

**STATE OF NEW MEXICO
CARRIZOZO SOIL AND WATER
CONSERVATION DISTRICT
Independent Accountants' Report on
Applying Agreed-Upon Procedures
Year Ended June 30, 2015**

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, 2015**

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**STATE OF NEW MEXICO
CARRIZOZO SOIL AND
WATER CONSERVATION DISTRICT
Official Roster
June 30, 2015**

Board of Supervisors

Melvin Johnson
Jim Grider
Steve Harkey
Gray Gallacher
Roy Todd

Chairman
Vice-Chairman
Secretary/Treasurer
Member
Member

Staff

Karyn Hazen

Program Director

RONNY FOUTS
CERTIFIED PUBLIC ACCOUNTANT

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Melrose, NM 88124

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Melvin Johnson, Chairman and
The District Board
Carrizozo Soil & Water Conservation District
and Honorable Timothy Keller, New Mexico State Auditor

We have performed the procedures enumerated below for the Carrizozo Soil & Water Conservation District for the year ended June 30, 2015. 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 NMSA 1978.

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. The items tested were 50% the transactions and the dollar amount was \$65,618.

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. The amounts tested was 50% and the dollar amount was \$69,116.

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 17, 2015

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, 2015

	Budgeted Amounts		Actual	Variance-Favorable (Unfavorable)
	Original	Final		
Revenues:				
Property Taxes	\$ 50,000	\$ 50,000	\$ 46,014	\$ (3,986)
Interest	-	-	-	-
Miscellaneous	-	-	-	-
WTB	5,000	5,000	495	(4,505)
Wildlife Escape Ramps	16,000	16,000	5,760	(10,240)
Other Income	1,300	1,300	175	(1,125)
State Allotments	15,000	15,000	14,741	(259)
Upper Hondo SWCD Loan	3,000	3,000	3,000	-
WIF Grant	-	-	-	-
Total Revenues	<u>\$ 90,300</u>	<u>\$ 90,300</u>	<u>\$ 70,185</u>	<u>\$ (20,115)</u>
Expenditures:				
Personnel Services	\$ 28,470	\$ 28,470	\$ 19,617	\$ 8,853
Mileage and Per Diem	4,000	4,000	2,044	1,956
Office Expenses	750	750	502	248
Building Expenses	1,100	1,100	1,025	75
Supplies	500	500	-	500
Advertising and Public Relations	500	500	485	15
Annual Audit Expenses	3,225	3,225	3,225	-
Dues and Board Expense	3,250	3,250	1,668	1,582
Field Supplies	2,500	2,500	-	2,500
Postate Expense	150	150	150	-
Cost Sharing Expense	28,000	32,000	28,167	3,833
Training and Workshops	1,600	1,600	1,035	565
Contractual Services Expenses	6,500	6,700	6,623	77
Miscellaneous	13,000	8,800	16	8,784
WTB	5,000	5,000	3,448	1,552
Wildlife Escape Ramps	13,000	13,000	1,111	11,889
Accountant	1,200	1,200	-	1,200
Total Expenditures	<u>112,745</u>	<u>112,745</u>	<u>69,116</u>	<u>43,629</u>
Excess (deficiency) of revenues over expenditures	<u>(22,445)</u>	<u>(22,445)</u>	<u>1,069</u>	<u>23,514</u>
Cash Balance at beginning of year	<u>93,417</u>	<u>93,417</u>	<u>93,417</u>	<u>-</u>

DEPARTMENT OF FINANCE AND ADMINISTRATION
 LOCAL GOVERNMENT DIVISION
 BUDGET AND FINANCE BUREAU
SPECIAL DISTRICT FINANCIAL QUARTERLY REPORT FORM

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.

Special District: Carlizozo SWCD
 Quarter Ending: 6/30/2015
 Prepared by: Karyn Hazen

(signature line)

QUARTERLY YEAR TO DATE TRANSACTIONS PER BOOKS

FUND TITLE	FUND NUMBER	UNAUDITED BEGINNING CASH BALANCE @ 7/1/2014	INVESTMENTS	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
GENERAL FUND - Operating (GF)	101	\$93,417.31	\$0.00	70,185.26	-	69,115.59	94,486.98	-	-	-	94,486.98	94,486.98	-
INTERGOVERNMENTAL GRANTS	218	\$0.00	\$0.00	-	-	-	-	-	-	-	-	-	-
OTHER	299	\$0.00	\$0.00	-	-	-	-	-	-	-	-	-	-
DEBT SERVICE	400	\$0.00	\$0.00	-	-	-	-	-	-	-	-	-	-
Grand Total		\$ 93,417.31	\$ -	\$ 70,185.26	\$ -	\$ 69,115.59	\$ 94,486.98	\$ -	\$ -	\$ -	\$ 94,486.98	\$ 94,486.98	\$ -

