



MACIAS, GUTIERREZ & CO., P.C.  
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**STATE OF NEW MEXICO**

**CUBA SOIL AND WATER  
CONSERVATION DISTRICT**

Independent Accountants' Report on Applying  
Agreed-Upon Procedures (Tier 4)

Year Ended June 30, 2015

**STATE OF NEW MEXICO**

**CUBA SOIL AND WATER  
CONSERVATION DISTRICT**

**Independent Accountants' Report on Applying  
Agreed-Upon Procedures (Tier 4)**

**Year Ended June 30, 2015**

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

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June 30, 2015**

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

**Official Roster  
at June 30, 2015**

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



Macias, Gutierrez  
& Co., P.C.

*Certified Public Accountants  
Member AICPA, NMSCPA*

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## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES (TIER 4)**

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To: James Montoya, Chairman  
Cuba Soil and Water Conservation District #8013  
and  
Honorable Timothy M. Keller  
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, 2015 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, in three different financial institutions, the CSWCD had one General checking account, a savings account (Scholarship Fund) and a certificate of deposit (CD). All reconciliations are performed within weeks of receiving the bank statements and all were complete and on-hand for the entire year.
- b) Random tests of bank reconciliations revealed no exceptions. The reconciliations were accurate and agreed with supporting documentation. We traced the June 30, 2015 cash and investment book balances to the general ledger, supporting documentation and the year-end quarterly financial report submitted to DFA-LGD, without exception.
- c) Bank balances never exceeded uninsured limits and therefore, pledged collateral was not required on any uninsured deposits.

## **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 which consists of a truck and the new headquarters building. However, at June 30, 2015, the recorded asset values continue to be incorrect. The CSWCD previously recorded all payments made on the truck loan as the book value, not the actual cost, \$22,588. The loan was paid-off during FY 2012 and the asset still reflects the total amount of payments made (\$24,360). The difference, \$1,772, is interest on the loan which should not be included in book value.

Also, at June 30, 2105, similar to previous years, prior loan payments made on the building loan are still included in the Building book value. The final asset value for the building should include only construction costs and capitalized interest paid on the loan only during construction. The building was occupied and placed in-service on October 25, 2012.

See Finding 2010-003 on p. 13 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**

- a) An analytical review of prior-year to current-year revenue revealed no unexplained or unusual variations. The test of actual revenue compared to budgeted revenue for the year for each type of revenue revealed no exceptions.
- b) We requested supporting documentation for fourteen (14) deposits (78% of total revenue) from a total of 27 deposits for the year. For the sample selected, amounts recorded in Quickbooks agreed with supporting documentation and the bank statements without exception.
- 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) We requested supporting documentation for thirty-five (35) disbursements (23% of total expenses) out of a total of 296 disbursements for the year. For the sample selected, 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 copy, 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 were no subsequent budget adjustments.
- 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.

**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 or noncompliance. However, see the accompanying Schedule of Findings and Responses for 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 the NM Legislature 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 3, 2015

**STATE OF NEW MEXICO  
CUBA SOIL AND WATER CONSERVATION DISTRICT  
Schedule of Revenues and Expenditures-Budget and Actual (Cash Basis)  
Year Ended June 30, 2015**

