

# Preliminary Engineering Report Interstate Frontage Road Wastewater Improvements Project for Sandoval County, New Mexico

March 2015



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Preliminary Engineering Report  
Interstate Frontage Road Wastewater System Improvements  
Project  
for  
Sandoval County, New Mexico

March 2015

**Submitted to:**

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Public Works  
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This Preliminary Engineering Report (PER) was prepared by Souder, Miller & Associates under RUS Bulletin 1780-2 (4/4/13) "Preliminary Engineering Reports for the Water and Waste Disposal Program."

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## GENERAL INTRODUCTION

This Preliminary Engineering Report (PER) was prepared by Souder, Miller & Associates (SMA) in accordance with the United States Department of Agriculture, Rural Utilities Service Bulletin 1780-2 dated April 4, 2013. The report describes the condition of current wastewater facilities, evaluates alternatives and recommends improvements to provide a safe, reliable wastewater system for the project planning area.

### 1. PROJECT PLANNING

The following paragraphs describe the project location, environmental resources, population trends and community engagement.

#### A. Location

The Project Planning Area is comprised of an unincorporated area of Sandoval County, New Mexico and a portion of the Town of Bernalillo (See Figures 1 & 2) along the east side of I-25. The project planning area encompasses an area of approximately 400 acres and extends approximately 2 miles north and 1.5 miles south of the I-25/U.S. Highway 550 (US-550) interchange. This area is referred to as the “I-25 Frontage/Bernalillo Interface District”.

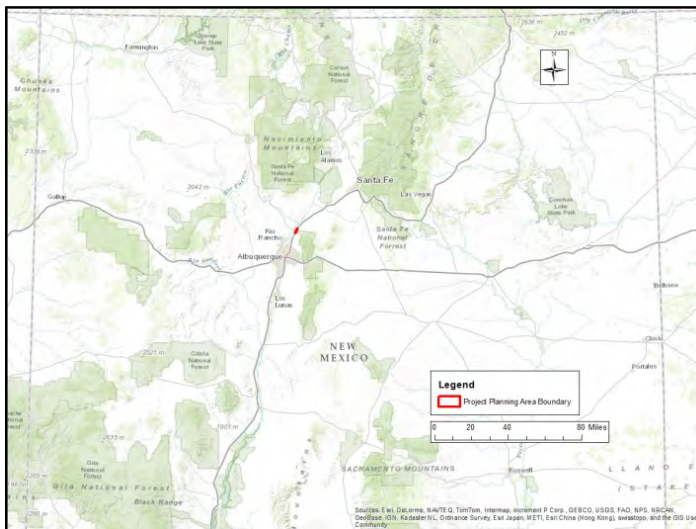


Figure 1: Area Map

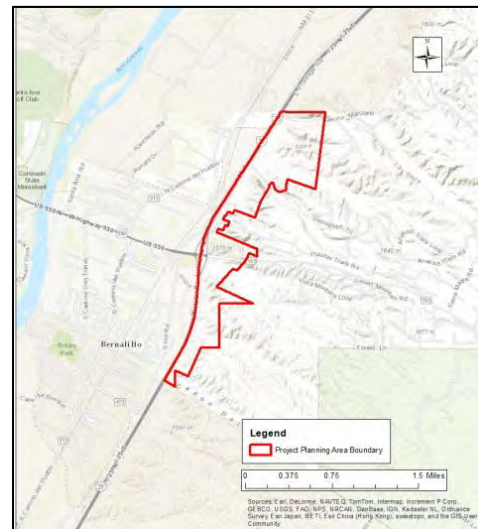


Figure 2: Location Map

The project planning area is bounded on the north by lands of the Santa Ana Pueblo and Sandia Pueblo is located to the south. The community of Placitas is along the east boundary of the project planning area with the Town of Bernalillo on the west.

The topographical setting of the planning area is characterized by elevations that range from approximately 5,120 feet to 5,270 feet above mean sea level (See Exhibit 1) and generally slope to the west towards I-25.

## **B. Environmental Resources Present**

The following paragraphs describe the environmental resources present in the project planning area and provide information on the location and significance of important land resources that will be considered in project planning. At this time, no environmental review per the National Environmental Policy Act (NEPA) has been prepared for the project planning area.

### **i. Soils**

The United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) Custom Soil Resource Report (NRCS, 2014) was generated to show soil mapping and specific classification such as farmland, dominant ecological site descriptions within the project planning area (See Appendix A).

As indicated on the “Soil Map” (Page 8 in Appendix A), the Ildefonso-Harvey association (gravelly sandy loam) is the predominant soil type (61.8%) and is found on mesas, bajadas and plateaus in the project planning area. The remaining area is comprised of Zia sandy loam (16.6%), Grieta-Sheppard loamy fine sands (15.1%), San Mateo loam (5.7%), Stumble association (0.4%) and Gilco loam (0.3%). For the primary soil types, the water table is more than 80 inches deep.

### **ii. Farmland**

The Custom Soil Resource Report identifies soils as prime farmland, farmland of statewide importance, farmland of local importance, or unique farmland (Page 22 in Appendix A). According to the NRCS, soils listed as not prime farmland make up almost 100 percent of the service area. Approximately 61 percent, of the approximately 400 total acres of land within the project planning area are soils that are considered to be prime farmland if irrigated.

### **iii. Rangeland**

The Custom Soil Resource Report identifies soils that are rangeland ecological sites with characteristic soils infiltration, runoff and plant community that have developed over time (Page 27 in Appendix A). The majority of ecological sites are Breaks, Limy, Sandy, Loamy, and Deep Sand. No restrictions with respect to rangeland soil disturbance are indicated.



**iv. Forestland**

According to the NRCS Custom Soil Resource Report, there are no forestland soils within the project planning area.

**v. Wetlands**

According to the U.S. Fish and Wildlife Service National Wetlands Inventory, there are no wetlands within the project planning area (USFWS, 2014).

**vi. Depth to Groundwater**

SMA reviewed data from the New Mexico Office of the State Engineer (NMOSE) Waters Database for nearby wells. Based on this review groundwater in the project planning area can be expected approximately 200 feet below ground surface.

- RG 91559 POD1 located north of US550/NM165 is a 215 feet deep well, with a depth to water of 43 feet, produces 30 gallons per minute (gpm).
- RG 61631 located near Petroglyphs Trails Rd is a 420 foot deep well with a depth to water of 255 feet. No Flow data provided.
- RG93524 located east of I25 along NM165 is a 430 foot deep well with a depth to water of 205 feet and produces 20 gpm.
- RG41686 (Placitas Trails Water Users Association) located east of I-25 and north of NM165 is a 464 foot deep well with a depth to water of 260 feet and produces 50 gpm.

**vii. Floodplains (100/500 Year)**

A flood is a general and temporary condition where two or more acres of normally dry land or two or more properties are inundated by water or mudflow. The Federal Emergency Management Agency (FEMA) issues maps that indicate the flood plain zones on Floodplain Insurance Rate Maps (FIRM). The FIRM classifies these zones in terms of flood risk (low, moderate or high). The flood hazard zones within the Project Planning area include A, AE and X (See Exhibit 2). These FEMA Zones are described below:

Zone A is a high risk area known as Special Flood Hazard Areas (SFHAs). Zone A areas are subject to inundation by the one percent annual chance (100-year) flood event. Because detailed hydraulic analyses have not been performed, no Base Flood Elevations (BFEs) or flood depths are shown. Only one percent of the Project Planning area is considered to be in a 100 year floodplain (one percent annual chance flood plain).

Zone AE is defined as "Base Flood Elevations Determined". Floodway areas in Zone AE is the channel of a stream plus any adjacent flood plain areas that must be kept free of

encroachment, so that the one percent annual chance flood (100-year flood) can be carried without substantial increases in flood heights.

Zone X areas are determined to be outside the 0.2 percent annual chance flood plain. The majority of the project planning area is within the low risk Zone X.

Within the project planning areas there are some high risk areas. High risk flood zones (A and AE) are located within the floodplains of three ephemeral washes (arroyos), including the large Arroyo Aqua Sarca, that flow east to west under Interstate 25 and towards the Rio Grande.

#### **viii. Historic Sites**

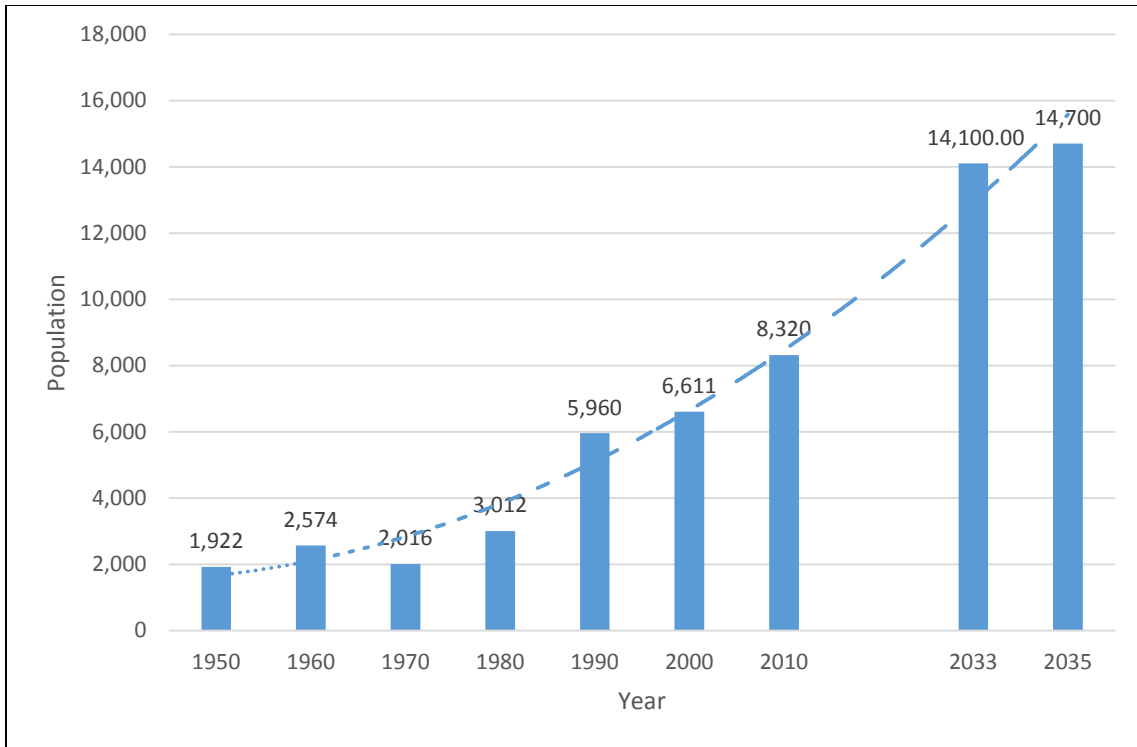
A Class I Literature Review (Townsend, 2014) was prepared for the Project Planning Area (See Appendix B). The review was conducted using the New Mexico Cultural Resource Information System (NMCRIS) data base, New Mexico Historic Preservation Division Archaeological Records Management Section (NMHPDARMS) maintained data base, New Mexico State Register of Cultural Properties and the National Register of Historic Places.

Based on the review of the National Register of Historic Places and the New Mexico State Register of Cultural Properties, it was concluded that there are no properties of historical significance within the Project Planning area.

The Sandia Pueblo and Santa Ana Pueblo will require permitting through the U.S. Department of Interior - Bureau of Indian Affairs, Southwest Region, and the Sandia Pueblo and Santa Ana Tribal Councils for any work adjacent to these borders.

### **C. Population Trends**

The total population of the Town of Bernalillo was 8,320 as of the April 2010 census (U.S. Census Bureau, 2014) and is projected to grow to 14,700 by 2035 (MRCOG, 2007). Growth from 2010 to 2035 occurs at an average growth rate of 2.26 percent per year (See Figure 3).



**Figure ' : Historical and Projected Population of Bernalillo**

At the end of the 20 year planning period (2035), the population of Bernalillo is expected to reach approximately 14,700 persons.

#### **D. Community Engagement**

Sandoval County is the lead government agency for this PER. All community engagement activities related to the proposed project will be held in, and staffed by, Sandoval County. The Town of Bernalillo is a key partner for this proposed project; however, the Town of Bernalillo is not responsible for the project or any decisions arising from this PER.

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## 2. EXISTING FACILITIES

There is currently no public wastewater infrastructure within the project planning area. The Town of Bernalillo, to the west of the project planning area, has a wastewater collection and treatment system.

The Town of Bernalillo has no specific plans to provide wastewater service to the project planning area. The seven businesses located on the northeast quarter of the I-25/US 550 interchange, and within the town limits, are served by private, onsite wastewater systems.

### A. Location Map

Figure 4 shows the existing Town of Bernalillo wastewater facilities located near the project planning area.

### B. History

The first building in the project planning area was constructed in early 1990's. The private wastewater facilities are assumed to have been constructed at the time of the building.

### C. Condition of Existing Facilities

No wastewater system infrastructure currently exists within the project planning area. Commercial businesses within the project planning area discharge wastewater to onsite septic systems. Six systems are located in the project planning area. One system is approximately 25 years old and the other five are less than ten years old<sup>1</sup>. The disposal systems are located adjacent to the buildings that they serve. The actual condition of the existing on-site septic systems is not known.

The Town of Bernalillo water system serves approximately 9,200 water customers. For the purposes of this report, it is assumed that all of these customers also utilize the Bernalillo wastewater system. Although there are some areas that are connected to the water system that have not yet been connected to the wastewater system, it is assumed that sometime within the project planning period these areas will connect to the wastewater system, in order to project costs and revenue.

The Town of Bernalillo system consists of wastewater collection lines, lift stations, and an advanced wastewater treatment plant that discharges treated effluent into the Rio Grande. The wastewater treatment plant (WWTP) is a 1.2 million gallons per day (mgd) extended

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<sup>1</sup> The estimates of the building, and wastewater systems, age is based on viewing historical aerial photographs of the area to determine the approximate dates of construction.

aeration, activated sludge process that operates under New Mexico Environment Department (NMED) Discharge Permit NM 0023485. The plant is currently permitted to discharge a maximum flow of 800,000 gpd and currently treats 600,000 gallons per day (gpd). Improvements to the treatment plant and effluent disposal system were completed in 2009. The Town of Bernalillo WWTP has sufficient excess capacity to treat the projected wastewater flows from the project planning area, even when accounting for population growth within the existing sewer service area.

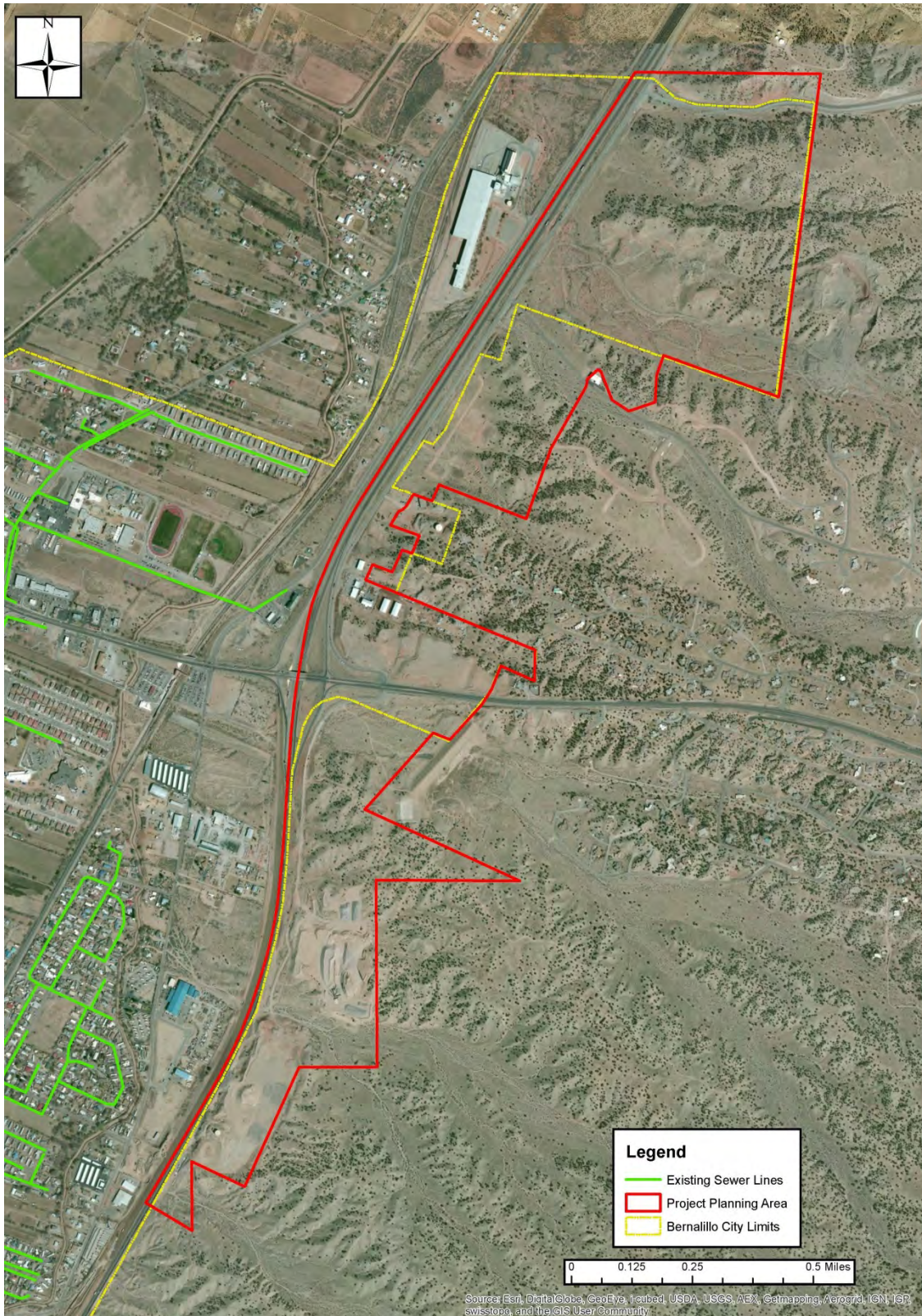


Figure ( : Existing Wastewater Facilities

## D. Financial Status of any Existing Facilities

No public entity is currently responsible for wastewater service within the project planning area. For alternatives that consider connection to the Town of Bernalillo wastewater system, the most recent financial information for the Town is presented (See Appendix C).

### i. Rate Schedule

Sewage rates are provided in the Town of Bernalillo's Ordinance 210 (See Table 1). Residential and commercial connections outside of the town limits are imposed a 25 percent surcharge which would apply to some parcels within the project planning area.

**Table 1: Town of Bernalillo Monthly Sewage Rates**

Residential Water Use		Commercial Water Use	
Base Rate (Up to 4,000 gallons)	Cost per additional 1,000 Gallons	Base Rate (Up to 4,000 gallons)	Cost per additional 1,000 Gallons
\$21.93	\$3.38	\$36.25	\$3.38

### ii. Financial Income and Expenses

The most recent financial information, including annual costs, status of existing debt, and reserve accounts for Bernalillo is provided in Appendix C.

## E. Water/Energy/Waste Audits

At the time of this report, the Town of Bernalillo did not have a water, energy or waste audit.



### **3. NEED FOR PROJECT**

The project planning area does not currently have a centralized wastewater collection and treatment system. Future development of this area will be greatly restricted without the implementation of a centralized wastewater collection and treatment system.

