



MACIAS, GUTIERREZ & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ESPANOLA, NEW MEXICO
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STATE OF NEW MEXICO

**CUBA SOIL AND WATER
CONSERVATION DISTRICT**

Independent Accountants' Report on Applying
Agreed-Upon Procedures

Year Ended June 30, 2012

STATE OF NEW MEXICO

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CONSERVATION DISTRICT**

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June 30, 2012**

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**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT**

**Official Roster
at June 30, 2012**

<u>Name</u>		<u>Title</u>
<u>Board of Supervisors</u>		
James Montoya		Chairman
Timothy Johnson		Vice-Chairman
L.D. Schmitz		Secretary/Treasurer
Ricardo Duran		Member
Joe J. Lovato, Jr.		Member
Melvin Maestas		Member
Julian Sanchez		Member
<u>Staff</u>		
Brian Velarde		Program Coordinator
Peggy Ohler		District Clerk



Macias, Gutierrez
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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To: James Montoya, Chairman
Cuba Soil and Water Conservation District
and
Honorable Hector H. Balderas
New Mexico State Auditor

We have performed the procedures enumerated below for the Cuba Soil and Water Conservation District (CSWCD), for the year ended June 30, 2012 solely to assist the CSWCD in demonstrating compliance with a Tier 4 entity under the Audit Act, Section 12-6-3 B (4) NMSA 1978, Section 2.2.2.16 NMAC and Section 6-6-2 (A) NMSA 1978 as set forth in the accompanying Exhibits A, B and C. The procedures were agreed to by the CSWCD through the Office of the New Mexico State Auditor. The Cuba Soil and 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

- a) At year end, the CSWCD has one General checking account (McCune Grant account closed in November 2011), a savings account (Scholarship Fund) and a certificate of deposit (CD) and utilizes Quickbooks to record transactions. All reconciliations are performed within weeks of receiving the statements and all were complete and on-hand.
- b) Random tests of bank reconciliations revealed no exceptions. The reconciliations were accurate and agreed with supporting documentation. We traced the June 30, 2012 cash and investment balances to the required quarterly financial reports submitted to DFA-LGD, without exception.
- c) Collective bank balances exceeded the insured limit only for the period from July 5, 2011 through July 19, 2011, and the financial institution provided CSWCD with the 50% of pledged collateral on all uninsured deposits, as required by Section 6-10-17 NMSA 1978, NM Public Money Act.

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

The CSWCD performed a yearly inventory as required by Section 12-6-10 NMSA 1978 and maintains a capital asset listing. The CSWCD's only capital assets are a truck and construction-in-progress on a new headquarters building. However, similar to prior years, the CSWCD continued to record current-year payments (9) made on the vehicle loan as the vehicle book value, not the actual vehicle cost, \$22,588. The loan was paid-off during the year and the asset reflects the total amount of payments made (\$24,360) at year end. The difference, \$1,772, is interest on the loan which should not be included in book value. Similarly, current-year loan payments (12) made on the building loan and construction costs were recorded as the Building book value, not only construction costs. Construction and architectural costs should be recorded as Construction-in-progress until the building is completed and placed in-service.

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

- a) Analytical review and test of actual revenue compared to budgeted revenue for the year for each type of revenue revealed no exceptions.
- b) Amounts recorded in Quickbooks agreed with supporting documentation and the bank statements.
- c) 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 based on auditor judgment 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 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

- a) 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.
- b) Disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.
- c) 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 CSWCD utilizes Quickbooks to record cash transactions. There were no journal entries posted to the general ledger during the year.

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) A review of the minutes revealed that the original budget was approved by the CSWCD and the DFA-LGD. There was one subsequent budget revision submitted and approved by the CSWCD and the DFA-LGD.
- b) Total actual expenditures did not exceed the final budget at the total fund level, the legal level of budgetary control, for the General, Scholarship, Forestry and Grant Funds.
- c) Schedules of revenues and expenditures – budget and actual (Exhibit A) was prepared on the cash budgetary basis used by the CSWCD. Separate budgets are presented for the General Fund, Forestry Camp Fund, Scholarship Fund and Grant Fund. For the Forestry Camp Fund, the actual Donations/Tuition revenue is \$180 on the general ledger but was reported as negative \$45 on the budget submitted to DFA-LGD due to a July 2011 stop payment notice on \$225 in tuition payments received in June 2011. In August 2011, the CSWCD received a \$180 donation, which resulted in the negative \$45 reported.