<b>GENERAL FUND</b>	<b>Budgeted Amounts</b>		<b>Actuals</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and transfers-in:</b>				
Sandoval County Mill Levy	\$ 135,000	\$ 135,000	\$ 145,367	\$ 10,367
Rio Arriba County Mill Levy	70,000	70,000	64,124	(5,876)
Interest	50	50	24	(26)
County	2,000	2,000	-	(2,000)
Other	2,500	2,500	8,994	6,494
NRCS Rent & Utilities	18,000	18,000	-	(18,000)
NMACD Capacity Building	-	-	1,975	1,975
NMDA	13,000	13,000	14,004	1,004
NMFA Building Loan Proceeds	80,000	80,000	-	(80,000)
Transfer-in from Grant fund	1,000	1,000	-	(1,000)
<b>Total revenues and transfers-in</b>	<b>321,550</b>	<b>321,550</b>	<b>234,488</b>	<b>(87,062)</b>
Cash balance budgeted	167,816	167,816	167,816	-
<b>Total revenues and cash     balance budgeted</b>	<b>\$ 489,366</b>	<b>\$ 489,366</b>	<b>\$ 402,304</b>	<b>(87,062)</b>
<b>Expenditures and transfers-out:</b>				
<b>CAPITAL OUTLAY</b>				
Debt Service - Building #2	\$ 11,856	\$ 11,856	\$ 10,852	1,004
Debt Service - Building	65,420	65,420	59,969	5,451
<b>Totals</b>	<b>77,276</b>	<b>77,276</b>	<b>70,821</b>	<b>6,455</b>
<b>PERSONNEL SERVICE</b>				
Salaries (f-t)	90,454	90,454	65,332	25,122
Salaries (p-t)	7,980	7,980	15,809	(7,829)
Medicare	1,428	1,428	838	590
P.E.R.A.	4,585	4,585	4,835	(250)
Workmen's Comp.	3,000	3,000	60	2,940
Unemployment Insurance	414	414	192	222
Health Insurance	8,000	8,000	8,388	(388)
FICA	2,042	2,042	825	1,217
<b>Totals</b>	<b>117,903</b>	<b>117,903</b>	<b>96,279</b>	<b>21,624</b>
<b>ADMINISTRATIVE</b>				
Mileage and Per Diem	8,000	8,000	3,058	4,942
Bonding	300	300	-	300
Election	500	500	149	351
Professional Services	20,000	20,000	6,190	13,810
Dues	2,500	2,500	2,510	(10)
Education & Training	800	800	1,020	(220)
Gross Receipts Taxes	125	125	28	97
<b>Totals</b>	<b>32,225</b>	<b>32,225</b>	<b>12,955</b>	<b>19,270</b>

**STATE OF NEW MEXICO**  
**CUBA SOIL AND WATER CONSERVATION DISTRICT**  
**Schedule of Revenues and Expenditures-Budget and Actual (Cash Basis)**  
**Year Ended June 30, 2015**

**GENERAL FUND**

	Budgeted Amounts		Actuals	Variance
	Original	Final		Favorable (Unfavorable)
<b>OPERATIONAL</b>				
Office Supplies	\$ 3,000	\$ 3,000	\$ 1,412	\$ 1,588
Advertising/Legal Notices	200	200	-	200
Rental Fees	-	-	1,795	(1,795)
Subscriptions	-	-	-	-
Equipment Maintenance & Repair	200	200	646	(446)
Postage	450	450	396	54
Utilities	10,700	10,700	8,617	2,083
Building Operation & Maintenance	5,000	5,000	2,028	2,972
Vehicle Operation & Maintenance	4,000	4,000	534	3,466
Totals	<u>23,550</u>	<u>23,550</u>	<u>15,428</u>	<u>8,122</u>

**CONSERVATION EDUCATION**

Outdoor Classroom	3,000	3,000	-	3,000
Soil Stewardship	350	350	-	350
District Publications	250	250	-	250
School Activities	500	500	600	(100)
Community Awareness	2,400	2,400	2,476	(76)
Awards/Presentations	600	600	-	600
Totals	<u>7,100</u>	<u>7,100</u>	<u>3,076</u>	<u>4,024</u>

**CONSERVATION PROJECTS**

Forest Health	5,000	5,000	-	5,000
Range Improvements	16,500	16,500	16,576	(76)
Community Ditches	16,500	16,500	8,000	8,500
Cropland Improvements	16,500	16,500	1,646	14,854
Rodent/Insect Control	6,000	6,000	6,952	(952)
Erosion Control	5,500	5,500	-	5,500
Weed Control	3,500	3,500	48	3,452
Totals	<u>69,500</u>	<u>69,500</u>	<u>33,222</u>	<u>36,278</u>

Headquarters Building Project	80,000	80,000	-	80,000
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Transfers to Forestry Camp Fund	-	-	-	-
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Total expenditures and transfers-out	<u>\$ 407,554</u>	<u>\$ 407,554</u>	<u>\$ 231,781</u>	<u>\$ 175,773</u>
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Excess (deficiency) of revenues and transfers-in over expenditures and transfers-out			<u>\$ 170,523</u>	<u>\$ 88,711</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, 2015**

