

**STATE OF NEW MEXICO
CARRIZOZO SOIL AND WATER
CONSERVATION DISTRICT
Independent Accountants' Report on
Applying Agreed-Upon Procedures
Year Ended June 30, 2014**

**Ronny Fouts, CPA
CERTIFIED PUBLIC ACCOUNTANT
Melrose, NM 88124**

**STATE OF NEW MEXICO
CARRIZOZO SOIL AND
WATER CONSERVATION DISTRICT
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June 30, 2014**

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**STATE OF NEW MEXICO
CARRIZOZO SOIL AND
WATER CONSERVATION DISTRICT
Official Roster
June 30, 2014**

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
Melrose, 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, 2014. 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, New Mexico State Legislature, 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 19, 2014

**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: 06/30/14

Fund #	FUND	YEAR TO DATE TRANSACTIONS PER BOOKS QUARTERLY REPORT										
		CASH BALANCE PER BOOKS July 1, 2011 (2)	REVENUES TO DATE (3)	NET TRANSFERS PER BOOKS (4)	EXPENDITURES TO DATE (5)	BOOK BALANCE END OF PERIOD (6)	ADD: OUTSTANDING CHECKS (7)	LESS: DEPOSITS IN TRANSIT (8)	ADJUSTMENTS (9)	ADJUSTED BALANCE END OF PERIOD (10)	BALANCE PER BANK STATEMENTS (11)	DIFFERENC (12)
101	GENERAL FUND (1)	80,738.25	65,554.85	-	52,859.74	93,433.36	-	-	(16.05)	93,417.31	93,417.31	0.00
218	INTERGOVERNMENTAL GRANTS	-	-	-	-	-	-	-	-	-	-	-
299	OTHER	-	-	-	-	-	-	-	-	-	-	-
400	DEBT SERVICE	-	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	80,738.25	65,554.85	-	52,859.74	93,433.36	-	-	(16.05)	93,417.31	93,417.31	0.00

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

-USER NOTES: (Please describe what any reserve requirements are used for.)

#9: Adjustment - February Bank Charge for Wiring Expense

REVENUES	CURRENT QUARTER	YEAR TO DATE	APPROVED BUDGET	% OF BUDGET
General Fund 101				
Property Tax - Current Year	16,824.45	42,140.44	45,000.00	0.94
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	-	750.00	395,809.62	0.00
Rental	-	-	-	#DIV/0!
Brush Control Materials	-	-	-	#DIV/0!
Noxious Weed Program	-	-	-	#DIV/0!
Bank Adjustment	-	-	300.00	-
Miscellaneous Income	-	-	3,500.00	-
Wildlife Escape Ramps	180.00	9,660.00	15,000.00	0.64
Legislative Allocation	645.35	12,906.91	13,000.00	0.99
Other Income	-	97.50	1,500.00	0.07
TOTAL GENERAL FUND REVENUES	17,649.80	65,554.85	474,109.62	
Intergovernmental Grants 218				
University Grants	-	-	-	#DIV/0!
Federal Grants	-	-	-	#DIV/0!
State Grants	-	-	-	#DIV/0!
Local Grants	-	-	-	#DIV/0!
Private Grants	-	-	-	#DIV/0!
Legislative Funding	-	-	-	#DIV/0!
Miscellaneous	-	-	-	#DIV/0!
TOTAL GRANT REVENUES	-	-	-	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	17,649.80	65,554.85	474,109.62	

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

SWCD:
CARRIZOZO

Period Ending: 6/30/2014

EXPENDITURES	CURRENT QUARTER	YEAR TO DATE	APPROVED BUDGET	% OF BUDGET
GENERAL FUND 101				
Personnel Services, Salaries including Benefits	3,933.87	16,644.53	20,000.00	0.83
GRT Taxes	-	-	-	#DIV/0!
Mileage and Per Diem	-	1,022.06	1,300.00	0.79
Fees and Services Expenses	-	-	-	#DIV/0!
Office Supplies and Other Expenses	-	255.22	500.00	0.51
Building Expenses (e.g. rent/maintenance)	252.63	1,039.89	1,039.88	1.00
Bank Charges	-	-	200.00	-
Election Expense	-	-	-	#DIV/0!
Education expense	-	-	-	#DIV/0!
WTB	-	750.00	397,272.09	0.00
Advertising, Public Relations (e.g. newsletter)	211.28	377.54	500.00	0.76
Annual Audit/Financial Report Expenses	-	2,500.00	2,687.50	0.93
Dues and Board Fees	1,259.46	2,040.22	3,250.00	0.63
Field Supplies (e.g. Salt Cedar Mechanical Removal)	-	-	-	#DIV/0!
Postage Expense	12.09	110.86	150.00	0.74
Cost Sharing Expense	-	12,838.32	25,000.00	0.51
Office Furniture and Equipment	-	286.10	500.00	0.57
Training Workshops & Education Expense	-	525.00	1,500.00	0.35
Contractual Services Expenses	-	1,586.43	5,500.00	0.29
Field Supplies & Equipment	-	-	2,500.00	-
Miscellaneous (e.g. Chipper Expense)	1,395.51	4,474.77	9,000.00	0.50
Wildlife Escape Ramps	1,006.67	5,599.17	13,000.00	0.43
Accountant	268.85	1,421.63	1,900.00	0.75
Insurance	194.00	1,388.00	1,388.00	1.00
TOTAL GENERAL FUND EXPENDITURES	8,534.36	52,859.74	487,187.47	
Intergovernmental Grants Expenditures 218				
University Grants	-	-	-	#DIV/0!
Federal Grants	-	-	-	#DIV/0!
State Grants	-	-	-	#DIV/0!
Local Grants	-	-	-	#DIV/0!
Private Grants	-	-	-	#DIV/0!
Legislative Funding	-	-	-	#DIV/0!
Other	-	-	-	#DIV/0!
Total Grant Expenditures	-	-	-	
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	8,534.36	52,859.74	487,187.47	

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
Year Ended June 30, 2014**

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, 2014

EXIT CONFERENCE

The report contents were discussed at an exit conference held on November 19, 2014 with the following in attendance:

Carrizozo Soil and Water Conservation District

Jim Grider, Vice Chairman
Barbie Roper, Program Director

Accounting Firm

Ronny Fouts, CPA

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