#### **A. Health, Sanitation, and Security**

A small number of on-site septic disposal systems are currently in operation within the project planning area. As the residential and commercial development increases, the density of septic systems will increase. Septic tanks and leachfields can pollute groundwater and surface water. Nitrate contamination of groundwater from septic systems is a particular human health risk. Installation of a centralized wastewater collection and treatment system for the project planning area would eliminate the use of on-site treatment and disposal systems and significantly reduce the risk to public health.

#### **B. Aging Infrastructure**

There is currently no existing public wastewater infrastructure within the project planning area.

#### **C. Reasonable Growth**

Growth projections for this planning area assume that it will be fully developed by the end of the 20-year planning period. Currently, the planning area is undeveloped with the exception of seven commercial businesses. With the exception of the Petroglyphs Trails Subdivision and the Santa Rosa development proposal, no development plans for lots within the project planning area were available for review.

#### **D. Wastewater Design Flow**

For planning purposes the wastewater design flow was estimated to be a percentage of the calculated future water demand<sup>2</sup> for the project planning area. Planning estimates of wastewater design flows are assumed to be equal to 90% of the water demand for the area. The percentage estimate was selected from a range of standard values<sup>3</sup> to be conservative (high) based on the uncertainty of the composition of the final development within the project planning area, and anticipated water conservation efforts which will result in limited water losses to outdoor use.

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<sup>2</sup> Souder, Miller and Associates. *Preliminary Engineering Report: Interstate Frontage Road Water Improvements Project*, (February 2015).

<sup>3</sup> Metcalf & Eddy. *Wastewater Engineering: Treatment and Reuse, Fourth Edition*. (New York: McGraw Hill, 2004).

The total estimated average day wastewater flow from the project planning area is 236,000 gallons per day (gpd).

## 4. ALTERNATIVES CONSIDERED

The alternatives development considered new centralized facilities, connecting to the current facilities (Town of Bernalillo's utility), developing centrally managed decentralized systems, including small cluster or individual systems such as local wastewater treatment systems. The following feasible alternatives are considered in this PER;

- Alternative 1: No Action.
- Alternative 2: Connect to the Town of Bernalillo wastewater utility.
- Alternative 3: Create a new centralized wastewater system.

### A. Alternative 1 – No Action

#### i. Description

This alternative consists of no action taken to construct a wastewater system. In this scenario, private developers will be responsible for installing onsite water and wastewater facilities.

#### iii. Design Criteria

This alternative does not include any construction and so there are no design criteria.

#### iv. Map

A map of the project planning area is included as Figure 1.

#### v. Environmental Impacts

Environmental impacts of this alternative include the risk of potential groundwater contamination from the on-site disposal systems.

#### vi. Land Requirements

There are no land requirements for this alternative.

#### vii. Potential Construction Problems

There are no construction problems associated with the no-action alternative.

#### viii. Sustainability Considerations

##### a. Water and Energy Efficiency

Not applicable

##### b. Green Infrastructure

Not Applicable

**c. Other**

Future economic development may be limited due to a lack of access to sewer facilities.

**ix. Cost Estimates**

There are no costs associated with this alternative. Private developers would be responsible for any costs associated with providing wastewater collection and treatment.

## **B. Alternative 2 - Connect to Existing Public Sewer System**

### **i. Description**

Alternative 2 consists of constructing a wastewater collection system that would connect to the Town of Bernalillo's existing sewer system. A combination of gravity and force main sewers would collect, and transfer, wastewater from the project planning area into the Town of Bernalillo system for treatment and disposal. The alternative assumes that all existing on-site systems would be required to connect to the new collection system.

The collection system for this alternative would need to be finalized during the design phase, but the planning level design consists of gravity sewers, pressure sewers, lift stations, manholes and all other appurtenances required to complete the system.

The collection system would connect to the Bernalillo sewer system via two horizontal boreholes drilled under I-25. The north crossing would connect to a manhole located near the Motel 6 on North Hill Road via a force main pipeline. The south crossing connects to a manhole located on Richardson Drive (approximately one mile south of US-550).

Key components of the new collection system include the following:

- 8,800 linear feet of 6-inch PVC force main sewer pipe
- 9,200 linear feet of 8-inch PVC sewer pipe
- 4 lift stations
- 25 manholes
- 700 linear feet of directional drilling and casing at two locations under I-25

### **ii. Design Criteria**

Standard engineering and construction practices will be used in the design of this alternative, as well as design criteria provided in NMED's Recommended Standards for Wastewater Facilities (NMED, 2003) and national standards. The design criteria shown in Table 2 were developed for the alternative.

**Table 2: Alternative 2 Design Criteria**

Parameter	Criteria
Average Daily Flow	236,000 gpd
Peak Flow (multiplier of 2.5)	590,000 gpd
Minimum Gravity Main Pipe Diameter	8-inches
Minimum Force main Pipe Diameter	4-inches
Minimum Slopes	8-inch Diameter: 0.40 percent 10-inch Diameter: 0.28 percent
Manhole Spacing	400 feet

**iii. Map**

A preliminary layout for Alternative 2 is shown on Figure 5.

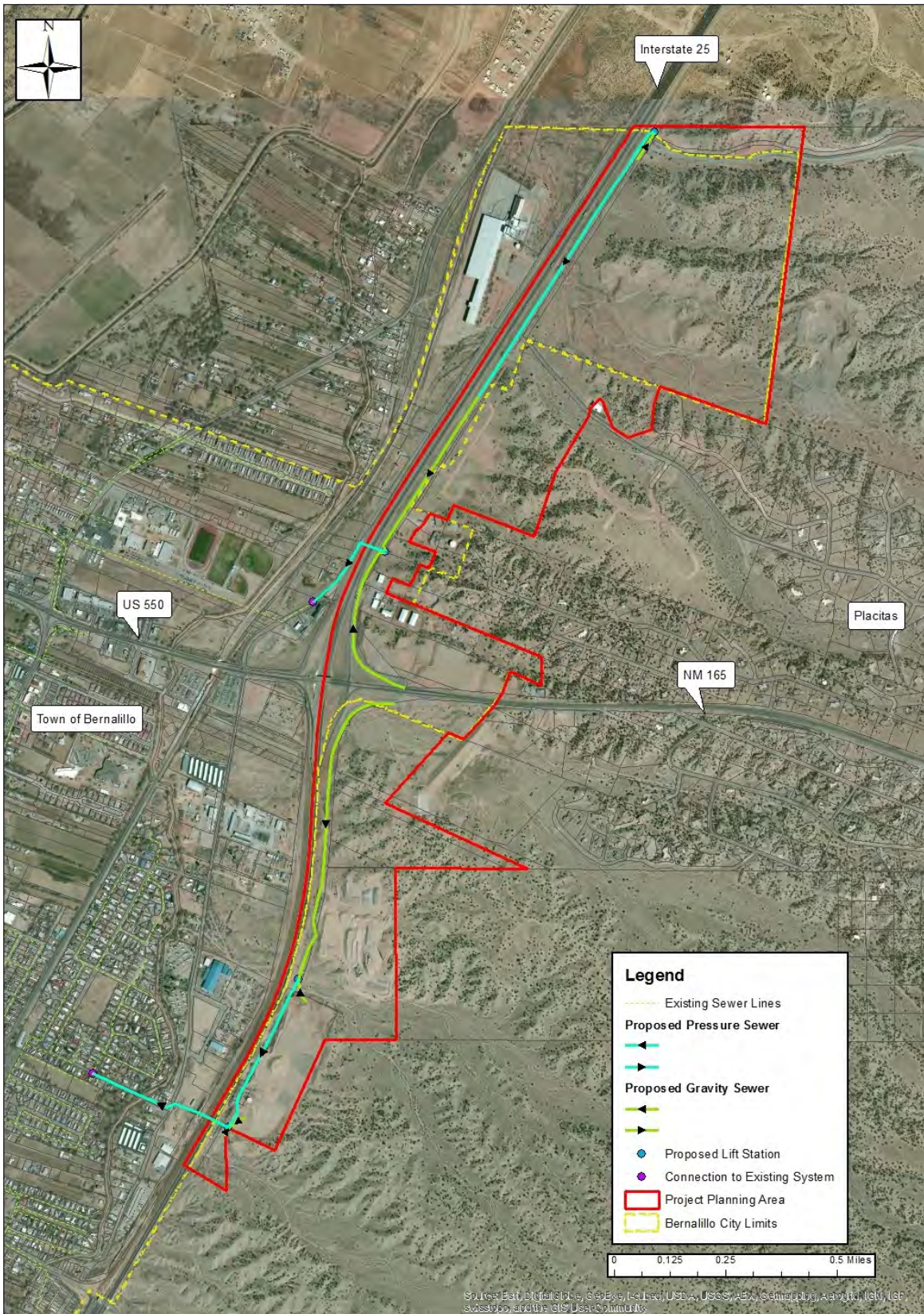


Figure ) : Conceptual Layout for Alternative 2

**iv. Environmental Impacts**

No adverse environmental impacts are expected for the installation of the new sewer system. Installation of most of the wastewater collection system would involve using public right-of-way (ROW) along roadways.

**v. Land Requirements**

No additional land acquisition is required. New facilities will be placed on existing public right of ways.

**vi. Potential Construction Problems**

Directional drilling is required in two places to cross under I-25. Existing utilities and unforeseen subsurface conditions (such as rock) could slow construction. Permitting within the I-25 and NM 165 corridors will be required from the New Mexico Department of Transportation-Environmental Section.

**vii. Sustainability Considerations**

**a. Water and Energy Efficiency**

Electrical energy will be needed to supply power to a lift pump station. The pump motor and controls will be designed to minimize power consumption.

**b. Green Infrastructure**

Not applicable

**c. Other**

Connection to the existing Town infrastructure has the added benefit of operational sustainability. The Town currently has trained and certified operation and maintenance staff that would include the proposed improvements under their supervision.

**viii. Cost Estimates**

The cost estimate for this Alternative are considered conceptual, planning level estimates. Allowances have been added to adjust raw costs for the uncertainty associated with the conceptual design level presented in this PER.

The summary of costs is presented in Table 3. A complete cost breakdown for this Alternative is provided in Appendix D.



**Table 3: Alternative 2 (Connect to Public Wastewater System) Summary of Costs**

Item	Amount
<b>Capital Costs:</b>	
Planning & Design (10% of construction)	\$ 326,000.00
Easements and Right of Way	\$ 10,000.00
Environmental, Archeological and Hydrology Services	\$ 10,000.00
Construction (including NMGRT)	\$ 3,260,000.00
Legal Fees	\$ <u>5,000.00</u>
<b>Total Capital</b>	<b>\$ 3,611,000.00</b>
<b>Annual Costs</b>	<b>\$ 264,000.00</b>

Bernalillo did not provide a detailed breakout of annual wastewater operating costs for this PER; however, the Town of Bernalillo's Department Head Report was used as an estimate of the current wastewater utility expenses. The total budget for wastewater department expenses was \$778,346 as of January 31, 2014. Based on 9,200 connections, the annual average unit expense cost is \$84.60 per connection.

As discussed previously, commercial/industrial developments will comprise 237 acres. At the rate of 1 connection per one-half acre, it is estimated that the project planning area will have 474 new Commercial, Industrial, and Institutional (CII) connections. Based on the analysis developed for the Water System Improvements PER it is estimated that the project planning area will add 744 new residential connections for a total of 1,218 new sewer connections. The portion of Bernalillo's annual expense for the wastewater system expansion into the project planning area is then approximately \$103,050.

## C. Alternative 3 – New Centralized Public Wastewater System

### i. Description

This alternative consists of construction of a wastewater collection and treatment system. A combination of gravity and force main sewers would collect wastewater from the project planning area and convey it to a new, central wastewater treatment plant. Any existing on-site systems would be required to connect to the new collection system.

### ii. Design Criteria

Standard engineering and construction practices will be used in the design of this alternative, as well as design criteria provided in NMED’s Recommended Standards for Wastewater Facilities (NMED, 2003) and national standards. The design criteria shown in Table 4 were developed for the alternative.

**Table 4: Alternative 3 (Centralized Wastewater System) Design Criteria**

Parameter	Criteria
Average Daily Flow	236,000 gpd
Peak Flow (2.5 multiplier)	590,000 gpd
Minimum Gravity main Pipe Diameter	8-inches
Minimum Force main Pipe Diameter	4-inches
Minimum Slopes	8-inch Diameter: 0.40 percent 10-inch Diameter: 0.28 percent
Manhole Spacing	400 feet
Organic Loading (Domestic)	0.17 pounds BOD <sub>5</sub> /capita-day
Wastewater Strength	200 mg/l BOD <sub>5</sub>
Final Effluent Limits	Same as NPDES Permit# NM0023485 Town of Bernalillo (Appendix C)

### iii. Collection System

The collection system for this alternative would need to be finalized during the design phase, but the planning level design consists of 8-inch gravity sewer lines, lift stations, pressure sewer lines, and manholes. The new collection system would include installation of the following:

- 9,400 linear feet of 6-inch PVC force main sewer pipe
- 8,100 linear feet of 8-inch PVC sewer pipe
- 4 lift stations

- 21 manholes
- 200 linear feet of directional drilling and casing at under NM-165.
- 8,200 linear feet of 8-inch PVC effluent disposal line
- Pre-engineered Wastewater Treatment Plant

#### **iv. Wastewater Treatment and Disposal**

The following alternatives for wastewater treatment were considered for this alternative:

- Facultative or Aerated Lagoons
- Pre-engineered hybrid treatment systems.

Facultative and aerated lagoons were eliminated from further consideration due to the large land area (10 or more acres) required for effective treatment and the potential for nuisance odors.

One type of pre-engineered hybrid treatment system is the WesTech STM-Aerotor™ which is a hybrid activated sludge system that combines aeration and biological nutrient removal processes in a single reactor basin. A pre-engineered hybrid treatment system utilizing fixed film and activated sludge such as the WesTech STM Aerotor™ is used as the basis of design. Note that other products are capable of providing similar results.

The pre-engineered system includes influent headworks, primary clarifiers, treatment system, final clarifier and tertiary treatment using gravity filtration. The treated wastewater would then be discharged into an approved disposal area. Two parallel operating units will allow one to be removed from service during maintenance.

The wastewater will be treated by an activated sludge with enhanced aeration process. The activated sludge treatment process is controlled by the rotation of a wheel which captures air and draws it down into the settled sewage. Additional aeration from cascading action is realized by water draining out of the media as it rotates out of the water.

The STM™ media provide a large surface area for fixed film attached growth organisms. Attached growth organisms can provide as much as 15 to 25 percent of total treatment depending on available food source.

This alternative considered the following options for treated effluent disposal:

- Subsurface Infiltration beds
- Evaporation Lagoon

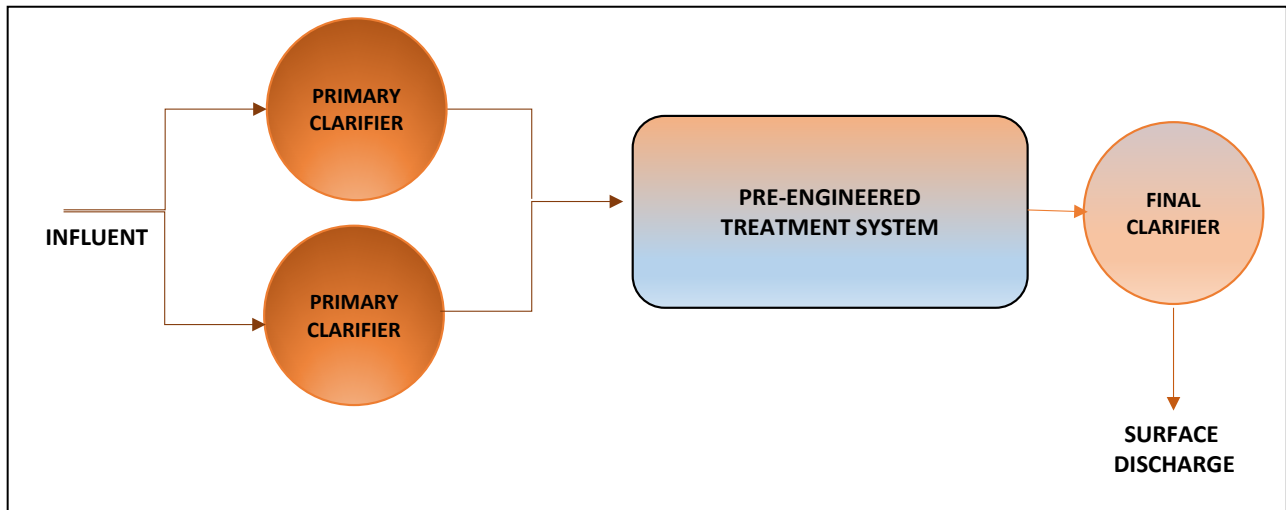
- Surface Discharge

The alternatives of subsurface infiltration beds and evaporation lagoons were rejected due to the very large land area required for these alternatives (50+ acres). A surface water discharge is considered as the basis of design for this alternative.

This system will also require a treated effluent discharge pipeline to be installed to an acceptable discharge point. A discharge point located along the Rio Grande near the existing discharge for the Town of Bernalillo WWTP was chosen for the basis of design for this alternative.

**v. Map**

The general process flow diagram is shown in Figure 6. A conceptual layout map of the proposed Alternative is provided on Figure 7.