<b>FORESTRY CAMP FUND</b>	Budgeted Amounts		Actuals	Variance
	Original	Final		Favorable (Unfavorable)
<b>Revenues and transfers-in:</b>				
Registrations	\$ 2,500	\$ 2,500	\$ -	\$ (2,500)
Donations/Tuition	3,500	3,500	-	(3,500)
Sales	150	150	-	(150)
Transfer-in from General fund	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and transfers-in	6,150	6,150	-	(6,150)
Cash balance budgeted	7,491	7,491	7,491	-
Total revenues and cash balance budgeted	<u>\$ 13,641</u>	<u>\$ 13,641</u>	<u>7,491</u>	<u>(6,150)</u>
<b>Expenditures:</b>				
Printing/Promotion	\$ 700	\$ 700	\$ 215	485
Postage	-	-	-	-
Telephone	-	-	-	-
Supplies	1,100	1,100	-	1,100
Camp Fees	7,000	7,000	-	7,000
Personnel/Program	1,200	1,200	-	1,200
Transportation	900	900	-	900
Insurance	550	550	-	550
Food	500	500	-	500
Taxes	10	10	-	10
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	<u>\$ 11,960</u>	<u>\$ 11,960</u>	<u>215</u>	<u>11,745</u>
Excess revenues over expenditures			<u>\$ 7,276</u>	<u>\$ 5,595</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, 2015**

**SCHOLARSHIP FUND**

	Budgeted Amounts		Actuals	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues and transfers-in:</b>				
Sales	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Interest	20	20	-	(20)
Total revenues and transfers-in	10,020	10,020	-	(10,020)
Cash balance budgeted	1,247	1,247	1,247	-
Total revenues and cash balance budgeted	<u>\$ 11,267</u>	<u>\$ 11,267</u>	1,247	(10,020)
<b>Expenditures:</b>				
Service Charge	\$ -	\$ -	-	-
Scholarships	3,000	3,000	1,200	1,800
Total expenditures	<u>\$ 3,000</u>	<u>\$ 3,000</u>	1,200	1,800
Excess revenues over expenditures			<u>\$ 47</u>	<u>\$ (8,220)</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, 2015**

<b>GRANT FUND</b>	Budgeted Amounts		Actuals	Variance
	Original	Final		Favorable (Unfavorable)
<b>Revenues and transfers-in:</b>				
Weed Program	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Salt Cedar	-	-	-	-
Forest Health	-	-	-	-
Water Quality and Conservation	10,000	10,000	-	(10,000)
Grant Administration Fees	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and transfers-in	15,000	15,000	-	(15,000)
Cash balance budgeted	4,227	4,227	4,227	-
Total revenues and cash balance budgeted	<u>\$ 19,227</u>	<u>\$ 19,227</u>	<u>4,227</u>	<u>(15,000)</u>
<b>Expenditures and transfers-out:</b>				
Weed Program	\$ 5,000	\$ 5,000	\$ 61	4,939
Salt Cedar	-	-	-	-
Forest Health	-	-	-	-
Water Quality and Conservation	-	-	-	-
Outdoor Classroom	10,000	10,000	-	10,000
Transfer to General Fund	1,000	1,000	-	1,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>61</u>	<u>15,939</u>
Excess revenues over expenditures			<u>\$ 4,166</u>	<u>\$ 939</u>

CUBA SWCD CASH RECONCILIATION REPORT  
4TH QUARTER REPORT - FY 14-15

	<b>CHECKING</b>	<b>SCHLRSHP</b>	<b>CD'S</b>		<b>TOTAL</b>
<b>CASH BAL. JULY 1, 2014</b>	<b>\$174,533.85</b>	<b>\$1,247.14</b>	<b>\$5,000.00</b>		<b>\$180,780.99</b>
<b>GENERAL FUND REVENUES</b>	\$234,488.01	\$0.00	\$0.00		\$234,488.01
<b>FORESTRY CAMP FUND REVENUES</b>	\$0.00	\$0.00	\$0.00		\$0.00
<b>SCHOLARSHIP FUND REVENUES</b>	\$0.00	\$0.34	\$0.00		\$0.34
<b>GRANT FUND REVENUES</b>	\$0.00	\$0.00	\$0.00		\$0.00
<b>TRANSFERS - CHECKING/CD'S</b>	\$0.00	\$0.00	\$0.00		\$0.00
<b>TOTALS</b>	<b>\$409,021.86</b>	<b>\$1,247.48</b>	<b>\$5,000.00</b>		<b>\$415,269.34</b>
<b>GENERAL FUND EXPENDITURES</b>	\$231,781.43	\$0.00	\$0.00		\$231,781.43
<b>FORESTRY CAMP FUND EXPENDITURES</b>	\$215.40	\$0.00	\$0.00		\$215.40
<b>SCHOLARSHIP FUND EXPENDITURES</b>	\$0.00	\$1,200.00	\$0.00		\$1,200.00
<b>GRANT FUND EXPENDITURES</b>	\$61.22	\$0.00	\$0.00		\$61.22
<b>TOTALS</b>	<b>\$232,058.05</b>	<b>\$1,200.00</b>	<b>\$0.00</b>		<b>\$233,258.05</b>
<b>CASH BALANCE JUNE 30, 2015</b>	<b>\$176,963.81</b>	<b>\$47.48</b>	<b>\$5,000.00</b>		<b>\$182,011.29</b>