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 or illegal acts. However, see the accompanying Schedule of Findings and Responses for noncompliance (Late Report) and internal control deficiencies related to the Capital Assets findings described on page v.

* * * * *

We were not engaged to, and did not conduct an audit of financial statements or any part thereof, the objective of which would be the expression of an opinion on the financial statements or any part thereof, including Exhibits A, B and C. 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 Cuba Soil and Water Conservation District, the New Mexico State Auditor's Office 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.

Macias, Gutierrez & Co., CPAs, P. C.

Macias, Gutierrez & Co., CPAs, P. C.
Española, New Mexico
December 10, 2012

**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT
Schedule of Revenues and Expenditures-Budget and Actual (Cash Basis)
Year Ended June 30, 2012**

GENERAL FUND

	Budgeted Amounts		Actuals	Variance
	Original	Final		Favorable (Unfavorable)
Revenues and transfers-in:				
Sandoval County Mill Levy	\$ 130,000	\$ 130,000	\$ 128,003	\$ (1,997)
Rio Arriba County Mill Levy	90,000	90,000	62,522	(27,478)
Interest	125	125	61	(64)
Other	2,000	2,000	4,302	2,302
NMDA	9,000	9,000	7,943	(1,057)
NMFA Building Loan Proceeds	900,000	900,000	28,031	(871,969)
Transfer-in from Grant fund	-	-	3,793	3,793
	<u>1,131,125</u>	<u>1,131,125</u>	<u>234,655</u>	<u>(896,470)</u>
Total revenues and transfers-in				
Cash balance budgeted	<u>235,812</u>	<u>200,138</u>	-	(200,138)
Total revenues and cash balance budgeted	<u>\$ 1,366,937</u>	<u>\$ 1,331,263</u>	<u>234,655</u>	<u>(1,096,608)</u>

Expenditures and transfers-out:

CAPITAL OUTLAY

Debt Service - Truck	\$ 5,076	\$ 5,076	\$ 4,567	509
Debt Service - Building	<u>59,330</u>	<u>59,330</u>	<u>60,853</u>	<u>(1,523)</u>
Totals	<u>64,406</u>	<u>64,406</u>	<u>65,420</u>	<u>(1,014)</u>

PERSONNEL SERVICE

Salaries (f-t)	63,586	63,586	66,638	(3,052)
Salaries (p-t)	13,580	13,580	16,315	(2,735)
Medicare	1,119	1,119	1,138	(19)
P.E.R.A.	4,452	4,452	4,622	(170)
Workmen's Comp.	5,000	5,000	92	4,908
Unemployment Insurance	400	400	448	(48)
Health Insurance	8,400	8,400	8,328	72
FICA	<u>842</u>	<u>842</u>	<u>1,049</u>	<u>(207)</u>
Totals	<u>97,379</u>	<u>97,379</u>	<u>98,630</u>	<u>(1,251)</u>

ADMINISTRATIVE

Mileage and Per Diem	7,000	7,000	5,333	1,667
Bonding	250	250	-	250
Professional Services	10,000	10,000	8,189	1,811
Dues	2,500	2,500	2,450	50
Education & Training	850	850	80	770
Gross Receipts Taxes	<u>150</u>	<u>150</u>	<u>246</u>	<u>(96)</u>
Totals	<u>20,750</u>	<u>20,750</u>	<u>16,298</u>	<u>4,452</u>

**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT
Schedule of Revenues and Expenditures-Budget and Actual (Cash Basis)
Year Ended June 30, 2012**

GENERAL FUND

	Budgeted Amounts		Actuals	Variance
	Original	Final		Favorable (Unfavorable)
OPERATIONAL				
Office Supplies	\$ 5,000	\$ 5,000	\$ 999	\$ 4,001
Advertising/Legal Notices	200	200	54	146
Rental Fees	-	-	-	-
Subscriptions	40	40	-	40
Equipment Maintenance & Repair	300	300	320	(20)
Postage	1,200	1,200	491	709
Utilities	4,500	4,500	3,944	556
Vehicle Operation & Maintenance	6,000	6,000	3,712	2,288
Totals	<u>17,240</u>	<u>17,240</u>	<u>9,520</u>	<u>7,720</u>