EXPENDITURES	CURRENT QUARTER	YEAR TO DATE	APPROVED BUDGET
General Fund 101 (enter items below)			
Personnel Services, Salaries including Benefits	5,703.44	19,616.87	28,470.00
Mileage and Per Diem	296.80	2,043.57	4,000.00
Office Expenses	159.66	502.02	750.00
Building Expenses (e.g. rent/maintenance)	257.63	1,024.80	1,100.00
Supplies		-	500.00
Advertising and Public Relations (e.g. newsletter)	65.44	485.24	500.00
Annual Audit Expenses		3,225.00	3,225.00
Dues and Board Fees	123.88	1,667.92	3,250.00
Field Supplies		-	2,500.00
Postage Expense	39.38	150.00	150.00
Cost Sharing Expense	16,854.27	28,167.16	28,000.00
Training and Workshops		1,035.00	1,600.00
Contractual Services Expenses		-	6,500.00
Miscellaneous	1,726.99	6,623.43	13,000.00
WTB		16.05	5,000.00
Wildlife Escape Ramps	1,532.00	3,447.83	13,000.00
Accountant		1,110.70	1,200.00
	-	-	-
	-	-	-
	-	-	-
TOTAL GENERAL FUND EXPENDITURES	\$ 26,759.49	\$ 69,115.59	\$ 112,745.00
Intergovernmental Grants 218 (enter items below)			
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
TOTAL INTERGOV. GRANT EXPENDITURES	\$ -	\$ -	\$ -
Other 299 (enter items below)			
	-	-	-
	-	-	-
Sanitation	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
TOTAL OTHER EXPENDITURES	\$ -	\$ -	\$ -
Debt Service 400			
Bond Payments Principal	-	-	-
Bond Payments- Interest	-	-	-
Other Debt Service	-	-	-
TOTAL DEBT SERVICE EXPENDITURES	\$ -	\$ -	\$ -
GRAND TOTAL EXPENDITURES	\$ 26,759.49	\$ 69,115.59	\$ 112,745.00

SPECIAL DISTRICT: Carrizozo SWCD
QUARTER ENDING: 30-Jun-15

REVENUES	CURRENT QUARTER	YEAR TO DATE	APPROVED BUDGET
General Fund 101 (enter items below)			
Property Tax - Current Year	18,590.39	46,014.45	50,000.00
State Allotments	737.04	14,740.81	15,000.00
WTB	-	495.00	5,000.00
Wildlife Escape Ramps	80.00	5,760.00	16,000.00
Other Income	-	175.00	1,300.00
Upper Hondo SWCD Loan	3,000.00	3,000.00	3,000.00
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Subtotal General Fund Revenues	\$ 22,407.43	\$ 70,185.26	\$ 90,300.00
Other Financing Sources: Transfers In	-	-	-
Transfers Out	-	-	-
Total Transfers	\$ -	\$ -	\$ -
TOTAL GENERAL FUND REVENUES	\$ 22,407.43	\$ 70,185.26	\$ 90,300.00
Intergovernmental Grants 218 (enter items below)			
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Subtotal Intergovernmental Grants Revenues	\$ -	\$ -	\$ -
Other Financing Sources: Transfers In	-	-	-
Transfers Out	-	-	-
Total Transfers	\$ -	\$ -	\$ -
TOTAL INTERGOV. GRANT REVENUES	\$ -	\$ -	\$ -
Other 299 (enter items below)			
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Subtotal Other 299 Revenues	\$ -	\$ -	\$ -
Other Financing Sources: Transfers In	-	-	-
Transfers Out	-	-	-
Total Transfers	\$ -	\$ -	\$ -
TOTAL OTHER REVENUES	\$ -	\$ -	\$ -
Debt Service 400			
General Obligation Bonds	-	-	-
General Obligation - (Property tax)	-	-	-
Investment Income	-	-	-
Other - Misc	-	-	-
Revenue Bonds	-	-	-
Bond Proceeds	-	-	-
Revenue Bonds - GRT	-	-	-
Investment Income	-	-	-
Revenue Bonds - Other	-	-	-
Miscellaneous(NMFA, BOF, etc.)	-	-	-
	-	-	-
Subtotal Debt Service Fund Revenues	\$ -	\$ -	\$ -
Other Financing Sources: Transfers In	-	-	-
Transfers Out	-	-	-
Total Transfers	\$ -	\$ -	\$ -
TOTAL DEBT SERVICE REVENUES	\$ -	\$ -	\$ -
GRAND TOTAL REVENUES	\$ 22,407.43	\$ 70,185.26	\$ 90,300.00

**STATE OF NEW MEXICO
CARRIZOZO SOIL AND WATER CONSERVATION DISTRICT
Schedule of Findings and Responses
Year Ended June 30, 2015**

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, 2015

EXIT CONFERENCE

The report contents were discussed at an exit conference held on November 17, 2015 with the following in attendance:

Carrizozo Soil and Water Conservation District

Steve Harvey, Sec/Treas
Gray Gallacher, Member
Karyn Hazen, Program Director

Accounting Firm

Ronny Fouts, CPA

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