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Exhibit B

	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2015 BUDGET	Balance	% Used
<b>REVENUES</b>									
Sandoval County Mill Levy	\$95,933.54	\$4,918.82	\$0.00	\$44,514.79	\$49,433.61	\$145,367.15	\$135,000.00	(\$10,367.15)	107.68%
Rio Arriba County Mill Levy	\$40,859.13	\$2,289.88	\$3,648.64	\$17,326.34	\$23,264.86	\$64,123.99	\$70,000.00	\$5,876.01	91.61%
Interest	\$20.46	\$1.18	\$1.11	\$1.12	\$3.41	\$23.87	\$50.00	\$26.13	47.74%
County	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00	0.00%
Other	\$7,107.51	\$1,060.00	\$11.98	\$815.00	\$1,886.98	\$8,994.49	\$2,500.00	(\$6,494.49)	359.78%
NRCS Rent & Utilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$18,000.00	\$18,000.00	0.00%
NMACD Capacity Building	\$1,974.74	\$0.00	\$0.00	\$0.00	\$0.00	\$1,974.74	\$0.00	(\$1,974.74)	#DIV/0!
NMDA	\$13,303.58	\$700.19	\$0.00	\$0.00	\$700.19	\$14,003.77	\$13,000.00	(\$1,003.77)	107.72%
<b>TOTALS</b>	<b>\$159,198.96</b>	<b>\$8,970.07</b>	<b>\$3,661.73</b>	<b>\$62,657.25</b>	<b>\$75,289.05</b>	<b>\$234,488.01</b>	<b>\$240,550.00</b>	<b>\$6,061.99</b>	<b>97.48%</b>
<b>NMFA Building Loan Proceeds</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$80,000.00	\$0.00	0.00%
<b>TOTAL REVENUE</b>	<b>\$159,198.96</b>	<b>\$8,970.07</b>	<b>\$3,661.73</b>	<b>\$62,657.25</b>	<b>\$75,289.05</b>	<b>\$234,488.01</b>	<b>\$415,090.00</b>	<b>\$6,061.99</b>	<b>56.49%</b>
<b>FUND TRANSFERS - IN</b>									
Grant Fund - Personnel/Admin	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.00%
<b>TOTAL REV. &amp; TRANSFERS</b>	<b>\$159,198.96</b>	<b>\$8,970.07</b>	<b>\$3,661.73</b>	<b>\$62,657.25</b>	<b>\$75,289.05</b>	<b>\$234,488.01</b>	<b>\$439,949.00</b>	<b>\$7,061.99</b>	<b>53.30%</b>
<b>EXPENDITURES</b>									
Debt Service - Building #2	\$8,880.83	\$985.70	\$985.78	\$0.00	\$1,971.48	\$10,852.31	\$11,856.00	\$1,003.69	91.53%
Debt Service - Building	\$49,065.12	\$5,451.61	\$5,451.67	\$0.00	\$10,903.28	\$59,968.40	\$65,420.00	\$5,451.60	91.67%