CONSERVATION EDUCATION

Outdoor Classroom	3,000	3,000	-	3,000
Soil Stewardship	200	200	-	200
District Publications	350	350	-	350
School Activities	1,000	1,000	36	964
Community Awareness	2,400	2,400	798	1,602
Awards/Presentations	400	400	-	400
Totals	<u>7,350</u>	<u>7,350</u>	<u>834</u>	<u>6,516</u>

CONSERVATION PROJECTS

Forest Health	5,000	5,000	-	5,000
Range Improvements	16,500	16,500	26,801	(10,301)
Community Ditches	16,500	16,500	2,950	13,550
Cropland Improvements	16,500	16,500	3,181	13,319
Rodent/Insect Control	5,000	5,000	5,879	(879)
Erosion Control	5,500	5,500	-	5,500
Weed Control	3,500	3,500	805	2,695
Totals	<u>68,500</u>	<u>68,500</u>	<u>39,616</u>	<u>28,884</u>

Headquarters Building Project	860,000	860,000	117,009	742,991
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Transfers to Forestry Camp Fund	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
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Total expenditures and transfers-out	<u>\$ 1,143,625</u>	<u>\$ 1,143,625</u>	<u>\$ 355,327</u>	<u>\$ 788,298</u>
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Excess (deficiency) of revenues and transfers-in over expenditures and transfers-out			<u>\$ (120,672)</u>	<u>\$ (308,310)</u>
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**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT
Schedule of Revenues and Expenditures-Budget and Actual (Cash Basis)
Year Ended June 30, 2012**

FORESTRY CAMP FUND	Budgeted Amounts		Actuals	Variance
	Original	Final		Favorable (Unfavorable)
Revenues and transfers-in:				
Registrations	\$ 9,000	\$ 9,000	\$ -	\$ (9,000)
Donations/Tuition	1,000	1,000	180	(820)
Sales	150	150	-	(150)
Transfer-in from General fund	8,000	8,000	8,000	-
	<u>18,150</u>	<u>18,150</u>	<u>8,180</u>	<u>(9,970)</u>
Total revenues and transfers-in	18,150	18,150	8,180	(9,970)
Cash balance budgeted	-	1,367	-	(1,367)
Total revenues and cash balance budgeted	<u>\$ 18,150</u>	<u>\$ 19,517</u>	<u>8,180</u>	<u>(11,337)</u>
Expenditures:				
Printing/Promotion	\$ 1,200	\$ 1,200	\$ 228	972
Postage	-	-	-	-
Telephone	-	-	-	-
Supplies	1,100	1,100	184	916
Camp Fees	8,000	8,000	975	7,025
Personnel/Program	1,800	1,800	-	1,800
Transportation	900	900	-	900
Insurance	600	600	-	600
Food	500	500	-	500
Taxes	10	10	-	10
	<u>14,110</u>	<u>14,110</u>	<u>1,387</u>	<u>12,723</u>
Total expenditures	\$ 14,110	\$ 14,110	1,387	12,723
Excess revenues over expenditures			<u>\$ 6,793</u>	<u>\$ 1,386</u>

STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT
Schedule of Revenues and Expenditures-Budget and Actual (Cash Basis)
Year Ended June 30, 2012

SCHOLARSHIP FUND

	Budgeted Amounts		Actuals	Variance Favorable (Unfavorable)
	Original	Final		
Revenues and transfers-in:				
Sales	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Interest	12	12	3	(9)
Total revenues and transfers-in	1,012	1,012	3	(1,009)
Cash balance budgeted	3,239	3,239	-	(3,239)
Total revenues and cash balance budgeted	<u>\$ 4,251</u>	<u>\$ 4,251</u>	3	(4,248)
Expenditures:				
Service Charge	\$ -	\$ -	-	-
Scholarships	2,000	2,000	-	2,000
Total expenditures	<u>\$ 2,000</u>	<u>\$ 2,000</u>	-	2,000
Excess revenues over expenditures			<u>\$ 3</u>	<u>\$ (2,248)</u>

**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT
Schedule of Revenues and Expenditures-Budget and Actual (Cash Basis)
Year Ended June 30, 2012**