**Figure \* : Wastewater Treatment System Flow Diagram (Alternative 3)**

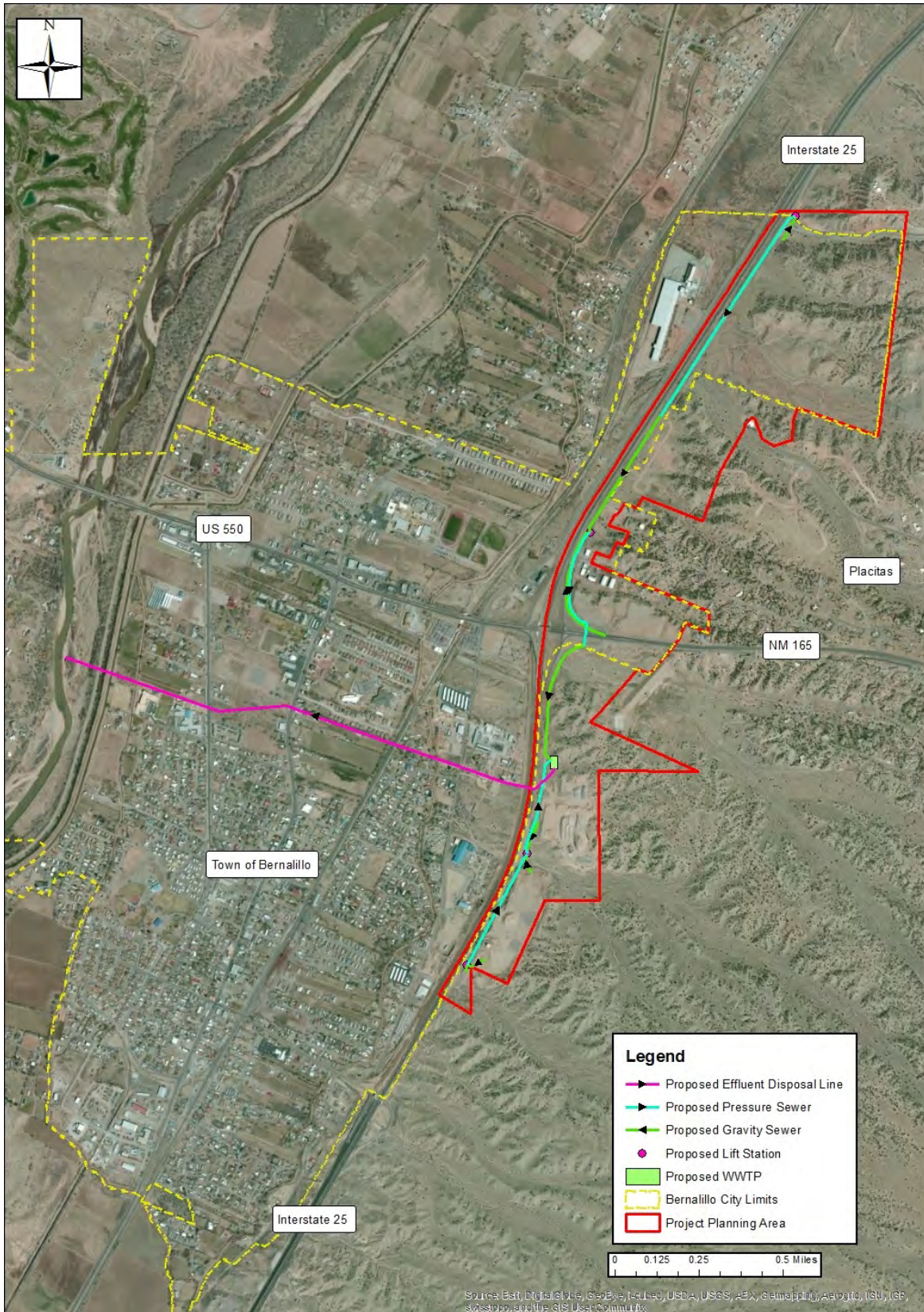


Figure 4: Conceptual Layout for Alternative 3

**vi. Environmental Impacts**

Minimal environmental impacts associated with this alternative are expected. Sewer pipelines and manholes will be installed adjacent to existing roadways and easements or in previously disturbed areas. Work in NMDOT right-of-ways will receive an environmental review as part of their permitting requirements.

**vii. Land Requirements**

Land acquisition or easements will be required for the treatment facility, collection lines and the effluent disposal line. The collection lines are expected to be constructed within existing NMDOT right-of-ways in the frontage road. The wastewater treatment plant is estimated to require 3 acres of land located within the project planning area. The effluent disposal line will require easements from private and public entities along the proposed alignment.

**viii. Potential Construction Problems**

Directional drilling is required to cross under I-25 and NM 165. Directional drilling may also be required for the installation of some portions of the effluent disposal line. Existing utilities and unforeseen subsurface conditions (such as rock or high groundwater) could slow construction.

**ix. Sustainability Considerations**

**a. Water and Energy Efficiency**

This alternative will require electrical power for four lift stations and the treatment plant. These facilities will be designed using the most current and efficient components and controls in order to reduce the energy required for operation.

**b. Green Infrastructure**

Not applicable

**c. Other**

This alternative requires the formation of a public wastewater association that can manage, operate and maintain the system. The association should hire qualified operators and managers to ensure the system is sustainable.

**x. Cost Estimates**

The cost estimate for this Alternative is considered conceptual with the assumptions provided in Alternative 2. Since costs for fixed film and activated sludge wastewater systems are generally comparable, a unit cost approach using published data was utilized to

estimate treatment costs (WERF, 2013). The summary of costs is shown in Table 5. A detailed cost summary for this Alternative is provided in Appendix D.

**Table 5: Alternative 3 (Centralized Wastewater System) Summary of Costs**

Item	Amount
<b>Capital Costs:</b>	
Planning & Design (8% of construction)	\$ 990,000.00
Easements and Right of Way	\$ 50,000.00
Environmental, Archeological and Hydrology Services	\$ 10,000.00
Construction (including NMGRT)	\$ 9,900,000.00
Land Acquisition	\$ 50,000.00
Legal Fees	\$ 25,000.00
<b>Total Capital</b>	<b>\$ <u>11,025,000.00</u></b>
<b>Annual Costs</b>	<b>\$ 762,000.00</b>

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## 5. SELECTION OF AN ALTERNATIVE

This section evaluates each of the alternatives based on monetary (life-cycle cost) and non-monetary factors. Asset management and analysis of overall current energy consumption were not a part of the scope of the PER, however the proposed alternatives are evaluated considering these criteria.

### A. Life Cycle Costs

The life cycle cost analysis is determined from the net present value (NPV) of each alternative based on a 20-year planning period and a discount rate of 1.6 percent (USOMB, 2014). The net present value (NPV) of each alternative is calculated as the sum of the capital cost (C) plus the present worth of the uniform series of annual (USPW (A)) costs minus the single payment present worth of the salvage value (SPPW(S)) as follows:

$$NPV = C + USPW (A) - SPPW (S)$$

It is expected that the salvage value of the constructed project will be zero at the end of the project life. The life cycles costs for each alternative are summarized in Table 6. The details of the cost estimates are provided in Appendix E.

**Table 6: Summary of Life Cycle Costs**

Item	Alternative 2 Connect to Existing System	Alternative 3 New Community Wastewater System
Present Value of Capital Cost	\$ 3,611,000.00	\$ 11,025,000.00
Total Annual Cost	\$ 264,000.00	\$ 762,000.00
Net Present Value of Total Annual Cost	\$ 192,189.55	\$ 554,728.93
Net Present Value (NPV)	\$ 7,450,000.00	\$ 22,119,578.52

### B. Non-Monetary Factors

Alternatives are scored based on objective measures (whenever possible), engineering judgment, and past experience. Alternatives are scored from 1 to 3 with 3 being the best.

**i. Health and Safety**

Each alternative considered is scored according to how effectively it addresses the threat to public health and safety in the area. If the alternative effectively eliminates the potential health threats posed by a lack of a wastewater collection and treatment system that alternative is scored with a 3 and other alternatives are scored 2 or 1.

**ii. Ease of Operation and Maintenance (O&M)**

Each alternative considered requires a different type of O&M. The alternatives considered are rated according to how effectively they address ease of O&M. Systems that will require the least amount of O&M are scored 3 and those that require more are scored 2 or 1 accordingly. If required O&M is not likely to take place, the alternative is scored 1.

**iii. Suitability**

Each alternative considered is evaluated against the stated goals and objectives of Sandoval County and the Town of Bernalillo (maximize beneficial development within the project planning area). The alternative that most completely addresses the Owner's goals is scored 3 and other alternatives are scored 2 or 1 according to their suitability.

**iv. Sustainability**

The NMED has adopted regulations that promote regionalization, restructuring, and consolidation of wastewater systems. Wastewater systems that provide for long term reliability and serviceability are a goal. If the alternative considered would promote regionalization and consolidation of wastewater systems, it is scored 3 and other alternatives are scored 2 or 1.

**C. Alternative Ranking**

The selection matrix shown in Table 7 was developed to assist in quantitatively evaluating each of the proposed alternatives in consideration of both monetary (NPV) and non-monetary criteria.

Each alternative considered is scored against the five criterion selected. The alternatives are scored from 1 - 3 with 3 being the best, based on the performance of the alternative relative to the specific criterion. Each criterion is assigned a weighting factor to reflect the importance of that factor relative to the other criteria. The assigned weight for each of the criteria is then multiplied by its respective score, which returns a weighted score. The weighted scores for each of the criteria under its respective alternative are then summed to produce a final weighted score for each alternative considered. Each alternative is then

ranked according to the weighted score with the highest score becoming the preferred alternative.

**Table 7: Alternative Ranking Matrix**

Alternative	Criterion (Weight)					Weighted Score	Overall Rank
	Life Cycle Cost	Health and Safety	O&M	Suitability	Sustainability		
	50%	10%	10%	10%	10%		
1. No Action	3	1	1	1	1	1.9	2
2. Connect to Existing Wastewater System	2	3	3	3	3	2.2	1
3. Centralized Wastewater System	1	2	2	3	2	1.4	3

Alternative 2, connection to the existing Bernalillo wastewater system, is ranked as the preferred alternative. This alternative can easily be incorporated into Bernalillo’s existing operations and maintenance system, suitable to the needs of the community and promotes the consolidation of public wastewater systems.

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## **6. PROPOSED PROJECT (RECOMMENDED ALTERNATIVE)**

As described above, connection to the Town of Bernalillo wastewater utility is the preferred alternative. It is expected that the infrastructure will be installed in phases coordinated with development plans and funding availability. Installation of lateral sewer line lines, connected to the main pipeline, will become the responsibility of property developers.

### **A. Preliminary Project Design**

A conceptual layout of this project indicated the proposed locations of the primary components is included as Exhibit 4.

#### **i. Collection System Layout**

The proposed project includes the construction of main sewer lines running north to south within the project planning area. The main sewer collection lines will be installed within the existing frontage road. The main lines would run adjacent to all of the parcels within the project planning area which will enable developers of those parcels to easily connect their systems to the main lines. The main lines will be a combination of gravity collection lines and force main transmission lines.

The proposed project will be separated into two portions to separately serve the portions of the project planning area that are north, and south, of NM 165. This division is based on topography and the benefits of splitting the large flows from the project planning area to introduce less impact on the existing Town of Bernalillo collection system. The division of the system also facilitates constructing in phases which would begin with the northern portion of the project planning area where there are existing businesses as well as approved development plans for some parcels.

Based on the predicted flows from the project planning area the main gravity collection lines will be 8-inch SDR-35 PVC lines. A total of approximately 9,200 linear feet of 8-inch gravity sewer would be constructed for the entire project. The gravity sewer lines will have standard 4-foot manholes installed at points where the alignment changes direction, or every 400 feet.

The topography of the project planning area will require that lift stations be installed within the system to pump wastewater from lower elevation locations to a higher elevation where gravity flow will again become possible. The preliminary layout includes the construction of approximately 8,800 linear feet of 6-inch C-900 PVC. The pressure sewers (force mains)



will transmit the wastewater from the lift stations into receiving manholes where the wastewater will flow by gravity to a downstream portion of the collection system.

## ii. Pumping Stations

The proposed project will include four lift stations. Each lift station will require three-phase electrical service and a back-up power source. The lift stations will be sized to handle the incoming wastewater flows while minimizing the energy requirements. The pumps and motors will vary in size depending on the amount of flow entering the specific location, and the distance and elevation that the pumps will have to overcome to deliver the flows to the receiving point. Table 8 summarizes the flows for each proposed lift station. The preliminary wastewater flow calculations are summarized in Appendix E.

**Table 8: Lift Station Flows**

<b>Lift Station</b>	<b>Flows (Average Day) (gpm)</b>	<b>Flows (Peak Day)(gpm)</b>
Lift Station #1	59	148
Lift Station #2	108	269
Lift Station #3	47	117
Lift Station #4	56	140

## iii. Treatment

The proposed project will deliver the wastewater from the project planning area to the existing Town of Bernalillo WWTP for treatment and disposal.

## B. Project Schedule

The proposed project schedule (Table 9) is dependent on the Owner's priorities and funding availability. It is estimated that once the project is implemented, the entire project can be completed in 43 months.

**Table 9: Preliminary Project Schedule**

Activity	Duration
Submit Funding Applications for Design	6 months
Engineering Design	9 months
Obtain Design Approval	3 months
Submit Funding Applications for Construction	6 months
Construction	18 months
Final Inspection and project closeout	1 month
<b>Total Estimated Project Duration</b>	<b>43 months</b>

### **C. Permit Requirements**

Permits and approvals for construction include Town of Bernalillo, NMED, Sandoval County and NMDOT. The proposed sewer line crosses under Interstate 25. Permits will be needed from the New Mexico Department of Transportation to allow directional drilling to occur. The bore pits will be located in the NMDOT right of way and the pipe location will be directly under Interstate 25.

The proposed wastewater collection lines will be located within the NMDOT ROW, which should avoid impact to any previously unidentified cultural resources. It does not appear that the proposed sewer line will impact cultural resources (Townsend, 2014).

### **D. Sustainability Considerations**

#### **i. Water and Energy Efficiency**

The preliminary design for the proposed project does not include any specific water or energy efficiency considerations.

#### **ii. Other**

The proposed project maximizes the operational sustainability of the system through interconnection with the Town of Bernalillo wastewater utility. The interconnection of the project planning area and the existing utility eliminates the need for multiple wastewater treatment facilities and corresponding construction, operations, maintenance and energy usage.

### **E. Total Project Cost Estimate (Engineer's Opinion of Probable Cost)**

The cost estimates for this Proposed Project are considered conceptual, planning level estimates. Allowances have been added to adjust raw costs for the uncertainty associated with the conceptual design level presented in this PER.

The summary of costs is presented in Table 10. A complete cost breakdown for this project is provided in Appendix D.

**Table 10: Summary of Costs for the Proposed Project**

Item	Amount
<b>Capital Costs:</b>	
Planning & Design (10% of construction)	\$ 326,000.00
Easements and Right of Way	\$ 10,000.00
Environmental, Archeological and Hydrology Services	\$ 10,000.00
Construction (including NMGRT)	\$ 3,260,000.00
Legal Fees	\$ 5,000.00
<b>Total Capital</b>	<b>\$ 3,611,000.00</b>
<b>Annual Costs</b>	<b>\$ 264,000.00</b>

## F. Annual Operating Budget

The owner, or owners, of the proposed project have not yet been positively identified. This section of the PER has used information from the Town of Bernalillo as a basis for predicting the income, and expenses related to this project. When the owner, or owners, have been identified, and funding is sought, this section of the report will need to be updated to include the specific financial information for that entity (entities).

### i. Income

The project planning area, when fully built-out, will provide approximately 1,218 new sewer connections. These connections are expected to be comprised of 744 new residential connections and 474 new CII connections. These new connections, based on the current Town of Bernalillo administrative boundaries, will be split between Sandoval County and the Town of Bernalillo.

The connection fees for the Town of Bernalillo are listed in Table 11 and are based on the size of the customer water meter. Assuming a ¾" meter for all residential connections, and an even split of 1" and 1-1/2" meters for all CII connections the Town of Bernalillo will receive \$892,800 in connection fee income from the new residential connections and \$1,350,900 in connection fee from the new CII connections. The total, one-time revenue from sewer connection fees is estimated to be \$2,243,700. This revenue will be collected over the 20-year build-out of the project planning period.



**Table 11: Town of Bernalillo Sewer Connection Fees**

Water Meter Size	Connection Fee
3/4"	\$ 1,200
1"	\$ 2,300
1-1/2"	\$ 3,400
2"	\$ 6,200
3"	\$ 13,000
4"	\$ 14,600

The Town of Bernalillo wastewater service fees are based on water usage. Based on the water demand estimates developed in section 3.D of the Interstate Frontage Road Water System Improvements PER (March 2015), the annual income that the Town of Bernalillo wastewater utility will receive from the fully developed project planning area will be approximately \$495,390.

The total revenue estimate is comprised of the estimated annual residential sewer usage and base fee which total \$196,602 and the annual CII water usage and base fees which total \$298,788. The income estimate does not include the 25% surcharge for accounts outside of town limits. The surcharge has been excluded from the revenue calculations to provide a more conservative estimate of revenue and to account for the possible future annexation of portions of the project planning area that are currently outside of the Town limits. The current Town of Bernalillo sewer rates are summarized in Table 12.

**Table 12: Town of Bernalillo Wastewater Service Rates**

Residential Use		Commercial Use	
Base Rate (Up to 4,000 gallons)	Additional Gallons (per 1,000 gallons)	Base Rate (Up to 4,000 gallons)	Additional Gallons (per 1,000 gallons)
\$21.93	\$3.38	\$36.25	\$3.38

**ii. Annual O&M Costs**

Bernalillo’s detailed breakout of annual wastewater utility operating costs was not provided for this PER. However, the Town of Bernalillo’s Department Head Report was used as an estimate of the current wastewater utility expenses. The total budget for wastewater department expenses was \$778,345 as of January 31, 2014. Based on 9,200 connections, the annual average unit expense cost is \$84.60 per connection.

As discussed previously, commercial/industrial developments will comprise 237 acres. At the rate of 1 connection per one-half acre, it is estimated that the project planning area will

have 474 new CII connections. Based on the previous analysis of residential development it is estimated that the project planning area will add 744 new residential connections for a total of 1,218 new service connections to the system. The portion of Bernalillo's annual expense for the wastewater system expansion into the project planning area is then approximately \$103,050.

**iii. Debt Repayments**

Current USDA RD Loan rates range from 3.750 to 4.250 percent<sup>4</sup>. Using the conservative higher interest rate a 100% loan for the proposed project would have an estimated annual payment of \$273,615 per annum based on a 20-year term with monthly payments.

**iv. Reserves**

- Debt Service Reserve –

USDA RD loans typically require a debt service reserve of 1.1%. For the proposed project, with a 100% loan, the reserve requirement will be \$15,510.

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<sup>4</sup> <http://www.rurdev.usda.gov/UWP-int-rate.html>, accessed 01/28/2015.

## **7. CONCLUSIONS AND RECOMMENDATIONS**

The proposed project will expand the existing Town of Bernalillo wastewater infrastructure to provide sustainable, cost effective sewer service within the project planning area. The project will consist of approximately 8,800 linear feet of 6-inch pressure sewer, 9,200 linear feet of 8-inch gravity sewer, four lift stations, approximately 25 manholes, two directional borings to cross under Interstate 25 and the rehabilitation of two existing manholes that will be the interconnection points into the existing Town of Bernalillo wastewater system. The proposed project would provide wastewater service to the borders of all of the currently platted properties within the project planning area with the understanding that collection infrastructure within each parcel will be the responsibility of the property owner or developer.

Additional engineering based on record drawings and operator knowledge that could not be obtained for this PER will be needed to analyze the connection points and determine adequate pipe size and manhole depths. The connection points to the Town of Bernalillo sewer system may require increased pipe sizes downstream to safely accommodate the additional flows from the project planning area. The cost of potential upgrades to the Town of Bernalillo system was not taken into account for this PER.