	<b>\$57,945.95</b>	<b>\$6,437.31</b>	<b>\$6,437.45</b>	<b>\$0.00</b>	<b>\$12,874.76</b>	<b>\$70,820.71</b>	<b>\$77,276.00</b>	<b>\$6,455.29</b>	<b>91.65%</b>
<b>Personnel Services</b>									
Salaries (f-t)	\$48,119.27	\$5,616.21	\$6,944.66	\$4,652.38	\$17,213.25	\$65,332.52	\$90,454.00	\$25,121.48	72.23%
Salaries (p-t)	\$11,291.72	\$1,319.24	\$1,163.18	\$2,034.91	\$4,517.33	\$15,809.05	\$7,980.00	(\$7,829.05)	198.11%
Medicare	\$582.28	\$255.63	\$0.00	\$0.00	\$255.63	\$837.91	\$1,428.00	\$590.09	58.68%
P.E.R.A.	\$3,530.77	\$372.72	\$559.08	\$372.72	\$1,304.52	\$4,835.29	\$4,585.00	(\$250.29)	105.46%
Workmen's Comp.	\$41.40	\$18.40	\$0.00	\$0.00	\$18.40	\$59.80	\$3,000.00	\$2,940.20	1.99%
Unemp. Ins.	\$136.47	\$55.62	\$0.00	\$0.00	\$55.62	\$192.09	\$414.00	\$221.91	46.40%
Health Ins.	\$6,303.53	\$694.76	\$694.76	\$694.76	\$2,084.28	\$8,387.81	\$8,000.00	(\$387.81)	104.85%
FICA	\$599.04	\$225.68	\$0.00	\$0.00	\$225.68	\$824.72	\$2,042.00	\$1,217.28	40.39%
<b>TOTALS</b>	<b>\$70,604.48</b>	<b>\$8,558.26</b>	<b>\$9,361.68</b>	<b>\$7,754.77</b>	<b>\$25,674.71</b>	<b>\$96,279.19</b>	<b>\$117,903.00</b>	<b>\$21,623.81</b>	<b>81.66%</b>
<b>Administrative</b>									
Mlg./Per Diem	\$3,057.74	\$0.00	\$0.00	\$0.00	\$0.00	\$3,057.74	\$8,000.00	\$4,942.26	38.22%
Bonding	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$300.00	\$300.00	0.00%
Election	\$0.00	\$100.94	\$47.81	\$0.00	\$148.75	\$148.75	\$500.00	\$351.25	29.75%
Professional Services	\$6,021.71	\$56.93	\$58.15	\$53.37	\$168.45	\$6,190.16	\$20,000.00	\$13,809.84	30.95%
Dues	\$2,510.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,510.00	\$2,500.00	(\$10.00)	100.40%
Education & Training	\$1,020.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,020.00	\$800.00	(\$220.00)	127.50%
Gross Rcts. Tax	\$28.57	\$0.00	\$0.00	\$0.00	\$0.00	\$28.57	\$125.00	\$96.43	22.86%
<b>TOTALS</b>	<b>\$12,638.02</b>	<b>\$157.87</b>	<b>\$105.96</b>	<b>\$53.37</b>	<b>\$317.20</b>	<b>\$12,955.22</b>	<b>\$32,225.00</b>	<b>\$19,269.78</b>	<b>40.20%</b>
::									