GRANT FUND	Budgeted Amounts		Actuals	Variance
	Original	Final		Favorable (Unfavorable)
Revenues and transfers-in:				
Weed Program	\$ 5,000	\$ 5,000	\$ 1,000	\$ (4,000)
Salt Cedar	10,000	10,000	-	(10,000)
Forest Health	-	-	-	-
Water Quality and Conservation	50,000	50,000	-	(50,000)
Grant Administration Fees	500	500	-	(500)
	<u>65,500</u>	<u>65,500</u>	<u>1,000</u>	<u>(64,500)</u>
Total revenues and transfers-in	65,500	65,500	1,000	(64,500)
Cash balance budgeted	<u>27,650</u>	<u>63,234</u>	<u>-</u>	<u>(63,234)</u>
Total revenues and cash balance budgeted	<u>\$ 93,150</u>	<u>\$ 128,734</u>	<u>1,000</u>	<u>(127,734)</u>
Expenditures and transfers-out:				
Weed Program	\$ 5,000	\$ 5,000	\$ -	5,000
Salt Cedar	10,000	10,000	-	10,000
Forest Health	5,000	5,000	-	5,000
Water Quality and Conservation	50,000	50,000	-	50,000
Outdoor Classroom	-	-	-	-
Transfer to General Fund	-	-	3,793	(3,793)
	<u>70,000</u>	<u>70,000</u>	<u>3,793</u>	<u>66,207</u>
Total expenditures	\$ 70,000	\$ 70,000	3,793	66,207
Excess revenues over expenditures			<u>\$ (2,793)</u>	<u>\$ (61,527)</u>

CUBA SWCD CASH RECONCILIATION REPORT
4TH QUARTER - FY 11-12

	CHECKING	McCUNE CKG	SCHLRSHIP	CD'S	TOTAL
CASH BAL. JULY 1, 2011	\$250,946.47	\$3,792.69	\$3,238.53	\$5,000.00	\$262,977.69
GENERAL FUND REVENUES	\$234,655.18	\$0.00	\$0.00	\$0.00	\$234,655.18
FORESTRY CAMP FUND REVENUES	(\$45.00)	\$0.00	\$0.00	\$0.00	(\$45.00)
SCHOLARSHIP FUND REVENUES	\$0.00	\$0.00	\$3.26	\$0.00	\$3.26
GRANT FUND REVENUES	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
TRANSFERS - CHECKING/CD'S	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTALS	\$486,556.65	\$3,792.69	\$3,241.79	\$5,000.00	\$498,591.13
GENERAL FUND EXPENDITURES	\$347,327.33	\$0.00	\$0.00	\$0.00	\$347,327.33
FORESTRY CAMP FUND EXPENDITURES	\$1,387.55	\$0.00	\$0.00	\$0.00	\$1,387.55
SCHOLARSHIP FUND EXPENDITURES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANT FUND EXPENDITURES	\$0.00	\$3,792.69	\$0.00	\$0.00	\$3,792.69
TOTALS	\$348,714.88	\$3,792.69	\$0.00	\$0.00	\$352,507.57
CASH BALANCE JUNE 30, 2012	\$137,841.77	\$0.00	\$3,241.79	\$5,000.00	\$146,083.56

CUBA SWCD FUND BALANCES
4TH QUARTER - FY 11-12

	GENERAL	FORESTRY CAMP	SCHOLARSHIP	GRANT	TOTAL
FUND BALANCE 07-01-11	\$195,137.77	\$1,367.24	\$3,238.53	\$63,234.15	\$262,977.69
TRANSFERS	(\$4,207.31)	\$8,000.00	\$0.00	(\$3,792.69)	\$0.00
REVENUES	\$230,862.49	(\$45.00)	\$3.26	\$1,000.00	\$231,820.75
EXPENDITURES	(\$347,327.33)	(\$1,387.55)	\$0.00	\$0.00	(\$348,714.88)
FUND BALANCE 06-30-12	\$74,465.62	\$7,934.69	\$3,241.79	\$60,441.46	\$146,083.56

