

**STATE OF NEW MEXICO
CARRIZO SOIL AND WATER
CONSERVATION DISTRICT
Independent Accountants' Report on
Applying Agreed-Upon Procedures
Year Ended June 30, 2013**

Ronny Fouts, CPA
CERTIFIED PUBLIC ACCOUNTANT
Melrose, NM 88124

STATE OF NEW MEXICO
Carrizozo Soil and Water Conservation District
Table of Contents
June 30, 2013

	Page
Table of Contents	1
Official Roster	2
Independent Accountant’s Report on Applying Agreed-Upon Procedures.....	3-6
Statement of Revenues and Expenditures – Budget and Actual (Cash Basis).....	7
Copy of Year-end Financial Report to DFA.....	8
Schedule of Findings and Responses.....	9
Exit Conference	10

**STATE OF NEW MEXICO
CARRIZOZO SOIL AND
WATER CONSERVATION DISTRICT
Official Roster
June 30, 2013**

Board of Supervisors

Melvin Johnson
Jim Grider
Steve Harkey
Gray Gallacher
Jack Allen Davidson

Chairman
Vice-Chairman
Secretary/Treasurer
Member
Member

Staff

Barbie Roper

Program Director

RONNY FOUTS
CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 425
Meirose, NM 88124

(575) 253-4554
Fax: (575) 253-4727

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Melvin Johnson, Chairman and
The District Board
Carrizozo Soil & Water Conservation District
and Honorable Hector H. Balderas New Mexico State Auditor

We have performed the procedures enumerated below for the Carrizozo Soil & Water Conservation District for the year ended June 30, 2013. The Carrizozo Soil & Water Conservation District was determined to be a Tier 4 entity under the Audit Act, Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC. The procedures were agreed to by the Carrizozo Soil & Water Conservation District through the Office of the New Mexico State Auditor. The Carrizozo Soil & Water Conservation District's management is responsible for the organization's accounting records. 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. Our procedures and 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.
- (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).
- (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:

The Carrizozo Soil & Water Conservation District has one bank account and utilizes Quickbooks to record transactions. All bank reconciliations are performed within days of receiving the bank

statements and all were complete and on-hand.

Random tests of bank reconciliations revealed that the reconciliations were accurate and agreed with supporting documentation and with the quarterly financial reports submitted to DFA-LGD.

2. Capital Assets

Procedures:

- (a) Verify that the local public body is performing a yearly inventory as required by Section 12-6-10 NMSA1978.

Findings:

The Carrizozo Soil & Water Conservation District performed a yearly inventory as required by Section 12-6-10 NMSA 1978 and maintains a capital asset listing.

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.
- (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:

Analytical review and test of actual revenue compared to budgeted revenue for the year for each type of revenue revealed no exceptions. Amounts recorded in Quickbooks agreed with supporting documentation and the amounts were properly recorded on a cash basis as to classification, amount and period per review of supporting documentation.

4. Expenditures

Procedures:

Select a sample of cash disbursements and test the total amount of expenditures for 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 cancelled check, as appropriate.

- (b) Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.
- (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 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

Findings:

Amounts recorded as disbursed agreed to supporting documentation. Amount paid, payee, date and description agreed with the vendor's invoice, purchase order, contract and cancelled check, as appropriate.

Disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.

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 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

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:

The Carrizozo Soil & Water Conservation District utilizes Quickbooks to record cash transactions only and did not prepare journal entries.

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:

A review of the minutes revealed that the original budget was approved by the Carrizozo Soil & Water Conservation District and the DFA-LGD. There were five subsequent budget adjustments which were approved by the DFA-LGD.

Total actual expenditures did not exceed the final budget at the total fund level, the legal level of budgetary control.

A schedule of revenues and expenditures - budget and actual was prepared on the cash budgetary basis used by the Carrizozo Soil & Water Conservation District.

7. Other Procedures

If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, disclose 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

No exceptions were found as a result of applying the procedures described above (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. 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 Carrizozo Soil & Water Conservation District, the New Mexico State Auditor's Office and the DFA-LGD and is not intended to be and should not be used by anyone other than those specified parties.