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	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2015 BUDGET	Balance	% Used
<b>Operational</b>									
Office Supplies	\$829.21	\$227.46	\$296.92	\$58.69	\$583.07	\$1,412.28	\$3,000.00	\$1,587.72	47.08%
Adv./Legal Notices	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00	\$200.00	0.00%
Rental Fees	\$0.00	\$0.00	\$1,795.21	\$0.00	\$1,795.21	\$1,795.21	\$0.00	(\$1,795.21)	#DIV/0!
Subscriptions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Equip. Maint. & Rep.	\$376.03	\$270.00	\$0.00	\$0.00	\$270.00	\$646.03	\$200.00	(\$446.03)	323.02%
Postage	\$395.78	\$0.00	\$0.00	\$0.00	\$0.00	\$395.78	\$450.00	\$54.22	87.95%
Utilities	\$7,754.15	\$632.59	\$0.00	\$230.28	\$862.87	\$8,617.02	\$10,700.00	\$2,082.98	80.53%
Building Operation & Maintenance	\$2,028.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,028.00	\$5,000.00	\$2,972.00	40.56%
Vehicle Operation & Maintenance	\$390.51	\$59.28	\$0.00	\$84.19	\$143.47	\$533.98	\$4,000.00	\$3,466.02	13.35%
<b>TOTALS</b>	<b>\$11,773.68</b>	<b>\$1,189.33</b>	<b>\$2,092.13</b>	<b>\$373.16</b>	<b>\$3,654.62</b>	<b>\$15,428.30</b>	<b>\$23,550.00</b>	<b>\$4,655.68</b>	<b>65.51%</b>
<b>Conservation Education</b>									
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	\$350.00	\$350.00	0.00%
District Publications	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00	\$250.00	0.00%
School Activities	\$0.00	\$0.00	\$0.00	\$600.00	\$600.00	\$600.00	\$500.00	(\$100.00)	120.00%
Community Awareness	\$1,046.00	\$200.00	\$0.00	\$1,230.00	\$1,430.00	\$2,476.00	\$2,400.00	(\$76.00)	103.17%
Awards/Presentations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$600.00	\$600.00	0.00%
<b>TOTALS</b>	<b>\$1,046.00</b>	<b>\$200.00</b>	<b>\$0.00</b>	<b>\$1,830.00</b>	<b>\$2,030.00</b>	<b>\$3,076.00</b>	<b>\$7,100.00</b>	<b>\$4,024.00</b>	<b>43.32%</b>
<b>Conservation Projects</b>									
Forest Health	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	0.00%
Range Improvements	\$16,575.77	\$0.00	\$0.00	\$0.00	\$0.00	\$16,575.77	\$16,500.00	(\$75.77)	100.46%
Community Ditches	\$8,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,000.00	\$16,500.00	\$8,500.00	48.48%
Cropland Improvements	\$1,645.71	\$0.00	\$0.00	\$0.00	\$0.00	\$1,645.71	\$16,500.00	\$14,854.29	9.97%
Rodent/Insect Control	\$6,952.11	\$0.00	\$0.00	\$0.00	\$0.00	\$6,952.11	\$6,000.00	(\$952.11)	115.87%
Erosion Control	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,500.00	\$5,500.00	0.00%
Weed Control	\$48.42	\$0.00	\$0.00	\$0.00	\$0.00	\$48.42	\$3,500.00	\$3,451.58	1.38%
<b>TOTALS</b>	<b>\$33,222.01</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$33,222.01</b>	<b>\$69,500.00</b>	<b>\$36,277.99</b>	<b>47.80%</b>
<b>Headquarters Building Project</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$80,000.00	\$80,000.00	0.00%
<b>TOTAL EXPEND.</b>	<b>\$230,580.51</b>	<b>\$16,542.77</b>	<b>\$17,997.22</b>	<b>\$10,011.30</b>	<b>\$44,551.29</b>	<b>\$231,781.43</b>	<b>\$407,554.00</b>	<b>\$172,306.55</b>	<b>56.87%</b>
<b>FUND TRANSFERS</b>									
Forestry Camp Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Special Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
<b>TOTAL TRANSFERS</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>#DIV/0!</b>
<b>TOTAL EXP. /TRANS.</b>	<b>\$230,580.51</b>	<b>\$16,542.77</b>	<b>\$17,997.22</b>	<b>\$10,011.30</b>	<b>\$44,551.29</b>	<b>\$231,781.43</b>	<b>\$407,554.00</b>	<b>\$172,306.55</b>	<b>56.87%</b>