CUBA SWCD GENERAL FUND - 4TH QUARTER REPORT - FY 11-12

	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2012 BUDGET	Balance	% Used
REVENUES									
Sandoval County Mill Levy	\$86,397.91	\$3,319.01	\$25,214.24	\$13,071.82	\$41,605.07	\$128,002.98	\$130,000.00	\$1,997.02	98.46%
Rio Arriba County Mill Levy	\$47,755.80	\$784.00	\$10,488.41	\$3,513.77	\$14,766.18	\$62,521.98	\$90,000.00	\$27,478.02	69.47%
Interest	\$57.11	\$1.56	\$1.53	\$1.35	\$4.44	\$61.55	\$125.00	\$63.45	49.24%
County	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Other	\$2,252.04	\$600.00	\$500.00	\$950.00	\$2,050.00	\$4,302.04	\$2,000.00	(\$2,302.04)	215.10%
NRCS Rent & Utilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
NMDA	\$7,554.15	\$388.54	\$0.00	\$0.00	\$388.54	\$7,942.69	\$9,000.00	\$1,057.31	88.25%
TOTALS	\$144,017.01	\$5,073.11	\$36,204.18	\$17,536.94	\$58,814.23	\$202,831.24	\$231,125.00	\$28,293.76	87.76%
NMFA Building Loan Proceeds									
	\$28,031.25	\$0.00	\$0.00	\$0.00	\$0.00	\$28,031.25	\$900,000.00	\$871,968.75	3.11%
TOTAL REVENUE	\$172,048.26	\$5,073.11	\$36,204.18	\$17,536.94	\$58,814.23	\$230,862.49	\$1,131,125.00	\$900,262.51	20.41%
FUND TRANSFERS - IN									
Grant Fund - Personnel/Admin	\$3,792.69	\$0.00	\$0.00	\$0.00	\$0.00	\$3,792.69	\$0.00	(\$3,792.69)	#DIV/0!
TOTAL REV. & TRANSFERS	\$175,840.95	\$5,073.11	\$36,204.18	\$17,536.94	\$58,814.23	\$234,655.18	\$1,131,125.00	\$896,469.82	20.75%
EXPENDITURES									
Debt Service - Truck	\$4,567.50	\$0.00	\$0.00	\$0.00	\$0.00	\$4,567.50	\$5,076.00	\$508.50	89.98%
Debt Service - Building	\$44,497.51	\$5,451.67	\$5,451.67	\$5,451.67	\$16,355.01	\$60,852.52	\$59,330.00	(\$1,522.52)	102.57%
	\$49,065.01	\$5,451.67	\$5,451.67	\$5,451.67	\$16,355.01	\$65,420.02	\$64,406.00	(\$1,014.02)	101.57%
Personnel Services									
Salaries (f-t)	\$49,332.35	\$4,507.70	\$4,507.70	\$8,289.80	\$17,305.20	\$66,637.55	\$63,586.00	(\$3,051.55)	104.80%
Salaries (p-t)	\$10,755.75	\$1,713.82	\$871.69	\$2,973.89	\$5,559.40	\$16,315.15	\$13,580.00	(\$2,735.15)	120.14%
Medicare	\$825.51	\$0.00	\$0.00	\$312.43	\$312.43	\$1,137.94	\$1,119.00	(\$18.94)	101.69%
P.E.R.A.	\$3,423.80	\$342.38	\$342.38	\$513.57	\$1,198.33	\$4,622.13	\$4,452.00	(\$170.13)	103.82%
Workmen's Comp.	\$69.00	\$0.00	\$0.00	\$23.00	\$23.00	\$92.00	\$5,000.00	\$4,908.00	1.84%
Unemp. Ins.	\$325.25	\$0.00	\$0.00	\$122.88	\$122.88	\$448.13	\$400.00	(\$48.13)	112.03%
Health Ins.	\$6,246.18	\$694.02	\$694.02	\$694.02	\$2,082.06	\$8,328.24	\$8,400.00	\$71.76	99.15%
FICA	\$705.27	\$0.00	\$0.00	\$344.09	\$344.09	\$1,049.36	\$842.00	(\$207.36)	124.63%
TOTALS	\$71,683.11	\$7,257.92	\$6,415.79	\$13,273.68	\$26,947.39	\$98,630.50	\$97,379.00	(\$1,251.50)	101.29%
Administrative									
Mig./Per Diem	\$4,869.50	\$120.00	\$0.00	\$344.00	\$464.00	\$5,333.50	\$7,000.00	\$1,666.50	76.19%
Bonding	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00	\$250.00	0.00%
Election	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Professional Services	\$1,468.06	\$32.38	\$34.87	\$6,653.84	\$6,721.09	\$8,189.15	\$10,000.00	\$1,810.85	81.89%
Dues	\$2,450.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,450.00	\$2,500.00	\$50.00	98.00%
Education & Training	\$80.00	\$0.00	\$0.00	\$0.00	\$0.00	\$80.00	\$850.00	\$770.00	9.41%
Gross Rcts. Tax	\$134.82	\$0.00	\$0.00	\$111.01	\$111.01	\$245.83	\$150.00	(\$95.83)	163.89%
TOTALS	\$9,002.38	\$152.38	\$34.87	\$7,108.85	\$7,296.10	\$16,298.48	\$20,750.00	\$4,451.52	78.55%