Ronny Fouts, CPA
Melrose, New Mexico
November 18, 2013

STATE OF NEW MEXICO
 CARRIZOZO SOIL AND WATER CONSERVATION DISTRICT
 Statement of Revenues, Expenditures, and Changes
 in Cash Balance - Budget and Actual (Non-GAAP)
 General Fund
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance-Favorable (Unfavorable)
	Original	Final		
Revenues:				
Property Taxes	\$ 40,000	\$ 40,000	\$ 40,582	\$ 582
Interest	-	-	-	-
Miscellaneous	3,300	3,300	-	(3,300)
WTB	-	60,000	54,190	(5,810)
Wildlife Escape Ramps	16,000	## 16,000	3,320	(12,680)
Other income	1,000	1,500	929	(571)
Legislative Funding	13,000	13,000	12,989	(11)
Water Trust Board Grant	225,000	225,000	-	(225,000)
WIF Grant	-	-	-	-
Total Revenues	\$ 298,300	\$ 358,800	\$ 112,010	\$ (246,790)
Expenditures:				
Personnel Services	\$ 15,705	\$ 16,500	\$ 16,010	\$ 490
Board Expense	3,250	3,250	2,565	685
Accountant	1,200	1,200	1,005	195
Training and Education Expense	1,500	1,500	84	1,416
Buiding Expenses	-	900	885	15
Annual Audit Expenses	5,375	5,375	4,542	833
Dues and Misc	-	-	-	-
Wildlife Escape Ramps	9,000	9,000	2,305	6,695
Legal Advertising, Postage & Office Supplies	350	500	482	18
Cost Sharing Expense	21,000	23,235	23,235	-
Postage	300	300	104	196
Miscellaneous (Chipper Expense)	11,604	11,604	5,732	5,872
WTB	-	60,000	52,728	7,272
Travel	-	-	-	-
Bonding/Liability Insurance	1,300	1,194	1,000	194
Contractual Services Expenses	-	4,500	-	4,500
Annual Awards/Legislative Meeting	-	-	-	-
Grant Expense	225,000	225,000	-	225,000
Total Expenditures	295,584	364,058	110,677	253,381
Excess (deficiency) of revenues over expenditures	2,716	(5,258)	1,333	6,591
Cash Balance at beginning of year	79,463	79,463	79,463	-

**DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION
BUDGET AND FINANCE BUREAU
SOIL AND WATER CONSERVATION DISTRICT QUARTERLY FINANCIAL REPORT**

SUBMIT TO LOCAL GOVERNMENT DIVISION NOT LATER THAN ONE MONTH AFTER THE CLOSE OF EACH QUARTER. I HEREBY CERTIFY THAT THE CONTENTS IN THIS REPORT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Barbie Roper

S.W.C.D.: CARRIZOZO
Period Ending: 06/30/13

YEAR TO DATE TRANSACTIONS PER BOOKS QUARTERLY REPORT												
FUND #	FUND	CASH BALANCE PER BOOKS July 1, 2011	REVENUES TO DATE	NET TRANSFERS	EXPENDITURES TO DATE	BOOK BALANCE END OF PERIOD	ADD. OUTSTANDING CHECKS	LESS: DEPOSITS IN TRANSIT	ADJUSTMENTS	ADJUSTED BALANCE END OF PERIOD	BALANCE PER BANK STATEMENTS	DIFFERENCE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
101	GENERAL FUND	79,405.00	112,010.24		110,676.84	80,738.40			(0.15)	80,738.25	80,738.25	0.00
218	INTERGOVERNMENTAL GRANTS	58.00	90.90		149.68	(0.78)			0.78	(0.00)		
299	OTHER	-	-	-	-	-	-	-	-	-	-	-
400	DEBT SERVICE	-	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	79,463.00	112,101.14	-	110,826.52	80,737.62	-	-	0.63	80,738.25	80,738.25	-

NOTE: USE DETAIL PAGES FROM ANNUAL BUDGET FORM IF NEEDED.