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**EXHIBITS**

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**Exhibit 1: Topographic Map**

**Exhibit 2: FEMA Flood Hazard Zones**

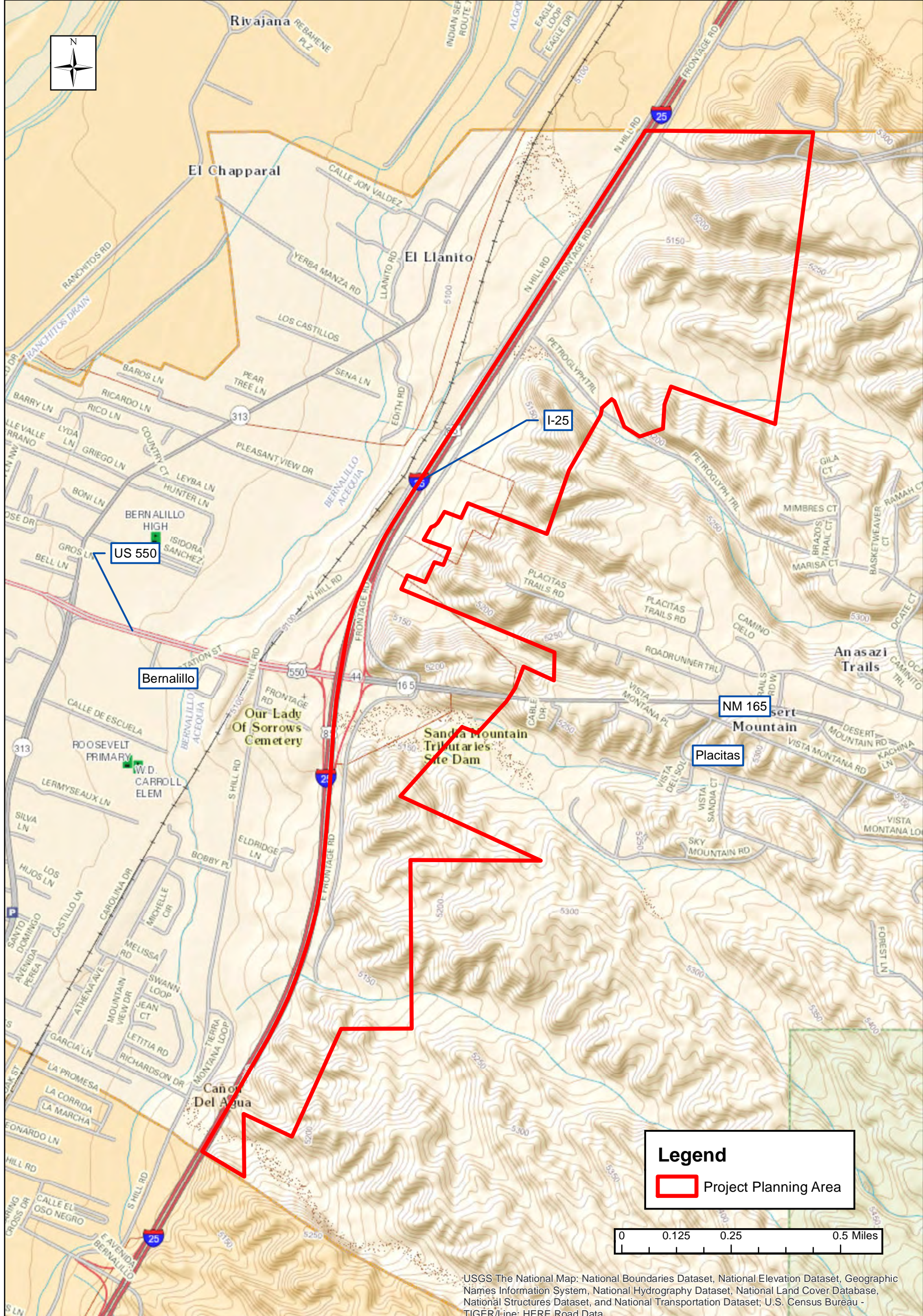
**Exhibit 3: Sandoval County Zoning Map**

**Exhibit 4: Proposed Project Map**



Preliminary Engineering Report  
Interstate Frontage Wastewater Improvements Project





USGS The National Map: National Boundaries Dataset, National Elevation Dataset, Geographic Names Information System, National Hydrography Dataset, National Land Cover Database, National Structures Dataset, and National Transportation Dataset; U.S. Census Bureau - TIGER/Line; HERE Road Data

Topographic Map of the Project Planning Area  
Sandoval County PER  
Sandoval County, New Mexico

Exhibit 1

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**Legend**

 Project Planning Area Boundary

**FEMA Flood Hazard Zone**

-  A
-  AE
-  AO
-  D
-  X



Interstate 25

U.S. 550

NM 165



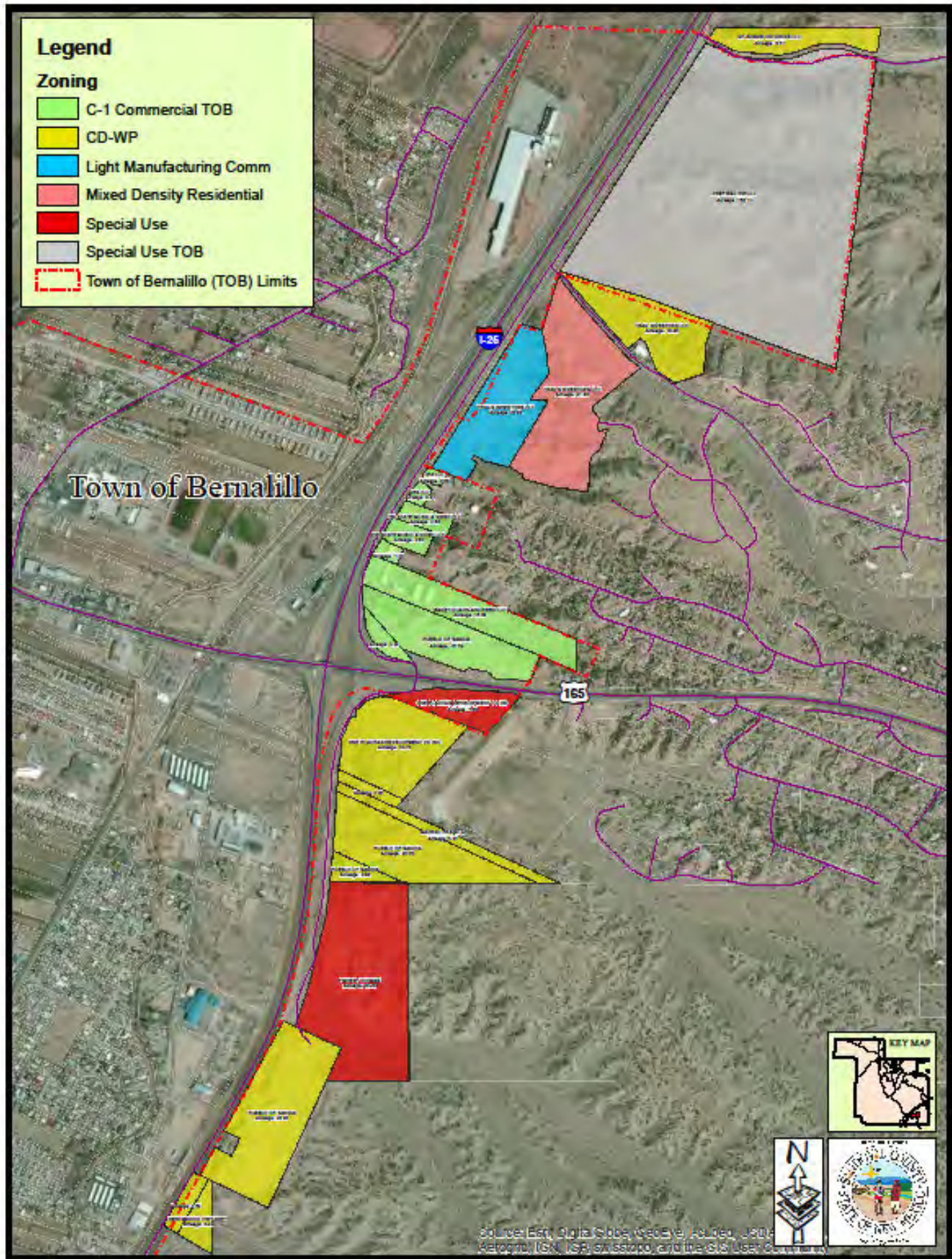
1 inch = 1,750 feet

Source: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

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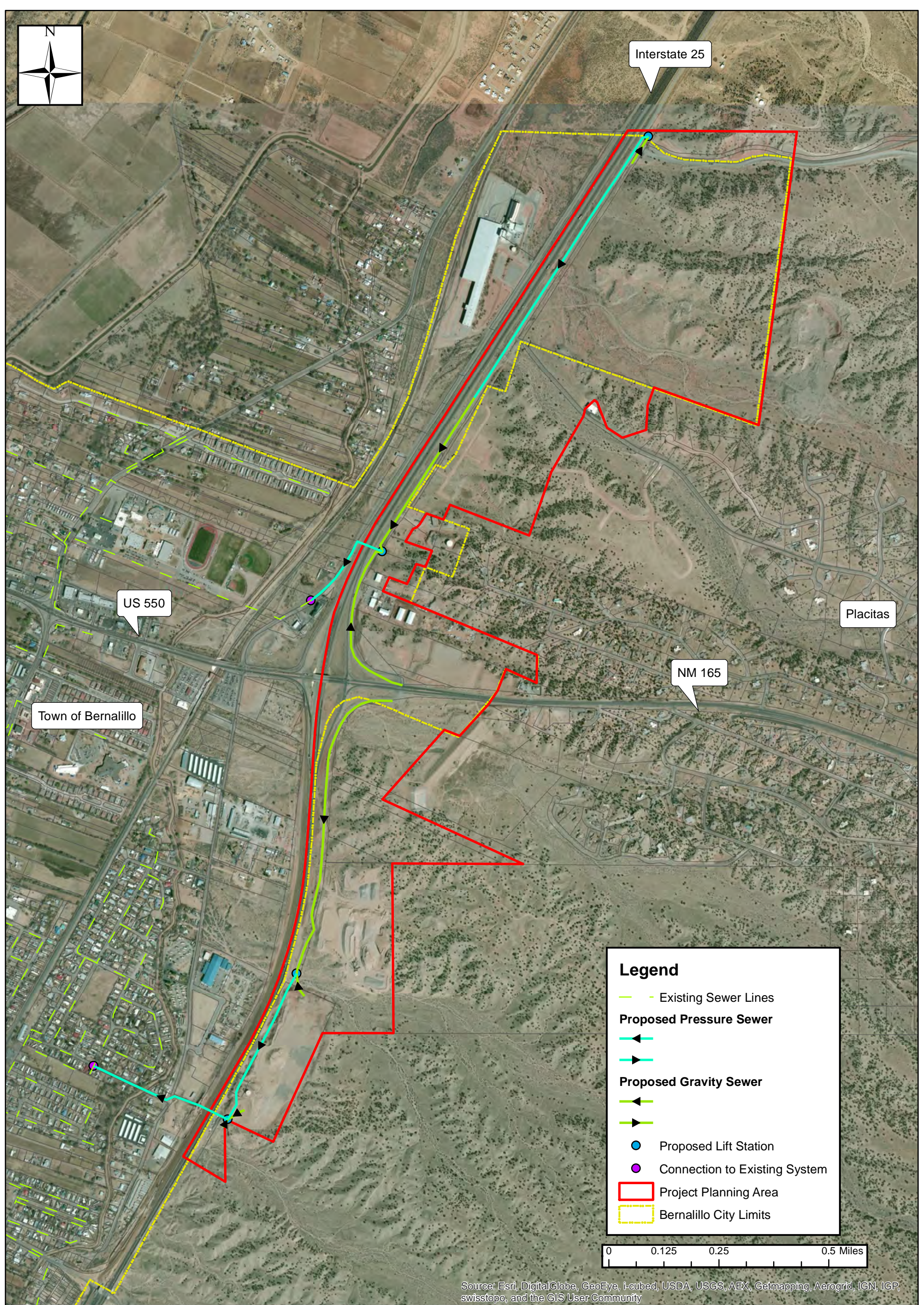
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Zoning Map of the Project Planning Area  
Sandoval County Interstate Frontage Wastewater PER  
Sandoval County, New Mexico

Exhibit 3

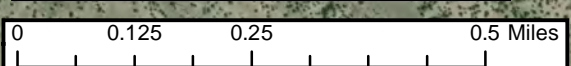






**Legend**

- Existing Sewer Lines
- Proposed Pressure Sewer**
- 
- Proposed Gravity Sewer**
- 
- Proposed Lift Station
- Connection to Existing System
- Project Planning Area
- Bernalillo City Limits



Source: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

Proposed Wastewater Project  
Interstate Frontage Road Wastewater Improvements PER  
Sandoval County, New Mexico

Exhibit 4

Document: P:\6-Sandoval County Bernalillo Wastewater PERs (6421284)\14 CAD\GIS\WW Alternative2.mxd WW Alternative2

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**APPENDIX A: USDA-NRCS CUSTOM SOIL REPORT**



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A product of the National  
Cooperative Soil Survey,  
a joint effort of the United  
States Department of  
Agriculture and other  
Federal agencies, State  
agencies including the  
Agricultural Experiment  
Stations, and local  
participants

# Custom Soil Resource Report for Sandoval County Area, New Mexico, Parts of Los Alamos, Sandoval, and Rio Arriba Counties

## Sandoval County PER



# Preface

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Soil surveys contain information that affects land use planning in survey areas. They highlight soil limitations that affect various land uses and provide information about the properties of the soils in the survey areas. Soil surveys are designed for many different users, including farmers, ranchers, foresters, agronomists, urban planners, community officials, engineers, developers, builders, and home buyers. Also, conservationists, teachers, students, and specialists in recreation, waste disposal, and pollution control can use the surveys to help them understand, protect, or enhance the environment.

Various land use regulations of Federal, State, and local governments may impose special restrictions on land use or land treatment. Soil surveys identify soil properties that are used in making various land use or land treatment decisions. The information is intended to help the land users identify and reduce the effects of soil limitations on various land uses. The landowner or user is responsible for identifying and complying with existing laws and regulations.

Although soil survey information can be used for general farm, local, and wider area planning, onsite investigation is needed to supplement this information in some cases. Examples include soil quality assessments (<http://www.nrcs.usda.gov/wps/portal/nrcs/main/soils/health/>) and certain conservation and engineering applications. For more detailed information, contact your local USDA Service Center (<http://offices.sc.egov.usda.gov/locator/app?agency=nrcs>) or your NRCS State Soil Scientist ([http://www.nrcs.usda.gov/wps/portal/nrcs/detail/soils/contactus/?cid=nrcs142p2\\_053951](http://www.nrcs.usda.gov/wps/portal/nrcs/detail/soils/contactus/?cid=nrcs142p2_053951)).

Great differences in soil properties can occur within short distances. Some soils are seasonally wet or subject to flooding. Some are too unstable to be used as a foundation for buildings or roads. Clayey or wet soils are poorly suited to use as septic tank absorption fields. A high water table makes a soil poorly suited to basements or underground installations.

The National Cooperative Soil Survey is a joint effort of the United States Department of Agriculture and other Federal agencies, State agencies including the Agricultural Experiment Stations, and local agencies. The Natural Resources Conservation Service (NRCS) has leadership for the Federal part of the National Cooperative Soil Survey.

Information about soils is updated periodically. Updated information is available through the NRCS Web Soil Survey, the site for official soil survey information.

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# How Soil Surveys Are Made

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Soil surveys are made to provide information about the soils and miscellaneous areas in a specific area. They include a description of the soils and miscellaneous areas and their location on the landscape and tables that show soil properties and limitations affecting various uses. Soil scientists observed the steepness, length, and shape of the slopes; the general pattern of drainage; the kinds of crops and native plants; and the kinds of bedrock. They observed and described many soil profiles. A soil profile is the sequence of natural layers, or horizons, in a soil. The profile extends from the surface down into the unconsolidated material in which the soil formed or from the surface down to bedrock. The unconsolidated material is devoid of roots and other living organisms and has not been changed by other biological activity.

Currently, soils are mapped according to the boundaries of major land resource areas (MLRAs). MLRAs are geographically associated land resource units that share common characteristics related to physiography, geology, climate, water resources, soils, biological resources, and land uses (USDA, 2006). Soil survey areas typically consist of parts of one or more MLRA.

The soils and miscellaneous areas in a survey area occur in an orderly pattern that is related to the geology, landforms, relief, climate, and natural vegetation of the area. Each kind of soil and miscellaneous area is associated with a particular kind of landform or with a segment of the landform. By observing the soils and miscellaneous areas in the survey area and relating their position to specific segments of the landform, a soil scientist develops a concept, or model, of how they were formed. Thus, during mapping, this model enables the soil scientist to predict with a considerable degree of accuracy the kind of soil or miscellaneous area at a specific location on the landscape.

Commonly, individual soils on the landscape merge into one another as their characteristics gradually change. To construct an accurate soil map, however, soil scientists must determine the boundaries between the soils. They can observe only a limited number of soil profiles. Nevertheless, these observations, supplemented by an understanding of the soil-vegetation-landscape relationship, are sufficient to verify predictions of the kinds of soil in an area and to determine the boundaries.

Soil scientists recorded the characteristics of the soil profiles that they studied. They noted soil color, texture, size and shape of soil aggregates, kind and amount of rock fragments, distribution of plant roots, reaction, and other features that enable them to identify soils. After describing the soils in the survey area and determining their properties, the soil scientists assigned the soils to taxonomic classes (units). Taxonomic classes are concepts. Each taxonomic class has a set of soil characteristics with precisely defined limits. The classes are used as a basis for comparison to classify soils systematically. Soil taxonomy, the system of taxonomic classification used in the United States, is based mainly on the kind and character of soil properties and the arrangement of horizons within the profile. After the soil scientists classified and named the soils in the survey area, they compared the

## Custom Soil Resource Report

individual soils with similar soils in the same taxonomic class in other areas so that they could confirm data and assemble additional data based on experience and research.

The objective of soil mapping is not to delineate pure map unit components; the objective is to separate the landscape into landforms or landform segments that have similar use and management requirements. Each map unit is defined by a unique combination of soil components and/or miscellaneous areas in predictable proportions. Some components may be highly contrasting to the other components of the map unit. The presence of minor components in a map unit in no way diminishes the usefulness or accuracy of the data. The delineation of such landforms and landform segments on the map provides sufficient information for the development of resource plans. If intensive use of small areas is planned, onsite investigation is needed to define and locate the soils and miscellaneous areas.

Soil scientists make many field observations in the process of producing a soil map. The frequency of observation is dependent upon several factors, including scale of mapping, intensity of mapping, design of map units, complexity of the landscape, and experience of the soil scientist. Observations are made to test and refine the soil-landscape model and predictions and to verify the classification of the soils at specific locations. Once the soil-landscape model is refined, a significantly smaller number of measurements of individual soil properties are made and recorded. These measurements may include field measurements, such as those for color, depth to bedrock, and texture, and laboratory measurements, such as those for content of sand, silt, clay, salt, and other components. Properties of each soil typically vary from one point to another across the landscape.

Observations for map unit components are aggregated to develop ranges of characteristics for the components. The aggregated values are presented. Direct measurements do not exist for every property presented for every map unit component. Values for some properties are estimated from combinations of other properties.

While a soil survey is in progress, samples of some of the soils in the area generally are collected for laboratory analyses and for engineering tests. Soil scientists interpret the data from these analyses and tests as well as the field-observed characteristics and the soil properties to determine the expected behavior of the soils under different uses. Interpretations for all of the soils are field tested through observation of the soils in different uses and under different levels of management. Some interpretations are modified to fit local conditions, and some new interpretations are developed to meet local needs. Data are assembled from other sources, such as research information, production records, and field experience of specialists. For example, data on crop yields under defined levels of management are assembled from farm records and from field or plot experiments on the same kinds of soil.

Predictions about soil behavior are based not only on soil properties but also on such variables as climate and biological activity. Soil conditions are predictable over long periods of time, but they are not predictable from year to year. For example, soil scientists can predict with a fairly high degree of accuracy that a given soil will have a high water table within certain depths in most years, but they cannot predict that a high water table will always be at a specific level in the soil on a specific date.