CUBA SWCD GENERAL FUND - 4TH QUARTER REPORT - FY 11-12

	Y-T-D	April	May	June	Qtr Total	Y-T-D	2012 BUDGET	Balance	% Used
Operational									
Office Supplies	\$908.08	\$63.43	\$27.56	\$0.00	\$90.99	\$999.07	\$5,000.00	\$4,000.93	19.98%
Adv./Legal Notices	\$54.00	\$0.00	\$0.00	\$0.00	\$0.00	\$54.00	\$200.00	\$146.00	27.00%
Rental Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Subscriptions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40.00	\$40.00	0.00%
Equip. Maint. & Rep.	\$314.79	\$0.00	\$0.00	\$5.49	\$5.49	\$320.28	\$300.00	(\$20.28)	106.76%
Postage	\$395.42	\$95.14	\$0.00	\$0.00	\$95.14	\$490.56	\$1,200.00	\$709.44	40.88%
Utilities	\$2,806.06	\$121.39	\$612.02	\$404.35	\$1,137.76	\$3,943.82	\$4,500.00	\$556.18	87.64%
Vehicle Operation & Maintenance	\$2,652.02	\$229.72	\$410.11	\$420.19	\$1,060.02	\$3,712.04	\$6,000.00	\$2,287.96	61.87%
TOTALS	\$7,130.37	\$509.68	\$1,049.69	\$830.03	\$2,389.40	\$9,519.77	\$17,240.00	\$7,720.23	55.22%
Conservation Education									
Outdoor Classroom	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00	\$3,000.00	0.00%
Soil Stewardship	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00	\$200.00	0.00%
District Publications	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$350.00	\$350.00	0.00%
School Activities	\$35.95	\$0.00	\$0.00	\$0.00	\$0.00	\$35.95	\$1,000.00	\$964.05	3.60%
Community Awareness	\$597.76	\$200.00	\$0.00	\$0.00	\$200.00	\$797.76	\$2,400.00	\$1,602.24	33.24%
Awards/Presentations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$400.00	\$400.00	0.00%
TOTALS	\$633.71	\$200.00	\$0.00	\$0.00	\$200.00	\$833.71	\$7,350.00	\$6,516.29	11.34%
Conservation Projects									
Forest Health	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	0.00%
Range Improvements	\$23,161.24	\$3,640.00	\$0.00	\$0.00	\$3,640.00	\$26,801.24	\$16,500.00	(\$10,301.24)	162.43%
Community Ditches	\$2,950.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,950.00	\$16,500.00	\$13,550.00	17.88%
Cropland Improvements	\$2,101.84	\$0.00	\$0.00	\$1,078.74	\$1,078.74	\$3,180.58	\$16,500.00	\$13,319.42	19.28%
Rodent/Insect Control	\$0.00	\$0.00	\$5,879.00	\$0.00	\$5,879.00	\$5,879.00	\$5,000.00	(\$879.00)	117.58%
Erosion Control	\$804.86	\$0.00	\$0.00	\$0.00	\$0.00	\$804.86	\$5,500.00	\$5,500.00	0.00%
Weed Control	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,500.00	\$2,695.14	23.00%
TOTALS	\$29,017.94	\$3,640.00	\$5,879.00	\$1,078.74	\$10,597.74	\$39,615.68	\$68,500.00	\$28,884.32	57.83%
Headquarters Building Project									
	\$50,013.41	\$3,900.15	\$3,900.15	\$59,195.46	\$66,995.76	\$117,009.17	\$860,000.00	\$742,990.83	13.61%
TOTAL EXPEND.	\$216,545.93	\$21,111.80	\$22,731.17	\$86,938.43	\$130,781.40	\$347,327.33	\$1,135,625.00	\$788,297.67	30.58%
FUND TRANSFERS									
Forestry Camp Fund	\$8,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,000.00	\$8,000.00	\$0.00	100.00%
Special Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
TOTAL TRANSFERS	\$8,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,000.00	\$8,000.00	\$0.00	100.00%
TOTAL EXP./TRANS.	\$224,545.93	\$21,111.80	\$22,731.17	\$86,938.43	\$130,781.40	\$355,327.33	\$1,143,625.00	\$788,297.67	31.07%