*USER NOTES: Please describe what any reserve requirements are used for.

Fund 101: -.15 adjustment due to rounding in last year's report (1st Qtr)

Fund 218: +.78 adjustment due to rounding in last year's report (1st Qtr)

REVENUES	CURRENT QUARTER	YEAR TO DATE	APPROVED BUDGET	% OF BUDGET
General Fund 101				
Property Tax - Current Year	11,098.29	40,581.63	40,000.00	1.01
Property Tax - Delinquent	-	-	-	#DIV/0!
Property Tax - Penalty & Interest	-	-	-	#DIV/0!
Oil and Gas - Equipment	-	-	-	#DIV/0!
Oil and Gas - Production	-	-	-	#DIV/0!
Total Interest income From Bank Accounts and CDs	-	-	-	#DIV/0!
Hazardous Fuels Income	-	-	-	#DIV/0!
Grass Seed and or Tree Sales	-	-	-	#DIV/0!
WTB	54,190.38	54,190.38	60,000.00	0.90
Rent Revenue	-	-	-	#DIV/0!
Brush Control Materials	-	-	-	#DIV/0!
Noxious Weed Program	-	-	-	#DIV/0!
Conservation Sale Items	-	-	-	#DIV/0!
Miscellaneous	-	-	3,300.00	-
Wildlife Escape Ramps	20.00	3,320.00	16,000.00	0.21
Legislative Allocation	-	12,989.61	13,000.00	1.00
Other Income	-	928.62	1,500.00	0.62
TOTAL GENERAL FUND REVENUES	65,308.67	112,010.24	133,800.00	
Intergovernmental Grants 218				
University Grants	-	-	-	#DIV/0!
Federal Grants	-	-	-	#DIV/0!
State Grants	-	-	225,000.00	-
Local Grants	-	-	-	#DIV/0!
Private Grants	-	-	-	#DIV/0!
Legislative Funding	-	-	-	#DIV/0!
Miscellaneous	-	-	-	#DIV/0!
TOTAL GRANT REVENUES	-	-	225,000.00	n/a
Other 299				
Contract Services	-	-	-	#DIV/0!
Educational Income	-	-	-	#DIV/0!
Charges for Services	-	-	-	#DIV/0!
Capital Outlay Funded	-	-	-	#DIV/0!
Project Income	-	-	-	#DIV/0!
Emergency Watershed Protection Program	-	-	-	#DIV/0!
Project Income	-	-	-	#DIV/0!
Project Expenses Income	-	-	-	#DIV/0!
Silent Auctions	-	-	-	#DIV/0!
Miscellaneous	-	-	-	#DIV/0!
Other Fund 299 FROM DETAIL PAGE TAB	-	-	-	#DIV/0!
TOTAL OTHER 299	-	-	-	-
Debt Service 400				
General Obligation Bonds				
General Obligation - (Property Tax)	-	-	-	#DIV/0!
Investment Income	-	-	-	#DIV/0!
Other - Misc	-	-	-	#DIV/0!
Revenue Bonds				
Bond Proceeds	-	-	-	#DIV/0!
Revenue Bonds - GRT	-	-	-	#DIV/0!
Investment Income	-	-	-	#DIV/0!
Revenue Bonds - Other	-	-	-	#DIV/0!
Miscellaneous (NMFA, BOF, etc.)				
Investment Income	-	-	-	#DIV/0!
Loan Revenue	-	-	-	#DIV/0!
TOTAL DEBT SERVICE REVENUES	-	-	-	-
GRAND TOTALS REVENUES- CURRENT QTR	65,308.67	112,010.24	133,800.00	

NOTE: If this report is for the first quarter YEAR TO DATE will be the same as the CURRENT QUARTER.