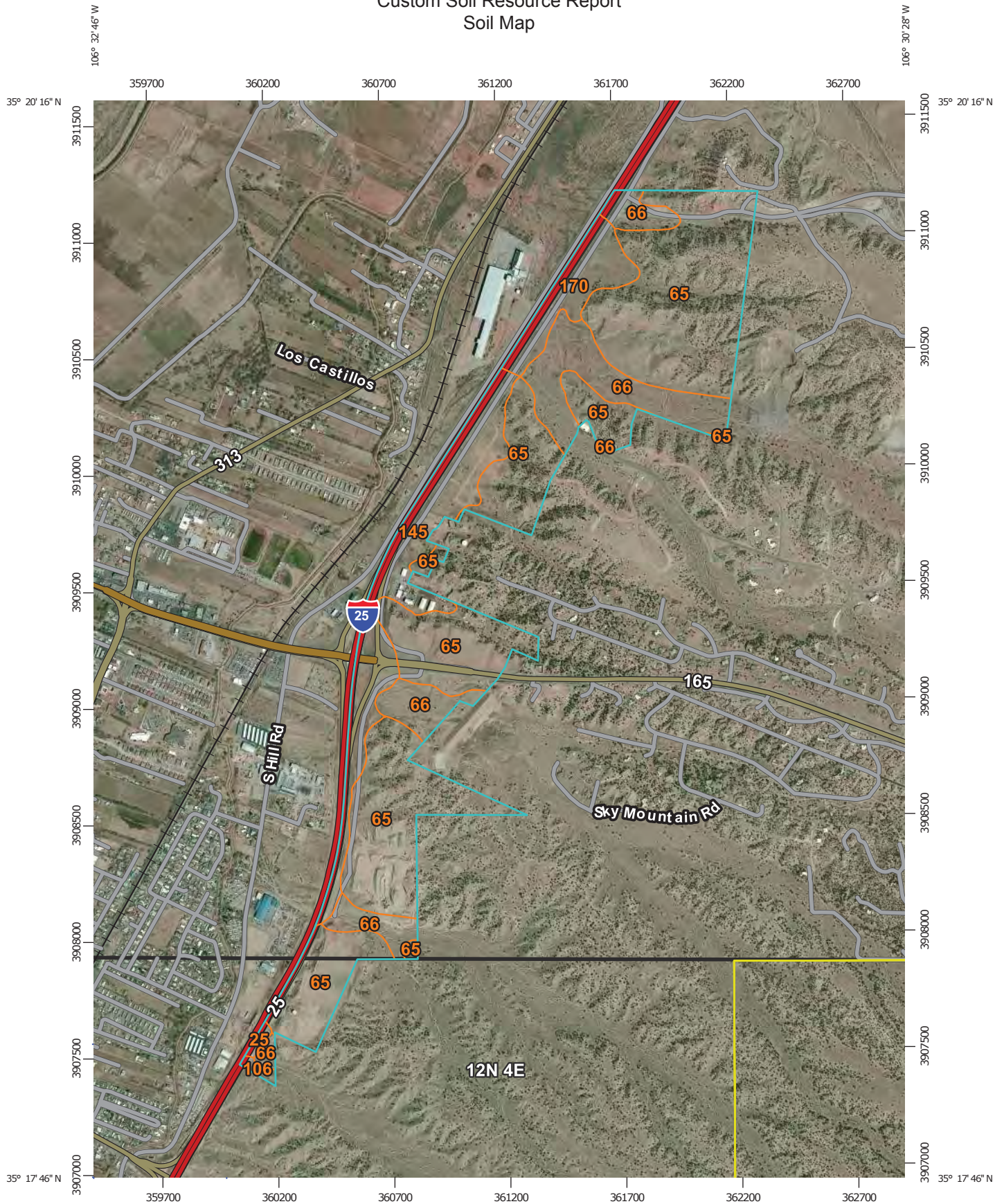
After soil scientists located and identified the significant natural bodies of soil in the survey area, they drew the boundaries of these bodies on aerial photographs and identified each as a specific map unit. Aerial photographs show trees, buildings, fields, roads, and rivers, all of which help in locating boundaries accurately.

# Soil Map

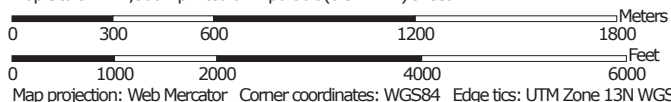
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The soil map section includes the soil map for the defined area of interest, a list of soil map units on the map and extent of each map unit, and cartographic symbols displayed on the map. Also presented are various metadata about data used to produce the map, and a description of each soil map unit.

# Custom Soil Resource Report Soil Map



Map Scale: 1:22,500 if printed on A portrait (8.5" x 11") sheet.



Map projection: Web Mercator Corner coordinates: WGS84 Edge tics: UTM Zone 13N WGS84

## MAP INFORMATION

The soil surveys that comprise your AOI were mapped at 1:24,000.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service  
 Web Soil Survey URL: <http://websoilsurvey.nrcs.usda.gov>  
 Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.







































Soil Survey Area: Sandoval County Area, New Mexico, Parts of Los Alamos, Sandoval, and Rio Arriba Counties  
 Survey Area Data: Version 8, Dec 27, 2013

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Mar 23, 2011—May 4, 2011

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

## MAP LEGEND

<b>Area of Interest (AOI)</b>	 Area of Interest (AOI)	 Sodic Spot
<b>Soils</b>	 Soil Survey Areas	 Spoil Area
	 Soil Map Unit Polygons	 Stony Spot
	 Soil Map Unit Lines	 Very Stony Spot
	 Soil Map Unit Points	 Wet Spot
<b>Special Point Features</b>	 Other	 Special Line Features
	 Blowout	 Special Line Features
	 Borrow Pit	<b>Political Features</b>
	 Clay Spot	 PLSS Township and Range
	 Closed Depression	<b>Transportation</b>
	 Gravel Pit	 Rails
	 Gravelly Spot	 Interstate Highways
	 Landfill	 US Routes
	 Lava Flow	 Major Roads
	 Marsh or swamp	 Local Roads
	 Mine or Quarry	<b>Background</b>
	 Miscellaneous Water	 Aerial Photography
	 Perennial Water	
	 Rock Outcrop	
	 Saline Spot	
	 Sandy Spot	
	 Severely Eroded Spot	
	 Sinkhole	
	 Slide or Slip	

## Map Unit Legend

Sandoval County Area, New Mexico, Parts of Los Alamos, Sandoval, and Rio Arriba Counties (NM656)			
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
25	Gilco loam, 0 to 1 percent slopes	1.7	0.3%
65	Ildefonso-Harvey association, 10 to 35 percent slopes	311.4	61.8%
66	Zia sandy loam, 3 to 6 percent slopes	83.6	16.6%
106	Stumble association, 1 to 40 percent slopes	2.0	0.4%
145	Grieta-Sheppard loamy fine sands, 2 to 9 percent slopes	76.1	15.1%
170	San Mateo loam, 0 to 3 percent slopes	28.8	5.7%
<b>Totals for Area of Interest</b>		<b>503.6</b>	<b>100.0%</b>

## Map Unit Descriptions

The map units delineated on the detailed soil maps in a soil survey represent the soils or miscellaneous areas in the survey area. The map unit descriptions, along with the maps, can be used to determine the composition and properties of a unit.

A map unit delineation on a soil map represents an area dominated by one or more major kinds of soil or miscellaneous areas. A map unit is identified and named according to the taxonomic classification of the dominant soils. Within a taxonomic class there are precisely defined limits for the properties of the soils. On the landscape, however, the soils are natural phenomena, and they have the characteristic variability of all natural phenomena. Thus, the range of some observed properties may extend beyond the limits defined for a taxonomic class. Areas of soils of a single taxonomic class rarely, if ever, can be mapped without including areas of other taxonomic classes. Consequently, every map unit is made up of the soils or miscellaneous areas for which it is named and some minor components that belong to taxonomic classes other than those of the major soils.

Most minor soils have properties similar to those of the dominant soil or soils in the map unit, and thus they do not affect use and management. These are called noncontrasting, or similar, components. They may or may not be mentioned in a particular map unit description. Other minor components, however, have properties and behavioral characteristics divergent enough to affect use or to require different management. These are called contrasting, or dissimilar, components. They generally are in small areas and could not be mapped separately because of the scale used. Some small areas of strongly contrasting soils or miscellaneous areas are identified by a special symbol on the maps. If included in the database for a given area, the contrasting minor components are identified in the map unit descriptions along with some characteristics of each. A few areas of minor components may not have been observed, and consequently they are not mentioned in the descriptions, especially

## Custom Soil Resource Report

where the pattern was so complex that it was impractical to make enough observations to identify all the soils and miscellaneous areas on the landscape.

The presence of minor components in a map unit in no way diminishes the usefulness or accuracy of the data. The objective of mapping is not to delineate pure taxonomic classes but rather to separate the landscape into landforms or landform segments that have similar use and management requirements. The delineation of such segments on the map provides sufficient information for the development of resource plans. If intensive use of small areas is planned, however, onsite investigation is needed to define and locate the soils and miscellaneous areas.

An identifying symbol precedes the map unit name in the map unit descriptions. Each description includes general facts about the unit and gives important soil properties and qualities.

Soils that have profiles that are almost alike make up a *soil series*. Except for differences in texture of the surface layer, all the soils of a series have major horizons that are similar in composition, thickness, and arrangement.

Soils of one series can differ in texture of the surface layer, slope, stoniness, salinity, degree of erosion, and other characteristics that affect their use. On the basis of such differences, a soil series is divided into *soil phases*. Most of the areas shown on the detailed soil maps are phases of soil series. The name of a soil phase commonly indicates a feature that affects use or management. For example, Alpha silt loam, 0 to 2 percent slopes, is a phase of the Alpha series.

Some map units are made up of two or more major soils or miscellaneous areas. These map units are complexes, associations, or undifferentiated groups.

A *complex* consists of two or more soils or miscellaneous areas in such an intricate pattern or in such small areas that they cannot be shown separately on the maps. The pattern and proportion of the soils or miscellaneous areas are somewhat similar in all areas. Alpha-Beta complex, 0 to 6 percent slopes, is an example.

An *association* is made up of two or more geographically associated soils or miscellaneous areas that are shown as one unit on the maps. Because of present or anticipated uses of the map units in the survey area, it was not considered practical or necessary to map the soils or miscellaneous areas separately. The pattern and relative proportion of the soils or miscellaneous areas are somewhat similar. Alpha-Beta association, 0 to 2 percent slopes, is an example.

An *undifferentiated group* is made up of two or more soils or miscellaneous areas that could be mapped individually but are mapped as one unit because similar interpretations can be made for use and management. The pattern and proportion of the soils or miscellaneous areas in a mapped area are not uniform. An area can be made up of only one of the major soils or miscellaneous areas, or it can be made up of all of them. Alpha and Beta soils, 0 to 2 percent slopes, is an example.

Some surveys include *miscellaneous areas*. Such areas have little or no soil material and support little or no vegetation. Rock outcrop is an example.

## Sandoval County Area, New Mexico, Parts of Los Alamos, Sandoval, and Rio Arriba Counties

### 25—Gilco loam, 0 to 1 percent slopes

#### Map Unit Setting

*Elevation:* 5,000 to 6,000 feet  
*Mean annual precipitation:* 8 to 10 inches  
*Mean annual air temperature:* 53 to 55 degrees F  
*Frost-free period:* 140 to 160 days

#### Map Unit Composition

*Gilco and similar soils:* 85 percent

#### Description of Gilco

##### Setting

*Landform:* Flood plains  
*Landform position (two-dimensional):* Toeslope  
*Landform position (three-dimensional):* Base slope  
*Down-slope shape:* Concave  
*Across-slope shape:* Linear  
*Parent material:* Stream alluvium derived from igneous and sedimentary rock

##### Properties and qualities

*Slope:* 0 to 1 percent  
*Depth to restrictive feature:* More than 80 inches  
*Drainage class:* Moderately well drained  
*Capacity of the most limiting layer to transmit water (Ksat):* Moderately high to high (0.60 to 2.00 in/hr)  
*Depth to water table:* About 48 to 72 inches  
*Frequency of flooding:* Rare  
*Frequency of ponding:* None  
*Calcium carbonate, maximum content:* 10 percent  
*Maximum salinity:* Nonsaline to very slightly saline (0.0 to 4.0 mmhos/cm)  
*Sodium adsorption ratio, maximum:* 5.0  
*Available water capacity:* Moderate (about 8.5 inches)

##### Interpretive groups

*Farmland classification:* Prime farmland if irrigated  
*Land capability classification (irrigated):* 2e  
*Land capability (nonirrigated):* 7e  
*Hydrologic Soil Group:* B  
*Ecological site:* Bottomland (R042XA057NM)

##### Typical profile

*0 to 4 inches:* Loam  
*4 to 34 inches:* Stratified silt loam to loam to fine sandy loam  
*34 to 60 inches:* Stratified fine sandy loam to loam



## 65—Ildefonso-Harvey association, 10 to 35 percent slopes

### Map Unit Setting

*Elevation:* 5,000 to 6,000 feet  
*Mean annual precipitation:* 8 to 13 inches  
*Mean annual air temperature:* 52 to 56 degrees F  
*Frost-free period:* 120 to 160 days

### Map Unit Composition

*Ildefonso and similar soils:* 50 percent  
*Harvey and similar soils:* 30 percent  
*Minor components:* 5 percent

### Description of Ildefonso

#### Setting

*Landform:* Mesas, fan remnants  
*Landform position (two-dimensional):* Backslope  
*Landform position (three-dimensional):* Side slope  
*Down-slope shape:* Linear  
*Across-slope shape:* Linear  
*Parent material:* Fan alluvium over colluvium derived from igneous and sedimentary rock

#### Properties and qualities

*Slope:* 10 to 35 percent  
*Surface area covered with cobbles, stones or boulders:* 2.0 percent  
*Depth to restrictive feature:* More than 80 inches  
*Drainage class:* Well drained  
*Capacity of the most limiting layer to transmit water (Ksat):* High (2.00 to 6.00 in/hr)  
*Depth to water table:* More than 80 inches  
*Frequency of flooding:* None  
*Frequency of ponding:* None  
*Calcium carbonate, maximum content:* 20 percent  
*Maximum salinity:* Nonsaline (0.0 to 2.0 mmhos/cm)  
*Available water capacity:* Low (about 3.6 inches)

#### Interpretive groups

*Farmland classification:* Not prime farmland  
*Land capability (nonirrigated):* 6e  
*Hydrologic Soil Group:* B  
*Ecological site:* Breaks (R070CY115NM)

#### Typical profile

*0 to 6 inches:* Very gravelly sandy loam  
*6 to 38 inches:* Very gravelly sandy loam  
*38 to 60 inches:* Very gravelly sandy loam

### Description of Harvey

#### Setting

*Landform:* Mesas, bajadas, plateaus

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*Landform position (two-dimensional):* Backslope

*Landform position (three-dimensional):* Side slope

*Down-slope shape:* Convex

*Across-slope shape:* Linear

*Parent material:* Eolian deposits over slope alluvium derived from igneous and sedimentary rock

### Properties and qualities

*Slope:* 10 to 15 percent

*Depth to restrictive feature:* More than 80 inches

*Drainage class:* Well drained

*Capacity of the most limiting layer to transmit water (Ksat):* Moderately high to high  
(0.60 to 2.00 in/hr)

*Depth to water table:* More than 80 inches

*Frequency of flooding:* None

*Frequency of ponding:* None

*Calcium carbonate, maximum content:* 20 percent

*Maximum salinity:* Nonsaline (0.0 to 2.0 mmhos/cm)

*Available water capacity:* Moderate (about 9.0 inches)

### Interpretive groups

*Farmland classification:* Not prime farmland

*Land capability (nonirrigated):* 7e

*Hydrologic Soil Group:* B

*Ecological site:* Limy (R070CY108NM)

### Typical profile

*0 to 4 inches:* Loam

*4 to 23 inches:* Loam

*23 to 36 inches:* Loam

*36 to 60 inches:* Sandy loam

### Minor Components

#### Riverwash

*Percent of map unit:* 5 percent

*Landform:* Channels, streams

*Landform position (two-dimensional):* Toeslope

*Landform position (three-dimensional):* Base slope

*Down-slope shape:* Concave

*Across-slope shape:* Linear

## 66—Zia sandy loam, 3 to 6 percent slopes

### Map Unit Setting

*Elevation:* 5,000 to 6,000 feet

*Mean annual precipitation:* 8 to 13 inches

*Mean annual air temperature:* 52 to 56 degrees F

*Frost-free period:* 120 to 160 days

**Map Unit Composition**

*Zia and similar soils:* 85 percent  
*Minor components:* 5 percent

**Description of Zia**

**Setting**

*Landform:* Alluvial fans  
*Landform position (two-dimensional):* Toeslope  
*Landform position (three-dimensional):* Rise  
*Down-slope shape:* Linear  
*Across-slope shape:* Linear  
*Parent material:* Eolian deposits over fan alluvium derived from sandstone

**Properties and qualities**

*Slope:* 3 to 6 percent  
*Depth to restrictive feature:* More than 80 inches  
*Drainage class:* Somewhat excessively drained  
*Capacity of the most limiting layer to transmit water (Ksat):* High (2.00 to 6.00 in/hr)  
*Depth to water table:* More than 80 inches  
*Frequency of flooding:* None  
*Frequency of ponding:* None  
*Calcium carbonate, maximum content:* 15 percent  
*Maximum salinity:* Nonsaline (0.0 to 2.0 mmhos/cm)  
*Sodium adsorption ratio, maximum:* 5.0  
*Available water capacity:* Moderate (about 7.2 inches)

**Interpretive groups**

*Farmland classification:* Not prime farmland  
*Land capability (nonirrigated):* 6c  
*Hydrologic Soil Group:* B  
*Ecological site:* Sandy (R035XA113NM)

**Typical profile**

*0 to 4 inches:* Sandy loam  
*4 to 60 inches:* Sandy loam

**Minor Components**

**Riverwash**

*Percent of map unit:* 5 percent  
*Landform:* Channels, streams  
*Landform position (two-dimensional):* Toeslope  
*Landform position (three-dimensional):* Base slope  
*Down-slope shape:* Concave  
*Across-slope shape:* Linear

## 106—Stumble association, 1 to 40 percent slopes

### Map Unit Setting

*Elevation:* 5,000 to 5,600 feet

*Mean annual precipitation:* 8 to 10 inches

*Mean annual air temperature:* 53 to 55 degrees F

*Frost-free period:* 140 to 160 days

### Map Unit Composition

*Stumble and similar soils:* 50 percent

*Stumble, sandy, and similar soils:* 30 percent

### Description of Stumble

#### Setting

*Landform:* Alluvial fans, fan aprons, fan remnants, inset fans

*Landform position (two-dimensional):* Footslope

*Landform position (three-dimensional):* Side slope, rise

*Down-slope shape:* Linear, convex

*Across-slope shape:* Linear

*Parent material:* Eolian deposits derived from sandstone

#### Properties and qualities

*Slope:* 10 to 40 percent

*Depth to restrictive feature:* More than 80 inches

*Drainage class:* Somewhat excessively drained

*Capacity of the most limiting layer to transmit water (Ksat):* High (2.00 to 6.00 in/hr)

*Depth to water table:* More than 80 inches

*Frequency of flooding:* None

*Frequency of ponding:* None

*Calcium carbonate, maximum content:* 10 percent

*Maximum salinity:* Nonsaline (0.0 to 2.0 mmhos/cm)

*Sodium adsorption ratio, maximum:* 5.0

*Available water capacity:* Very low (about 2.6 inches)