CUBA SWCD FORESTRY CAMP FUND - 4TH QUARTER REPORT - FY 11-12

	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2012 BUDGET	Balance	% Used
REVENUES									
Registrations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,000.00	\$9,000.00	0.00%
Donations/Tuition	(\$45.00)	\$0.00	\$0.00	\$0.00	\$0.00	(\$45.00)	\$1,000.00	\$1,045.00	-4.50%
Sales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$150.00	\$150.00	0.00%
TOTALS	(\$45.00)	\$0.00	\$0.00	\$0.00	\$0.00	(\$45.00)	\$10,150.00	\$10,195.00	-0.44%
FUND TRANSFERS									
General Fund	\$8,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,000.00	\$8,000.00	\$0.00	100.00%
TOTAL REV. & TRANS.	\$7,955.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,955.00	\$18,150.00	\$10,195.00	43.83%
EXPENDITURES									
Printing/Promotion	\$228.35	\$0.00	\$0.00	\$0.00	\$0.00	\$228.35	\$1,200.00	\$971.65	19.03%
Postage	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Telephone	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Supplies	\$184.20	\$0.00	\$0.00	\$0.00	\$0.00	\$184.20	\$1,100.00	\$915.80	16.75%
Camp Fees	\$975.00	\$0.00	\$0.00	\$0.00	\$0.00	\$975.00	\$8,000.00	\$7,025.00	12.19%
Personnel/Program	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,800.00	\$1,800.00	0.00%
Transportation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$900.00	\$900.00	0.00%
Insurance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$600.00	\$600.00	0.00%
Food	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00	0.00%
Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.00	\$10.00	0.00%
TOTALS	\$1,387.55	\$0.00	\$0.00	\$0.00	\$0.00	\$1,387.55	\$14,110.00	\$12,722.45	9.83%

CUBA SWCD SCHOLARSHIP FUND - 4TH QUARTER REPORT - FY 11-12

	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2012 Budget	Balance	% Used
REVENUES									
Sales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.00%
Interest	\$2.45	\$0.00	\$0.00	\$0.81	\$0.81	\$3.26	\$12.00	\$8.74	27.17%
TOTALS	\$2.45	\$0.00	\$0.00	\$0.81	\$0.81	\$3.26	\$1,012.00	\$1,008.74	0.32%
EXPENDITURES									
Service charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Scholarships	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00	0.00%
TOTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00	0.00%

CUBA SWCD GRANT FUND - 4TH QUARTER REPORT - FY 11-12

	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2012 BUDGET	Balance	% Used
REVENUES									
Weed Program	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$5,000.00	\$4,000.00	20.00%
Salt Cedar	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	0.00%
Forest Health	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Water Quality & Cons.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00	0.00%
Grant Admin. Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00	0.00%
TOTALS	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$65,500.00	\$64,500.00	1.53%
FUND TRANSFERS									
General Fund - Labor/Admin.	(\$3,792.69)	\$0.00	\$0.00	\$0.00	\$0.00	(\$3,792.69)	\$0.00	\$3,792.69	#DIV/0!
Forestry Camp Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
TOTAL TRANS.	(\$3,792.69)	\$0.00	\$0.00	\$0.00	\$0.00	(\$3,792.69)	\$0.00	\$3,792.69	#DIV/0!
TOTAL REV. & TRANS.	(\$2,792.69)	\$0.00	\$0.00	\$0.00	\$0.00	(\$2,792.69)	\$65,500.00	\$68,292.69	-4.26%
EXPENDITURES									
Special Projects									
Weed Program	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	0.00%
Salt Cedar	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	0.00%
Forest Health	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	0.00%
Water Quality & Cons.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00	0.00%
Outdoor Classroom	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
TOTAL EXPENDITURES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$70,000.00	\$70,000.00	0.00%

