl Crotts, Councilor
Roy Corona, Councilor
Zoann Adams, Clerk/Treasurer

Harshwal & Company LLP

Sanwar Harshwal, Managing Partner
Mariem Tall, Auditor