#### Interpretive groups

*Farmland classification:* Not prime farmland

*Land capability (nonirrigated):* 7c

*Hydrologic Soil Group:* A

*Ecological site:* Gravelly Sand (R042XA053NM)

#### Typical profile

*0 to 4 inches:* Very gravelly fine sandy loam

*4 to 10 inches:* Gravelly fine sandy loam

*10 to 24 inches:* Loamy sand

*24 to 60 inches:* Gravelly coarse sand

## Description of Stumble, Sandy

### Setting

*Landform:* Alluvial fans, fan aprons, fan remnants, inset fans

*Landform position (two-dimensional):* Footslope

*Landform position (three-dimensional):* Side slope, rise

*Down-slope shape:* Linear

*Across-slope shape:* Linear

### Properties and qualities

*Slope:* 1 to 10 percent

*Depth to restrictive feature:* More than 80 inches

*Drainage class:* Somewhat excessively drained

*Capacity of the most limiting layer to transmit water (Ksat):* High to very high (6.00 to 20.00 in/hr)

*Depth to water table:* More than 80 inches

*Frequency of flooding:* Rare

*Frequency of ponding:* None

*Calcium carbonate, maximum content:* 10 percent

*Maximum salinity:* Nonsaline (0.0 to 2.0 mmhos/cm)

*Sodium adsorption ratio, maximum:* 5.0

*Available water capacity:* Very low (about 2.0 inches)

### Interpretive groups

*Farmland classification:* Not prime farmland

*Land capability (nonirrigated):* 7c

*Hydrologic Soil Group:* A

*Ecological site:* Deep Sand (R042XA054NM)

### Typical profile

*0 to 4 inches:* Gravelly loamy sand

*4 to 18 inches:* Loamy sand

*18 to 60 inches:* Gravelly coarse sand

## 145—Grieta-Sheppard loamy fine sands, 2 to 9 percent slopes

### Map Unit Setting

*Elevation:* 5,000 to 6,000 feet

*Mean annual precipitation:* 8 to 10 inches

*Mean annual air temperature:* 53 to 56 degrees F

*Frost-free period:* 140 to 160 days

### Map Unit Composition

*Grieta and similar soils:* 55 percent

*Sheppard and similar soils:* 40 percent

*Minor components:* 2 percent

## Description of Grieta

### Setting

*Landform:* Mesas, ridges, fan remnants, plateaus  
*Landform position (two-dimensional):* Footslope  
*Landform position (three-dimensional):* Side slope  
*Down-slope shape:* Linear  
*Across-slope shape:* Linear  
*Parent material:* Eolian deposits over fan alluvium derived from sandstone

### Properties and qualities

*Slope:* 2 to 5 percent  
*Depth to restrictive feature:* More than 80 inches  
*Drainage class:* Well drained  
*Capacity of the most limiting layer to transmit water (Ksat):* Moderately high to high (0.60 to 2.00 in/hr)  
*Depth to water table:* More than 80 inches  
*Frequency of flooding:* None  
*Frequency of ponding:* None  
*Calcium carbonate, maximum content:* 15 percent  
*Maximum salinity:* Nonsaline to very slightly saline (2.0 to 4.0 mmhos/cm)  
*Sodium adsorption ratio, maximum:* 2.0  
*Available water capacity:* Moderate (about 6.6 inches)

### Interpretive groups

*Farmland classification:* Not prime farmland  
*Land capability (nonirrigated):* 7e  
*Hydrologic Soil Group:* B  
*Ecological site:* Loamy (R042XA052NM)

### Typical profile

*0 to 7 inches:* Loamy fine sand  
*7 to 14 inches:* Sandy clay loam  
*14 to 21 inches:* Sandy clay loam  
*21 to 38 inches:* Coarse sandy loam  
*38 to 50 inches:* Coarse sandy loam  
*50 to 60 inches:* Coarse sandy loam

## Description of Sheppard

### Setting

*Landform:* Alluvial fans, benches, dunes, structural benches, terraces  
*Landform position (two-dimensional):* Shoulder  
*Landform position (three-dimensional):* Side slope, rise  
*Down-slope shape:* Linear, convex  
*Across-slope shape:* Linear  
*Parent material:* Eolian deposits derived from sandstone

### Properties and qualities

*Slope:* 3 to 9 percent  
*Depth to restrictive feature:* More than 80 inches  
*Drainage class:* Somewhat excessively drained  
*Capacity of the most limiting layer to transmit water (Ksat):* High to very high (6.00 to 20.00 in/hr)  
*Depth to water table:* More than 80 inches  
*Frequency of flooding:* None

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*Frequency of ponding:* None  
*Calcium carbonate, maximum content:* 10 percent  
*Maximum salinity:* Nonsaline (0.0 to 2.0 mmhos/cm)  
*Available water capacity:* Low (about 5.4 inches)

### Interpretive groups

*Farmland classification:* Not prime farmland  
*Land capability (nonirrigated):* 7s  
*Hydrologic Soil Group:* A  
*Ecological site:* Deep Sand (R042XA054NM)

### Typical profile

*0 to 5 inches:* Loamy fine sand  
*5 to 27 inches:* Loamy fine sand  
*27 to 60 inches:* Loamy fine sand

### Minor Components

#### Riverwash

*Percent of map unit:* 2 percent  
*Landform:* Channels, streams  
*Landform position (two-dimensional):* Toeslope  
*Landform position (three-dimensional):* Base slope  
*Down-slope shape:* Concave  
*Across-slope shape:* Linear

## 170—San Mateo loam, 0 to 3 percent slopes

### Map Unit Setting

*Elevation:* 5,800 to 6,800 feet  
*Mean annual precipitation:* 10 to 13 inches  
*Mean annual air temperature:* 52 to 54 degrees F  
*Frost-free period:* 120 to 140 days

### Map Unit Composition

*San mateo and similar soils:* 85 percent

### Description of San Mateo

#### Setting

*Landform:* Alluvial fans, flood plains, valley sides  
*Landform position (two-dimensional):* Toeslope  
*Landform position (three-dimensional):* Rise  
*Down-slope shape:* Linear  
*Across-slope shape:* Linear  
*Parent material:* Stream alluvium derived from sandstone and shale

#### Properties and qualities

*Slope:* 0 to 3 percent  
*Depth to restrictive feature:* More than 80 inches

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*Drainage class:* Well drained

*Capacity of the most limiting layer to transmit water (Ksat):* Moderately high (0.20 to 0.60 in/hr)

*Depth to water table:* More than 80 inches

*Frequency of flooding:* Rare

*Frequency of ponding:* None

*Calcium carbonate, maximum content:* 10 percent

*Maximum salinity:* Nonsaline to slightly saline (1.0 to 8.0 mmhos/cm)

*Sodium adsorption ratio, maximum:* 30.0

*Available water capacity:* High (about 10.8 inches)

### **Interpretive groups**

*Farmland classification:* Not prime farmland

*Land capability classification (irrigated):* 2e

*Land capability (nonirrigated):* 6e

*Hydrologic Soil Group:* B

*Ecological site:* Swale (R035XA120NM)

### **Typical profile**

*0 to 2 inches:* Loam

*2 to 10 inches:* Clay loam

*10 to 23 inches:* Clay loam

*23 to 32 inches:* Clay loam

*32 to 54 inches:* Clay loam

*54 to 60 inches:* Clay loam



# **Soil Information for All Uses**

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## **Suitabilities and Limitations for Use**

The Suitabilities and Limitations for Use section includes various soil interpretations displayed as thematic maps with a summary table for the soil map units in the selected area of interest. A single value or rating for each map unit is generated by aggregating the interpretive ratings of individual map unit components. This aggregation process is defined for each interpretation.

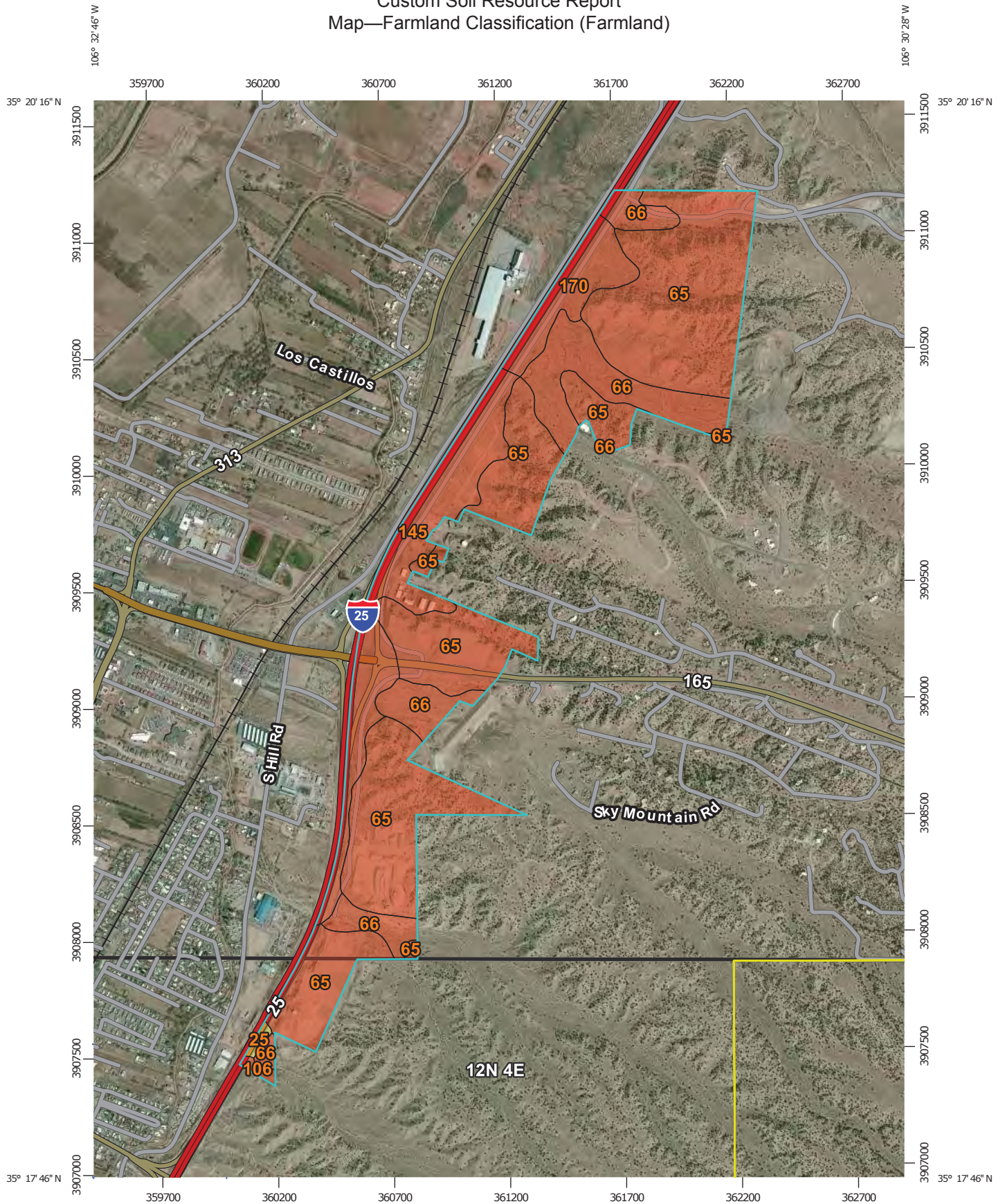
## **Land Classifications**

Land Classifications are specified land use and management groupings that are assigned to soil areas because combinations of soil have similar behavior for specified practices. Most are based on soil properties and other factors that directly influence the specific use of the soil. Example classifications include ecological site classification, farmland classification, irrigated and nonirrigated land capability classification, and hydric rating.

## **Farmland Classification (Farmland)**

Farmland classification identifies map units as prime farmland, farmland of statewide importance, farmland of local importance, or unique farmland. It identifies the location and extent of the soils that are best suited to food, feed, fiber, forage, and oilseed crops. NRCS policy and procedures on prime and unique farmlands are published in the "Federal Register," Vol. 43, No. 21, January 31, 1978.

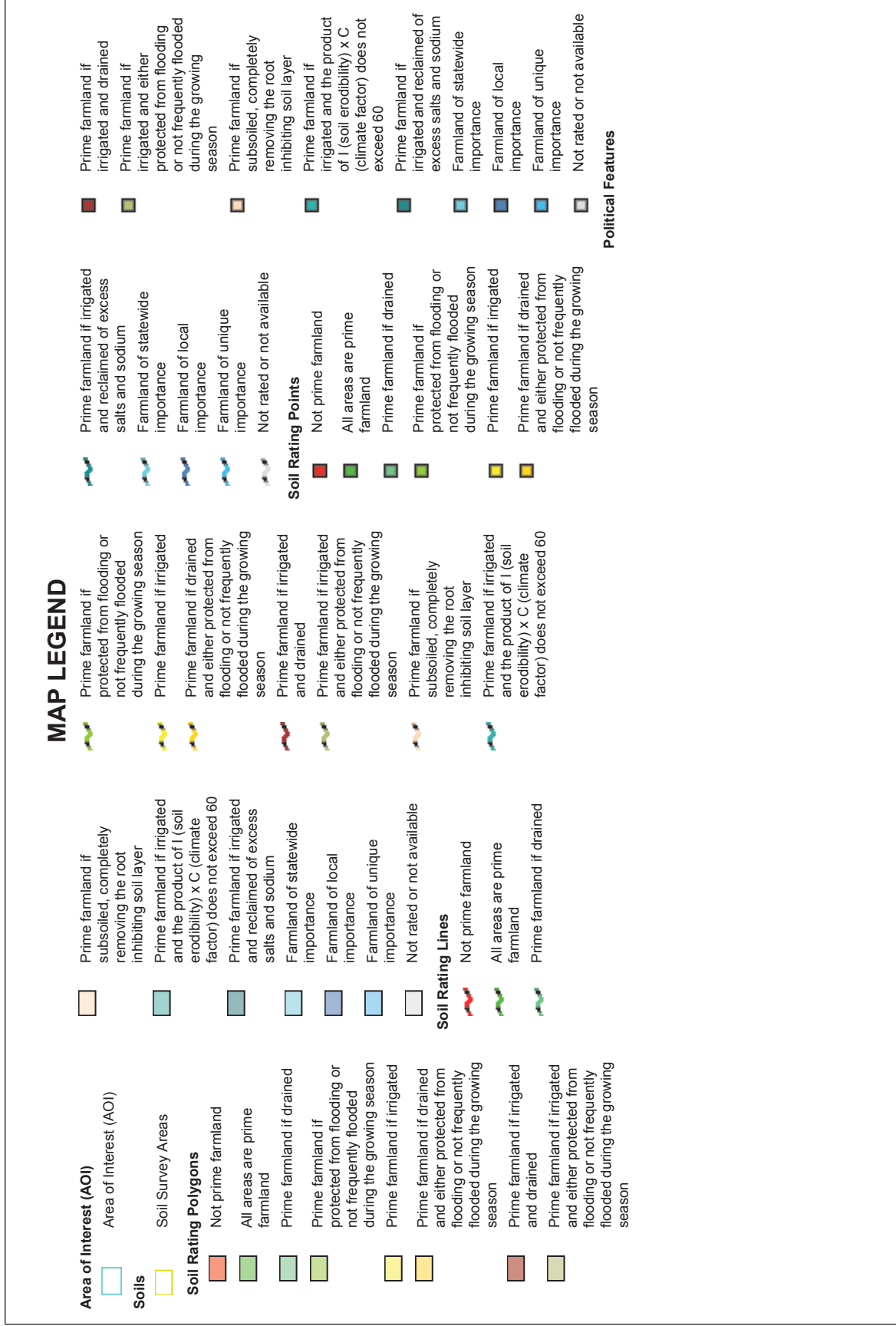
# Custom Soil Resource Report Map—Farmland Classification (Farmland)










Map Scale: 1:22,500 if printed on A portrait (8.5" x 11") sheet.



Map projection: Web Mercator Corner coordinates: WGS84 Edge tics: UTM Zone 13N WGS84



## MAP INFORMATION

-  PLSS Township and Range
- Transportation**
-  Rails
-  Interstate Highways
-  US Routes
-  Major Roads
-  Local Roads
- Background**
-  Aerial Photography

The soil surveys that comprise your AOI were mapped at 1:24,000.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service  
Web Soil Survey URL: <http://websoilsurvey.nrcs.usda.gov>  
Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: Sandoval County Area, New Mexico, Parts of Los Alamos, Sandoval, and Rio Arriba Counties  
Survey Area Data: Version 8, Dec 27, 2013

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Mar 23, 2011—May 4, 2011

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

**Table—Farmland Classification (Farmland)**

<b>Farmland Classification— Summary by Map Unit — Sandoval County Area, New Mexico, Parts of Los Alamos, Sandoval, and Rio Arriba Counties (NM656)</b>				
<b>Map unit symbol</b>	<b>Map unit name</b>	<b>Rating</b>	<b>Acres in AOI</b>	<b>Percent of AOI</b>
25	Gilco loam, 0 to 1 percent slopes	Prime farmland if irrigated	1.7	0.3%
65	Ildefonso-Harvey association, 10 to 35 percent slopes	Not prime farmland	311.4	61.8%
66	Zia sandy loam, 3 to 6 percent slopes	Not prime farmland	83.6	16.6%
106	Stumble association, 1 to 40 percent slopes	Not prime farmland	2.0	0.4%
145	Grieta-Sheppard loamy fine sands, 2 to 9 percent slopes	Not prime farmland	76.1	15.1%
170	San Mateo loam, 0 to 3 percent slopes	Not prime farmland	28.8	5.7%
<b>Totals for Area of Interest</b>			<b>503.6</b>	<b>100.0%</b>

**Rating Options—Farmland Classification (Farmland)**

*Aggregation Method:* No Aggregation Necessary

*Tie-break Rule:* Lower

## Ecological Site Assessment

Individual soil map unit components can be correlated to a particular ecological site. The Ecological Site Assessment section includes ecological site descriptions, plant growth curves, state and transition models, and selected National Plants database information.