**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT**

**Schedule of Findings and Responses
Year Ended June 30, 2012**

	<u>Type of Finding *</u>	<u>Prior Year Finding Number</u>	<u>Current Year Finding Number</u>
Current Year Findings:			
Late Report	D	2010-1	2010-1
Capital Assets	C	2010-3	2010-3
Follow-up on Prior Year Findings:			
Late Report	D	2010-1	2010-1
Financial Reports/Incorrect Cash Balances	C	2010-2	Resolved
Capital Assets	C	2010-3	2010-3
Budget Overexpended	D	2011-1	Resolved

*** Legend for Findings:**

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

**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT**

**Schedule of Findings and Responses
Year Ended June 30, 2012**

2010-1

Late Report

Criteria

Office of the State Auditor, Rule 2012, Section 2.2.2.16.H, requires local public bodies with a June 30 fiscal year end to submit agreed-upon procedures reports no later than December 1 of that year.

Condition

The Cuba Soil and Water Conservation District has a June 30 year end but the agreed-upon procedures report for the year ended June 30, 2012 was submitted after December 1, 2012. This is a repeat finding from 2010 and 2011.

Cause

The Cuba Soil and Water Conservation District was unable to provide accounting records and supporting documentation to the contracted IPA to meet the deadline due to construction completion and recent physical move to a new administrative building.

Effect

The Cuba Soil and Water Conservation District has not complied with Office of the State Auditor, Rule 2012, Section 2.2.2.16.H.

Recommendation

We recommend that the Cuba Soil and Water Conservation District submit all future agreed-upon procedures reports by the required deadline.

Entity Response

“The anticipated move to the new District building was delayed about 2 months. During that time, files needed for the audit were in boxes and not readily available to deliver to the IPA. The District should be able to complete AUP reports in a timely manner in the future.”

**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT**

**Schedule of Findings and Responses
Year Ended June 30, 2012**

2010-3

Capital Assets

Criteria

Section 12-6-10 (A) NMSA, 1978 states, in part, that the governing authority shall, at the end of each fiscal year, conduct a physical inventory of moveable chattels and equipment costing more than five thousand dollars (\$5,000). The inventory shall list the chattels and equipment and the date and cost of acquisition. No agency shall be required to list any item costing five thousand dollars (\$5,000) or less. Upon completion, the inventory shall be certified by the governing authority as to correctness.

Condition

The Cuba Soil and Water Conservation District conducted an annual inventory. The CSWCD's only capital assets are a truck and construction-in-progress on a new headquarters building. However, the CSWCD has recorded prior and current-year payments (principal and interest) made on the vehicle loan as the vehicle book value, not simply the total vehicle cost without interest. Prior and current-year payments made on the building loan, architectural fees and some construction costs are recorded as the Building book value, not only architectural fees, construction costs and applicable capitalized interest. This is a repeat finding from 2010 and 2011.

Cause

The Cuba Soil and Water Conservation District was not aware of the valuation requirements of Section 12-6-10.

Effect

The Cuba Soil and Water Conservation District has not complied with Section 12-6-10 NMSA 1978.

Recommendation

We recommend that the Cuba Soil and Water Conservation District record the acquisition cost of capital assets to comply with Section 12-6-10 NMSA 1978. We further recommend that the Cuba Soil and Water Conservation District balance sheet amounts be adjusted to reflect the total acquisition costs.

Entity Response

"The District Clerk was not able to correct the records due to a lack of understanding of accounting procedures. She will seek training and assistance in the correct method of recording the capital assets and correcting the balance sheet."

**STATE OF NEW MEXICO
CUBA SOIL AND WATER CONSERVATION DISTRICT**

**Exit Conference
Year Ended June 30, 2012**

EXIT CONFERENCE

The report contents were discussed at an exit conference held on December 14, 2012 with the following in attendance:

Cuba Soil and Water Conservation District

James Montoya, Board Chairman
Peggy Ohler, District Clerk

Accounting Firm

James R. (Jim) Macias, CPA