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CUBA SWCD FORESTRY CAMP FUND - 4TH QUARTER REPORT - FY 14-15

	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2015 BUDGET	Balance	% Used
<b>REVENUES</b>									
Registrations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00	\$2,500.00	0.00%
Donations/Tuition	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,500.00	\$3,500.00	0.00%
Sales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$150.00	\$150.00	0.00%
<b>TOTALS</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,150.00</b>	<b>\$6,150.00</b>	<b>0.00%</b>
<b>FUND TRANSFERS</b>									
General Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
<b>TOTAL REV. &amp; TRANS.</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,150.00</b>	<b>\$6,150.00</b>	<b>0.00%</b>
<b>EXPENDITURES</b>									
Printing/Promotion	\$215.40	\$0.00	\$0.00	\$0.00	\$0.00	\$215.40	\$700.00	\$484.60	30.77%
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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,100.00	\$1,100.00	0.00%
Camp Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,000.00	\$7,000.00	0.00%
Personnel/Program	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,200.00	\$1,200.00	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	\$550.00	\$550.00	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%
<b>TOTALS</b>	<b>\$215.40</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$215.40</b>	<b>\$11,960.00</b>	<b>\$11,744.60</b>	<b>1.80%</b>

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CUBA SWCD SCHOLARSHIP FUND - 4TH QUARTER REPORT - FY 14-15

	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2015 Budget	Balance	% Used
<b>REVENUES</b>									
Sales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	0.00%
Interest	\$0.33	\$0.00	\$0.00	\$0.01	\$0.01	\$0.34	\$20.00	\$19.66	1.70%
<b>TOTALS</b>	<b>\$0.33</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.01</b>	<b>\$0.01</b>	<b>\$0.34</b>	<b>\$10,020.00</b>	<b>\$10,019.66</b>	<b>0.00%</b>
<b>EXPENDITURES</b>									
Service charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
Scholarships	\$1,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,200.00	\$3,000.00	\$1,800.00	40.00%
<b>TOTALS</b>	<b>\$1,200.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,200.00</b>	<b>\$3,000.00</b>	<b>\$1,800.00</b>	<b>40.00%</b>

	Last Qtr. Tot.	April	May	June	Qtr. Total	Y-T-D	2015 BUDGET	Balance	% Used
<b>REVENUES</b>									
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	\$0.00	\$0.00	#DIV/0!
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	\$10,000.00	\$10,000.00	0.00%
Grant Admin. Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
<b>TOTALS</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$15,000.00</b>	<b>\$15,000.00</b>	<b>0.00%</b>
<b>EXPENDITURES</b>									
<b>Special Projects</b>									
Weed Program	\$0.00	\$0.00	\$61.22	\$0.00	\$61.22	\$61.22	\$5,000.00	\$4,938.78	1.22%
Salt Cedar	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	#DIV/0!
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	\$0.00	\$0.00	#DIV/0!
Outdoor Classroom	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$61.22</b>	<b>\$0.00</b>	<b>\$61.22</b>	<b>\$61.22</b>	<b>\$15,000.00</b>	<b>\$14,938.78</b>	<b>0.41%</b>
<b>FUND TRANSFERS</b>									
General Fund - Labor/Admin.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.00%
<b>TOTAL EXP. /TRANS.</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$61.22</b>	<b>\$0.00</b>	<b>\$61.22</b>	<b>\$61.22</b>	<b>\$16,500.00</b>	<b>\$16,438.78</b>	<b>0.37%</b>

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

**Schedule of Findings and Responses  
Year Ended June 30, 2015**

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	<u>Type of Finding *</u>	<u>Prior Year Finding Number</u>	<u>Current Year Finding Number</u>
<b>Current Year Findings:</b>			
Capital Assets	C	2010-3	2010-003
<b>Follow-up on Prior Year Findings:</b>			
Capital Assets	C	2010-3	2010-003
Late Report	D	2014-001	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, 2015**

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**2010-003**

**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 (CSWCD) capital asset listing consists of a truck and the new headquarters building. However, at June 30, 2015, the balance sheet asset values are still incorrect. The CSWCD recorded all payments made on the truck loan as the book value, not the actual cost, \$22,588. The loan was paid-off during FY 2012 and the asset reflects the total amount of payments made (\$24,360). The difference, \$1,772, is interest on the loan which should not be included in book value. Also, similar to prior years, prior loan payments (12) made on the building loan are included in the Building book value at June 30, 2015. The final asset value for the building should include only construction costs and capitalized interest paid on the loan only during construction. The building was occupied and placed in-service on October 25, 2012. Management did not make any progress towards implementing the prior-year corrective action plan.

**Cause**

The CSWCD did not adjust their records at June 30, 2015 to comply with the valuation requirements of Section 12-6-10 NMSA 1978.

**Effect**

The CSWCD has not complied with Section 12-6-10 NMSA 1978 and prior-year recommendations.

**Recommendation**

We again recommend that the CSWCD capital asset listing comply with Section 12-6-10 NMSA 1978. We further recommend that the CSWCD balance sheet amounts be adjusted to reflect actual total acquisition costs.

**Entity Response**

“The Cuba Soil and Water Conservation District Manager will pursue methods to correct our capital asset listing to comply with Section 12-6-10 NMSA 1978 as well as to seek guidance to accurately adjust the Cuba Soil and Water Conservation District’s balance sheet account balances by the end of the next fiscal year.”

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

**Exit Conference  
Year Ended June 30, 2015**

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**EXIT CONFERENCE**

The report contents were discussed at an exit conference held on December 14, 2015 with the following in attendance:

Cuba Soil and Water Conservation District

James Montoya, Board Chairman  
Brian Velarde, District Clerk

Accounting Firm

James R. (Jim) Macias, CPA