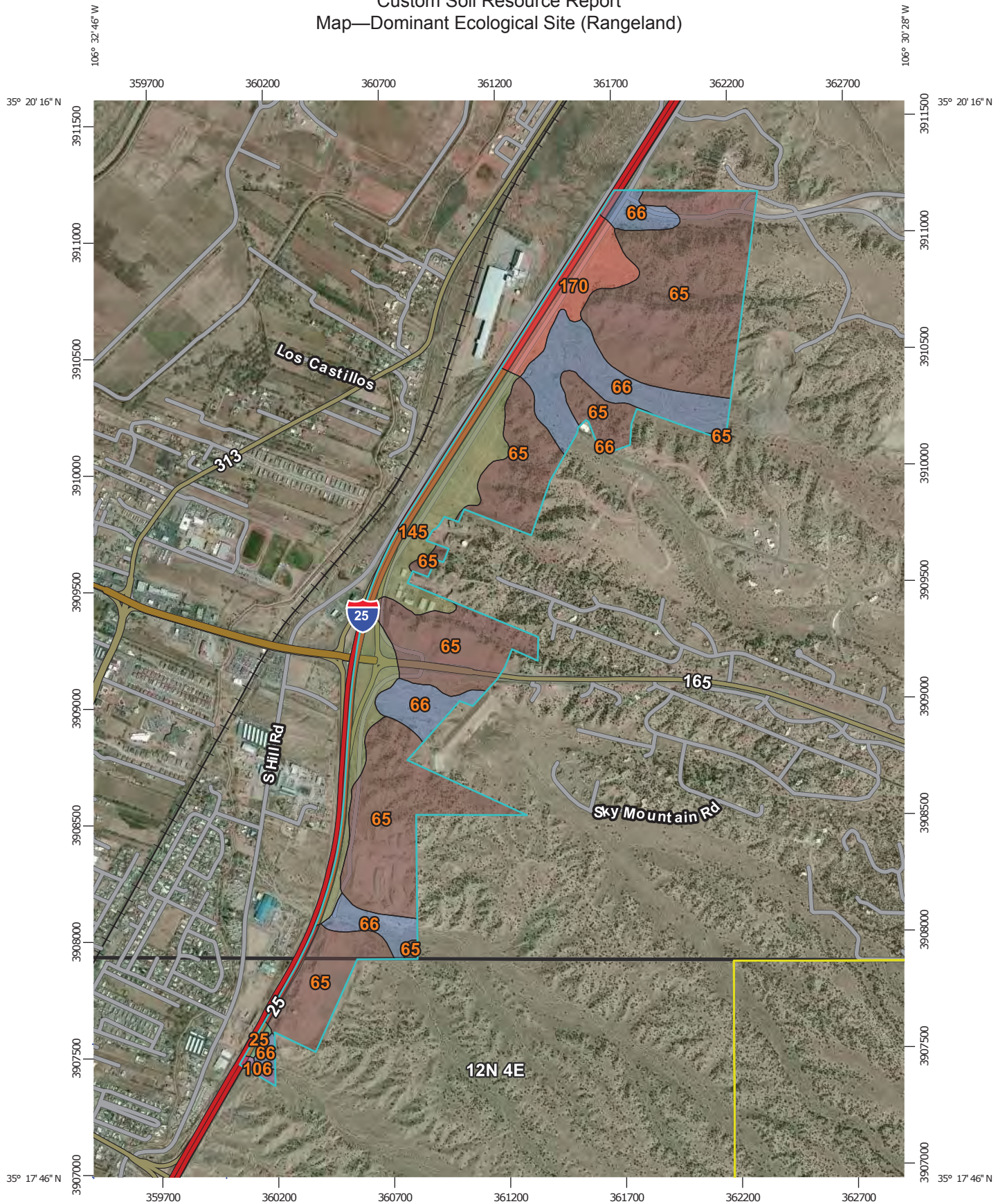
### All Ecological Sites — Rangeland (Rangeland)

An "ecological site" is the product of all the environmental factors responsible for its development. It has characteristic soils that have developed over time; a characteristic hydrology, particularly infiltration and runoff, that has developed over time; and a characteristic plant community (kind and amount of vegetation). The vegetation, soils, and hydrology are all interrelated. Each is influenced by the others and influences the development of the others. For example, the hydrology of the site is influenced by development of the soil and plant community. The plant community on an ecological site is typified by an association of species that differs from that of other ecological sites in the kind and/or proportion of species or in total production.

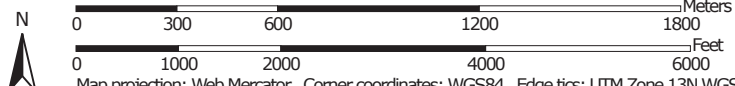
An ecological site name provides a general description of a particular ecological site. For example, "Loamy Upland" is the name of a rangeland ecological site. An "ecological site ID" is the symbol assigned to a particular ecological site.

The map identifies the dominant ecological site for each map unit, aggregated by dominant condition. Other ecological sites may occur within each map unit. Each map unit typically consists of one or more components (soils and/or miscellaneous areas). Each soil component is associated with an ecological site. Miscellaneous areas, such as rock outcrop, sand dunes, and badlands, have little or no soil material and support little or no vegetation and therefore are not linked to an ecological site. The table below the map lists all of the ecological sites for each map unit component in your area of interest.

Custom Soil Resource Report  
 Map—Dominant Ecological Site (Rangeland)



Map Scale: 1:22,500 if printed on A portrait (8.5" x 11") sheet.



Map projection: Web Mercator Corner coordinates: WGS84 Edge tics: UTM Zone 13N WGS84

## MAP INFORMATION

The soil surveys that comprise your AOI were mapped at 1:24,000.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service  
 Web Soil Survey URL: <http://websoilsurvey.nrcs.usda.gov>  
 Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.
































Soil Survey Area: Sandoval County Area, New Mexico, Parts of Los Alamos, Sandoval, and Rio Arriba Counties  
 Survey Area Data: Version 8, Dec 27, 2013

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Mar 23, 2011—May 4, 2011

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

## MAP LEGEND

<b>Area of Interest (AOI)</b>	 R070CY115NM
 Area of Interest (AOI)	 Not rated or not available
<b>Soils</b>	 Soil Survey Areas
<b>Soil Rating Polygons</b>	 R035XA113NM
 R035XA120NM	 PLSS Township and Range
 R042XA052NM	 Political Features
 R042XA053NM	<b>Transportation</b>
 R042XA057NM	 RAILS
 R070CY115NM	 Interstate Highways
 Not rated or not available	 US Routes
<b>Soil Rating Lines</b>	 Major Roads
 R035XA113NM	 Local Roads
 R035XA120NM	<b>Background</b>
 R042XA052NM	 Aerial Photography
 R042XA053NM	
 R042XA057NM	
 R070CY115NM	
 Not rated or not available	
<b>Soil Rating Points</b>	
 R035XA113NM	
 R035XA120NM	
 R042XA052NM	
 R042XA053NM	
 R042XA057NM	



**Table—Ecological Sites by Map Unit Component  
(Rangeland)**

Sandoval County Area, New Mexico, Parts of Los Alamos, Sandoval, and Rio Arriba Counties					
Map unit symbol	Map unit name	Component name (percent)	Ecological site	Acres in AOI	Percent of AOI
25	Gilco loam, 0 to 1 percent slopes	Gilco (85%)	R042XA057NM — Bottomland	1.7	0.3%
65	Ildfonso-Harvey association, 10 to 35 percent slopes	Ildfonso (50%)	R070CY115NM — Breaks	311.4	61.8%
		Harvey (30%)	R070CY108NM — Limy		
		Riverwash (5%)			
66	Zia sandy loam, 3 to 6 percent slopes	Zia (85%)	R035XA113NM — Sandy	83.6	16.6%
		Riverwash (5%)			
106	Stumble association, 1 to 40 percent slopes	Stumble (50%)	R042XA053NM — Gravelly Sand	2.0	0.4%
		Stumble, sandy (30%)	R042XA054NM — Deep Sand		
145	Grieta-Sheppard loamy fine sands, 2 to 9 percent slopes	Grieta (55%)	R042XA052NM — Loamy	76.1	15.1%
		Sheppard (40%)	R042XA054NM — Deep Sand		
		Riverwash (2%)			
170	San Mateo loam, 0 to 3 percent slopes	San Mateo (85%)	R035XA120NM — Swale	28.8	5.7%
<b>Totals for Area of Interest</b>				<b>503.6</b>	<b>100.0%</b>

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## Custom Soil Resource Report

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**APPENDIX B: CLASS 1 LITERATURE REVIEW (CULTURAL)**





# **A Class I Literature Review for a Project Planning Area near the Town of Bernalillo, at the Intersections of NM 165 and Interstate 25, Sandoval County New Mexico**

By  
Stephen Townsend

## **Prepared for:**

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**Townsend Archaeological Consultants**  
Report 2014-04

## **Introduction**

At the request of Mr. Rick Madrid, Construction Administration and Observation, Souder, Miller & Associates, a class 1 record review for previous cultural resource investigations and the locations of previously recorded archaeological sites and historic cultural properties, was completed. This work is in support of a Preliminary Engineering Report involving the area east of Interstate 25, at the intersection with NM 165, near the Town of Bernalillo, Sandoval County. Stephen Townsend of Townsend Archaeological Consultants completed the review. This information will be used in future project planning. Archaeological site locations are confidential information, and are protected under both federal and state law (36 CFR 296.18 and §§18-6-11.1 NMSA 1978, the New Mexico Cultural Properties Act).

## **Methods**

This literature review was conducted using the NMCRIS database, maintained by the NM State Historic Preservation Division-Archaeological Records Management Section (ARMS). The database and map server investigations were supplemented by a review of the latest editions of the NM State Register of Cultural Properties and the National Register of Historic Places. The review resulted in the identification of nineteen previous investigations and thirteen previously recorded archaeological sites in or adjacent to the planning areas. Those results are reported in tabular form below. National register determinations of eligibility for the archaeological sites are included.

The project planning areas are east of Interstate 25 and both north and south of the NM 165 (Placitas) road. This area is dissected piedmont, deposited as an alluvial fan off the west flank of the Sandia Mountains. The area is generally scrub-covered, and largely undeveloped except in immediate proximity to the highway corridors. Within the last fifteen years, residential development has started to take place around this intersection, and east of Interstate 25. While archaeological discoveries appear to be low, this may be misleading. This piedmont country is full of micro-environmental situations, which were favored by Archaic occupants and later by Puebloan farmers, who exploited rain flow and exposure in their grid garden technology. The Elena Gallegos land exchange survey, on the Ball Ranch, north from this area found abundant lithic assemblages and other archaeological manifestations. The presence of several prehistoric and contact-era pueblos in the Rio Grande Valley to the west, as well as extant Sandia Pueblo, suggest the area should have at least medium site density.

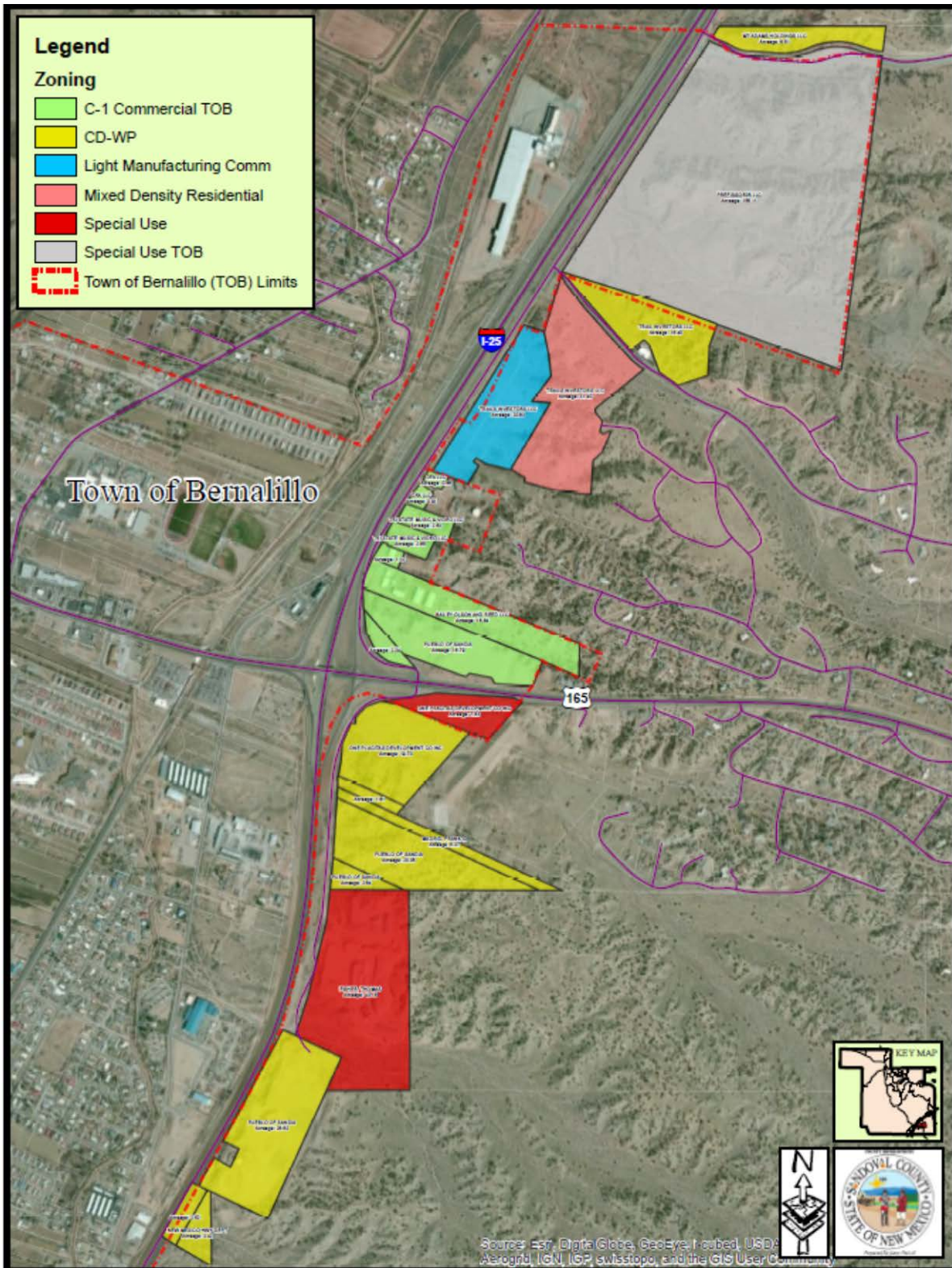
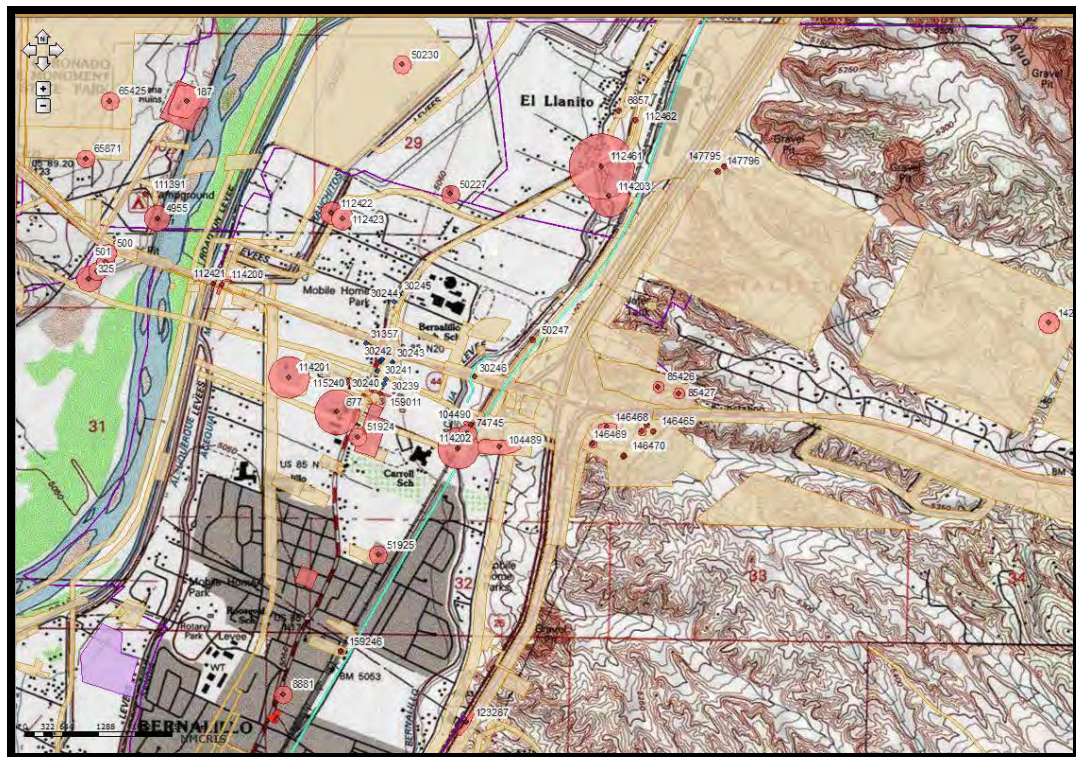


Figure 1: Planning Area Boundaries-Sandoval County Key Map



**Figure 2: Aerial Screen Shot of the General Project Area-ARMS Mapserver**  
 (Yellow-inventories, pink-site locations/historic cultural properties, purple-surveys not yet entered into the NMCRI database, turquoise-historic linear features)



**Figure 3: USGS Quad Map Screen Shot of the General Project Area-ARMS Mapserver**



**Table 1: Previous Inventories Adjacent to or Overlapping the Planning Area**

<b>NMCRIS (state ID no.)</b>	<b>Action</b>	<b>Cultural Resources *</b>	<b>Acres Surveyed</b>	<b>Reference</b>
25442	Road construction related (I-25)		140.75	Nelson 1989
28948	Hot Plant, equipment yard, staging		21.07	Condie 1990
31906	Road construction related (I-25)		82.00	Haecker 1990
35833	Road construction related (I-25)		131.19	Marshall 1991a
37297	Road construction related (I-25)	LA 85426-85427	20.66	Marshall 1991b
40920	Power line Upgrade (Sandia Pueblo)	LA 89342	1.33	Acklen 1992
52691	Road construction related (I-25) )test excavation at 2 sites)	LA 87426-85427	N/A	Aikens and Bullock 1994
62144	Road construction related (I-25 & Tramway Blvd.)	LA 123287-LA 123292	189.50	Marshall 1998
62578	Hot Plant, equipment yard, staging		43.00	Brown 1998
78512	Subdivision	LA 135564-135567	160.00	Parker 2002
86476	Subdivision	LA 142451	200.00	Travis 2003
91270	Land Management	LA 146465-LA 146470	61.50	Roxlau 2004
92370	Subdivision	LA 147795-147796	200.00	Bogges 2005
94850	Road construction related (I-25)	LA 123189, 123287-123292	2.00	Byszewski 2006
109743	Road construction related (I-25) (data recovery at 7 sites)	LA 123287-123292, LA 154744	N/A	Walth and Railey 2011
110867	Water-related (arsenic test wells)		4.22	Parker 2008
113178	Water-related (arsenic test wells)		1.55	Burrus and Parker 2009
119965	Interchange reconstruction (US 550, NM 165 and I-25)	HCPI 30236-HCPI 30246	123.00	McCullough et al
120764	Gravel exploration and testing	LA 89243, LA 142540, LA 170047-170048	59.00	Marshall 2011

\*

LA=Laboratory of Anthropology, the prefix used for all archaeological sites in New Mexico.

HCPI= Historic Cultural Property Inventory, a prefix used for identifying historic buildings, acequias, historic roads, canals, and engineering features.

Properties listed in the above table, but not reported below, were documented in sections of inventories outside of the project planning area.

**Table 2: Previously Recorded Sites Adjacent to the Project Area**

<b>Site Designation</b>	<b>Site type</b>	<b>National Register Determination</b>
85426	Lithic scatter	Not eligible
85427	Lithic scatter	Not eligible
123287	Historic trash dump	Yes, criterion d
135567	Rock alignment and mound	Undetermined
142451	Rock alignment with glass	Undetermined
146465	Historic artifact scatter	Not eligible
146466	Historic dump	Not eligible
146467	Historic artifact scatter	Not eligible
146468	Historic dump	Not eligible
146469	Historic dump	Not eligible
146470	Historic dump	Not eligible
147795	Historic artifact scatter	Not eligible
147796	Historic artifact scatter	Not eligible

### **National Register of Historic Places and NM State Register of Cultural Properties Review**

A review of the latest editions of the National Register of Historic Places and the NM State Register of Cultural Properties reveals several listings in and around the Town of Bernalillo. These include such listings as the Coronado State Park Monument (Kuaaua Pueblo), several buildings within Bernalillo, and old Route 66 (NM 314) between Bernalillo and Algodones. There are no properties listed on either register that are in or adjacent to the planning areas.