SWCD:
CARRIZOZO

Period Ending: 6/30/2013

EXPENDITURES	CURRENT QUARTER	YEAR TO DATE	APPROVED BUDGET	% OF BUDGET
GENERAL FUND 101				
Personnel Services, Salaries including Benefits	1,179.55	16,010.36	16,500.00	0.97
GRT Taxes	-	-	-	#DIV/0!
Mileage and Per Diem	-	-	-	#DIV/0!
Fees and Services Expenses	-	-	-	#DIV/0!
Office Expense		482.05	500.00	0.96
Building Expenses (e.g. rent/maintenance)	87.81	885.35	900.00	0.98
Supplies	-	-	-	#DIV/0!
Election Expense	-	-	-	#DIV/0!
Education expense	84.25	84.25	1,500.00	0.06
WTB	3,345.55	52,727.91	60,000.00	0.88
Advertising,Public Relations (e.g. newsletter)	-	-	-	#DIV/0!
Annual Audit Expenses		4,541.89	5,375.00	0.85
Dues and Board Fees	50.00	2,564.85	3,250.00	0.79
Field Supplies (e.g. Salt Cedar Mechanical Removal)	-	-	-	#DIV/0!
Postage Expense		104.22	300.00	0.35
Cost Sharing Expense		23,234.70	23,234.70	1.00
Brush Control Expenses	-	-	-	#DIV/0!
Training and Workshops	-	-	-	#DIV/0!
Contractual Services Expenses	-	-	4,500.00	-
Utilities (Electricity, Natural Gas, Propane, Water, Sewer)		-	-	#DIV/0!
Miscellaneous (e.g. Chipper Expense)		5,731.48	11,603.61	0.49
Wildlife Escape Ramps		2,305.00	9,000.00	0.26
Accountant		1,004.78	1,200.00	0.84
Insurance		1,000.00	1,194.00	0.84
TOTAL GENERAL FUND EXPENDITURES	4,747.16	110,676.84	139,057.31	
Intergovernmental Grants Expenditures 218				
University Grants	-	-	-	#DIV/0!
Federal Grants	-	-	-	#DIV/0!
State Grants			225,000.00	-
Local Grants	-	-	-	#DIV/0!
Private Grants	-	-	-	#DIV/0!
Legislative Funding	-	-	-	#DIV/0!
Other	-	-	-	#DIV/0!
Total Grant Expenditures	-	-	225,000.00	
Other Expenditures 299				
Loan Payments	-	-	-	#DIV/0!
Capital Outlay Expenses/Capital Projects	-	-	-	#DIV/0!
Conservation and Environmental Control Expenses	-	-	-	#DIV/0!
Bonding	-	-	-	#DIV/0!
All Other Insurance	-	-	-	#DIV/0!
Loan Program Expenses Including Loan Repayments	-	-	-	#DIV/0!
Miscellaneous Expenses	-	-	-	#DIV/0!
Other Fund 299 FROM DETAIL PAGE TAB	-	-	-	#DIV/0!
Total Other Expenditures	-	-	-	#DIV/0!
Debt Service 400				
Bond Payments Principal	-	-	-	#DIV/0!
Bond Payments- Interest	-	-	-	#DIV/0!
Other Debt Service	-	-	-	#DIV/0!
Total Debt Service Expenditures	-	-	-	#DIV/0!
TOTAL EXPENDITURES Current Quarter	4,747.16	110,676.84	364,057.31	

NOTE: If this report is for the first quarter YEAR TO DATE will be the same as the CURRENT QUARTER.

**STATE OF NEW MEXICO
CARRIZOZO SOIL AND WATER CONSERVATION DISTRICT
Schedule of Findings and Responses
For the Year Ended June 30, 2013**

PRIOR YEAR AUDIT FINDINGS

None

CURRENT YEAR FINDINGS

None

**STATE OF NEW MEXICO
CARRIZOZO SOIL AND WATER CONSERVATION DISTRICT
Exit Conference
Year Ended June 30, 2013**

EXIT CONFERENCE

The report contents were discussed at an exit conference held on November 18, 2013 with the following in attendance:

Carrizozo Soil and Water Conservation District

Jim Grider, Vice Chairman
Barbie Roper, Program Director

Accounting Firm

Ronny Fouts, CPA