### **Built Environment, Linear Features and Cultural Landscapes**

Federal and state laws not only protect significant archaeological properties, but also significant buildings, structures and objects. This includes examples of architecture, bridges, road segments and trails that might be extant within or adjacent to the project area. All such features meeting 50-years of age or greater must be evaluated for significance. This might include such engineering features as old power lines, and buildings dating to the 1950s or early 1960s. Ultimately, the effect of a development project upon such cultural manifestations, (including archaeological sites), is the determinative factor in whether or not the project receives a clearance or carries the stipulation of “adverse effect”. There appear to be few historic buildings, trails or engineering features within the designated planning areas.

### **Recommendations**

The designated planning areas are adjacent to Sandia Pueblo tribal lands and the Sandia Ranger District of the Cibola National Forest. Proposed work within either of those jurisdictions will require permitting through the USDI-Bureau of Indian Affairs, Southwest Region, the Sandia Pueblo tribal council and/or the Cibola National Forest. Permitting within the Interstate 25 and US 165 corridors will be required from the New Mexico Department of Transportation-Environmental Section. Development-related projects may require permitting through Sandoval County.

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**APPENDIX C: FINANCIAL STATUS OF EXISTING FACILITIES**



Preliminary Engineering Report  
Interstate Frontage Wastewater Improvements Project



**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2013**

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO**

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TOWN OF BERNALILLO**

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**STATE OF NEW MEXICO  
TOWN OF BERNALILLO**

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**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
OFFICIAL ROSTER  
JUNE 30, 2013**

**Town Council**

Jack Torres  
Mayor

Marian A. Jaramillo  
Town Councilor

Santiago Montoya  
Town Councilor

Ronnie A. Sisneros  
Town Councilor

Dale Prairie  
Town Councilor

**Administrative Officials**

Juan Torres  
Interim Town Treasurer

Ida Fierro  
Town Clerk

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**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
REPORT ON AUDIT OF FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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## INDEPENDENT AUDITOR'S REPORT

Mr. Hector H. Balderas  
New Mexico State Auditor

Honorable Mayor, Members of the Town Council  
of the Town of Bernalillo, New Mexico

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of the Town of Bernalillo, New Mexico (Town), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents. We were also engaged to audit the financial statements of each of the Town's nonmajor governmental, nonmajor enterprise funds, and the budgetary comparisons for the major debt service fund, capital project funds, enterprise funds and all nonmajor funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying Combining and Individual Fund Financial Statements and Schedules as of and for the year ended June 30, 2013, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based conducting the audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Because of the matters described in the Basis for Disclaimer of Opinions paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for audit opinions.

### ***Basis for Disclaimer of Opinions***

The Town of Bernalillo, New Mexico did not maintain sufficient internal controls and/or adequate records of its cash and investments, capital assets, revenues/receivables, payables, and completeness of the underlying general ledger accounting. Accordingly, we were unable to perform procedures sufficient to achieve the audit objectives for these account balances and transaction classes.

### ***Disclaimer of Opinions***

As the Town did not maintain sufficient internal controls and/or adequate records we were unable to obtain sufficient evidential matter and we were not able to apply other auditing procedures to satisfy ourselves as to the fairness of the presentation of the financial statements in conformity with generally accepted accounting principles. The scope of our work was not sufficient to enable us to express, and we do not express an opinion on the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Bernalillo, New Mexico as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and major special revenue fund for the year ended in conformity with accounting principles generally accepted in the United States of America.

In addition, we do not express an opinion on the respective financial position of each nonmajor governmental and nonmajor enterprise funds of the Town of Bernalillo, New Mexico, as of June 30, 2013, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major debt service fund, capital project funds, enterprise funds and all nonmajor governmental funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

***Change in Accounting Principle***

As described in Note 1, the Town implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, for the year ended June 30, 2013, which represents a change in accounting principle.

***Other Matters***

***Required Supplementary Information***

Management has omitted the Management's Discussion and Analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

***Other Information***

We were engaged for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements, nonmajor governmental funds, and budgetary comparison information presented as supplementary information in the accompanying Combining and Individual Fund Financial Statements and Schedules. The additional schedules listed as Other Supplementary Information in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. In addition, the accompanying Schedule of Expenditures of Federal Awards is presented for additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Because of the significance of the matter described above, it is inappropriate to and we do not express an opinion on the supplementary information referenced to above.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2013, on our consideration of Town of Bernalillo, New Mexico's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Bernalillo, New Mexico's internal control over financial reporting and compliance.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
CPAs and Business Consultants

November 25, 2013



## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
STATEMENT OF NET POSITION  
JUNE 30, 2013**

	Governmental Activities	Business-type Activities	Total
<b><u>ASSETS</u></b>			
Current assets:			
Cash and cash equivalents	\$ 1,266,175	\$ 175,270	\$ 1,441,445
Investments		2,049,845	2,049,845
Property taxes receivable	67,610		67,610
Accounts receivable		15,380	15,380
Due from state government	1,069,529	22,524	1,092,053
Prepaid items		8,288	8,288
Inventory		3,950	3,950
<b>Total current assets</b>	<u>2,403,314</u>	<u>2,275,257</u>	<u>4,678,571</u>
Noncurrent assets:			
Deferred bond issuance costs	86,684	232,330	319,014
Land	260,810	409,428	670,238
Infrastructure	10,435,769	17,437,634	27,873,403
Buildings and improvements	4,189,196	4,627,623	8,816,819
Improvements other than buildings	1,038,278		1,038,278
Vehicles, furniture and equipment	3,427,731	749,675	4,177,406
Construction in progress		33,321	33,321
Accumulated depreciation	(8,022,085)	(5,520,621)	(13,542,706)
<b>Total noncurrent assets</b>	<u>11,416,383</u>	<u>17,969,390</u>	<u>29,385,773</u>
<b>Total assets</b>	<u>13,819,697</u>	<u>20,244,647</u>	<u>34,064,344</u>
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Overdraft of cash on deposit	2,254,852	3,200,524	5,455,376
Accounts payable	76,354	84,146	160,500
Accrued payroll	115,160	21,998	137,158
Accrued interest payable	9,655	45,790	55,445
Compensated absences payable	90,866	8,873	99,739
Customer deposits		21,802	21,802
Loans payable	50,717	217,768	268,485
Bonds payable		690,212	690,212
<b>Total current liabilities</b>	<u>2,597,604</u>	<u>4,291,113</u>	<u>6,888,717</u>
Noncurrent liabilities:			
Non-current portion of long-term obligations	2,868,655	10,882,930	13,751,585
<b>Total noncurrent liabilities</b>	<u>2,868,655</u>	<u>10,882,930</u>	<u>13,751,585</u>
<b>Total liabilities</b>	<u>5,466,259</u>	<u>15,174,043</u>	<u>20,640,302</u>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	8,587,876	7,137,191	15,725,067
Restricted for:			
Capital projects	733,188		733,188
Public safety	265,543		265,543
Tourism	105,105		105,105
Recreation	138,504		138,504
Unrestricted	(1,476,778)	(2,066,587)	(3,543,365)
<b>Total net position</b>	<u>\$ 8,353,438</u>	<u>\$ 5,070,604</u>	<u>\$ 13,424,042</u>

The notes to the basic financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2013**

<b>Functions/Programs</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Primary Government</b>					
Governmental activities:					
General government	\$ 2,817,430	\$ 121,707	\$ 19,197	\$	\$ (2,676,526)
Public safety	3,910,419	467,715	25,824	176,222	(3,240,658)
Public works	631,022	8,114		1,969,489	1,346,581
Culture and recreation	2,007,387	368,555	248,147		(1,390,685)
Interest on long-term debt	155,379				(155,379)
Total governmental activities	<u>9,521,637</u>	<u>966,091</u>	<u>293,168</u>	<u>2,145,711</u>	<u>(6,116,667)</u>
Business-type activities:					
Water and sewer	2,862,131	2,986,610			
Housing assistance	398,783	178,022	251,328	79,090	
Campground	111,998	114,283			
Total business-type activities	<u>3,372,912</u>	<u>3,278,915</u>	<u>251,328</u>	<u>79,090</u>	
<b>Total primary government</b>	<u>\$ 12,894,549</u>	<u>\$ 4,245,006</u>	<u>\$ 544,496</u>	<u>\$ 2,224,801</u>	<u>(6,116,667)</u>
<b>General revenues:</b>					
Taxes:					
Property taxes, levied for general purposes					813,247
Gross receipts taxes					5,344,931
Franchise taxes					213,819
Unrestricted grants, aid and state shared revenues					623,675
Investment income					153,279
<b>Transfers</b>					<u>(91,451)</u>
<b>Total general revenues and transfers</b>					<u>7,057,500</u>
<b>Changes in net position</b>					
					940,833
<b>Net position, beginning of year</b>					
					7,412,605
<b>Net position, restatement</b>					
					7,412,605
<b>Net position, beginning of year, as restated</b>					
					7,412,605
<b>Net position, end of year</b>					
					<u>\$ 8,353,438</u>

**The notes to the basic financial statements are an integral part of this statement.**

Net (Expense) Revenue and  
Changes in Net Position

Business-type Activities	Totals
\$	\$ (2,676,526)
	(3,240,658)
	1,346,581
	(1,390,685)
	(155,379)
	<u>(6,116,667)</u>
124,479	124,479
109,657	109,657
2,285	2,285
<u>236,421</u>	<u>236,421</u>
<u>236,421</u>	<u>(5,880,246)</u>
	813,247
120,095	5,465,026
	213,819
	623,675
343	153,622
91,451	
<u>211,889</u>	<u>7,269,389</u>
448,310	1,389,143
5,660,987	13,073,592
<u>(1,038,693)</u>	<u>(1,038,693)</u>
4,622,294	12,034,899
<u>\$ 5,070,604</u>	<u>\$ 13,424,042</u>

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**FUND FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	General	Gas Tax	Capital Projects
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$	\$	\$ 122,726
Property taxes receivable	67,610		
Due from state government	1,027,994	41,535	
<b>Total assets</b>	<b>\$ 1,095,604</b>	<b>\$ 41,535</b>	<b>\$ 122,726</b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Overdraft of cash on deposit	\$ 7,235	\$ 1,952,275	\$
Accounts payable	52,519		
Accrued payroll	115,160		
Deferred revenue	49,690		
<b>Total liabilities</b>	<b>224,604</b>	<b>1,952,275</b>	
Fund balances (deficits):			
Restricted			122,726
Unassigned	871,000	(1,910,740)	
<b>Total fund balances</b>	<b>871,000</b>	<b>(1,910,740)</b>	<b>122,726</b>
 <b>Total liabilities and fund balances</b>	 <b>\$ 1,095,604</b>	 <b>\$ 41,535</b>	 <b>\$ 122,726</b>

The notes to the basic financial statements are an integral part of this statement.

2008 Revenue Bond Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 610,462	\$ 532,987	\$ 1,266,175
		67,610
		1,069,529
<u>\$ 610,462</u>	<u>\$ 532,987</u>	<u>\$ 2,403,314</u>
	\$ 295,342	\$ 2,254,852
	23,835	76,354
		115,160
		49,690
	<u>319,177</u>	<u>2,496,056</u>
610,462	509,152	1,242,340
	(295,342)	(1,335,082)
<u>610,462</u>	<u>213,810</u>	<u>(92,742)</u>
<u>\$ 610,462</u>	<u>\$ 532,987</u>	<u>\$ 2,403,314</u>

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**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2013**

<b>Total governmental fund balances</b>		<b>\$ (92,742)</b>
Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Governmental capital assets	\$ 19,351,784	
Less accumulated depreciation	<u>(8,022,085)</u>	11,329,699
Property tax revenues will not be available to pay for current period expenditures and, therefore, are deferred in the funds.		
		49,690
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable	(9,655)	
Loans payable	(438,507)	
Revenue bonds payable	(2,390,000)	
Compensated absences payable	<u>(181,731)</u>	(3,019,893)
Deferred items related to the issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.		
		<u>86,684</u>
<b>Net position of governmental activities</b>		<b><u><u>\$ 8,353,438</u></u></b>

**The notes to the basic financial statements are an integral part of this statement.**

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013**

	<u>General</u>	<u>Gas Tax</u>	<u>2008 Revenue Bond Debt Service</u>
<b>Revenues:</b>			
Property taxes	\$ 763,557	\$	\$
Municipal and state shared taxes	5,381,189	319,302	
Federal grants and aid	25,824		
State grants and aid	438,417	931,196	
Charges for services	462,429		
Licenses and permits	143,901		
Fines and forfeits	115,980		
Franchise fees	213,819		
Investment income	151,375		
Other revenues	214,454		
<b>Total revenues</b>	<u>7,910,945</u>	<u>1,250,498</u>	<u></u>
<b>Expenditures:</b>			
Current -			
General government	1,789,508		
Public safety	2,656,731		
Public works	126,692	334,254	
Culture and recreation	1,406,915		
Capital outlay	229,741	135,672	
Debt service -			
Principal			610,000
Interest and fees			140,256
<b>Total expenditures</b>	<u>6,209,587</u>	<u>469,926</u>	<u>750,256</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,701,358</u>	<u>780,572</u>	<u>(750,256)</u>
<b>Other financing sources (uses):</b>			
Transfers in	22,712	274,265	750,256
Transfers out	(841,707)		
<b>Total other financing sources (uses):</b>	<u>(818,995)</u>	<u>274,265</u>	<u>750,256</u>
<b>Changes in fund balances</b>	<u>882,363</u>	<u>1,054,837</u>	<u></u>
<b>Fund balances (deficits), beginning of year</b>	(11,363)	(2,965,577)	
<b>Fund balances (deficits), end of year</b>	<u>\$ 871,000</u>	<u>\$ (1,910,740)</u>	<u>\$</u>

The notes to the basic financial statements are an integral part of this statement.

<u>Capital Projects</u>	<u>2008 Revenue Bond Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$	\$	\$	\$
		97,041	763,557
973,934			5,797,532
64,359		176,222	999,758
			1,610,194
			462,429
		29,328	143,901
			145,308
	1,904		213,819
			153,279
			214,454
<u>1,038,293</u>	<u>1,904</u>	<u>302,591</u>	<u>10,504,231</u>
		55,475	1,844,983
		36,360	2,693,091
			460,946
1,771,629		524,070	1,406,915
			2,661,112
		50,459	660,459
		5,471	145,727
<u>1,771,629</u>		<u>671,835</u>	<u>9,873,233</u>
<u>(733,336)</u>	<u>1,904</u>	<u>(369,244)</u>	<u>630,998</u>
691,210			1,738,443
	(988,187)		(1,829,894)
<u>691,210</u>	<u>(988,187)</u>		<u>(91,451)</u>
<u>(42,126)</u>	<u>(986,283)</u>	<u>(369,244)</u>	<u>539,547</u>
164,852	1,596,745	583,054	(632,289)
<u>\$ 122,726</u>	<u>\$ 610,462</u>	<u>\$ 213,810</u>	<u>\$ (92,742)</u>

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**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2013**

**Net changes in fund balances - total governmental funds** **\$ 539,547**

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capitalized assets	\$ 117,430	
Less current year depreciation	<u>(466,271)</u>	(348,841)

Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Loan retirement	50,459	
Revenue bond retirement	<u>610,000</u>	660,459

Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		49,690
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of deferred bond items	(11,685)	
Accrued interest	2,033	
Compensated absences	<u>49,630</u>	<u>39,978</u>

**Change in net position in governmental activities** **\$ 940,833**

**The notes to the basic financial statements are an integral part of this statement.**

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL  
YEAR ENDED JUNE 30, 2013**

	<u>Budgeted Amounts</u>		<u>Non-GAAP Actual</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<b>Revenues:</b>				
Property taxes	\$ 578,600	\$ 745,637	\$ 763,557	\$ 17,920
Municipal and state shared taxes	5,245,762	5,137,696	5,381,189	243,493
Federal grants and aid			25824	25,824
State grants and aid	218,716	209,446	196,532	(12,914)
Charges for services	210,263	247,799	220,073	(27,726)
Licenses and permits	122,081	106,511	143,901	37,390
Fines and forfeits	170,764	162,091	115,980	(46,111)
Franchise fees	180,000	213,819	213,819	
Investment income	230,000	151,357	151,375	18
Other revenues	365,059	232,321	213,939	(18,382)
<b>Total revenues</b>	<u>7,321,245</u>	<u>7,206,677</u>	<u>7,426,189</u>	<u>219,512</u>
<b>Expenditures:</b>				
Current -				
General government	1,777,476	1,711,356	1,690,331	21,025
Public safety	2,760,350	2,760,721	2,656,731	103,990
Public works	127,000	127,000	126,692	308
Culture and recreation	997,776	683,646	605,977	77,669
Capital outlay	230,000	230,000	228,763	1,237
<b>Total expenditures</b>	<u>5,892,602</u>	<u>5,512,723</u>	<u>5,308,494</u>	<u>204,229</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,428,643</u>	<u>1,693,954</u>	<u>2,117,695</u>	<u>423,741</u>
<b>Other financing sources (uses):</b>				
Transfers in	26,282	26,282		(26,282)
Transfers out	(1,295,474)	(1,763,241)	(841,707)	921,534
<b>Total other financing sources (uses):</b>	<u>(1,269,192)</u>	<u>(1,736,959)</u>	<u>(841,707)</u>	<u>895,252</u>
<b>Changes in fund balances - budgetary basis</b>	<u>159,451</u>	<u>(43,005)</u>	<u>1,275,988</u>	<u>1,318,993</u>
<b>Fund balances, beginning of year</b>	<u>2,439,708</u>	<u>2,439,708</u>		
<b>Fund balances, end of year</b>	<u>\$ 2,599,159</u>	<u>\$ 2,396,703</u>		
<b>Reconciliation to change in fund balance - GAAP-basis:</b>				
Funds budgeted separately from the General Fund			<u>(393,625)</u>	
<b>Change in fund balance - GAAP-basis</b>			<u>\$ 882,363</u>	

The notes to the basic financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GAS TAX  
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal and state shared taxes	\$ 297,606	\$ 330,636	\$ 319,302	\$ (11,334)
State grants and aid	1,920,889	2,136,124	931,196	(1,204,928)
<b>Total revenues</b>	<u>2,218,495</u>	<u>2,466,760</u>	<u>1,250,498</u>	<u>(1,216,262)</u>
<b>Expenditures:</b>				
Current -				
Public works	2,007,357	1,317,508	334,254	983,254
Capital outlay			135,672	(135,672)
<b>Total expenditures</b>	<u>2,007,357</u>	<u>1,317,508</u>	<u>469,926</u>	<u>847,582</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>211,138</u>	<u>1,149,252</u>	<u>780,572</u>	<u>(368,680)</u>
<b>Other financing sources (uses):</b>				
Transfers in	152,394	426,659	274,265	(152,394)
<b>Total other financing sources (uses)</b>	<u>152,394</u>	<u>426,659</u>	<u>274,265</u>	<u>(152,394)</u>
<b>Changes in fund balances</b>	<u>363,532</u>	<u>1,575,911</u>	<u>1,054,837</u>	<u>(521,074)</u>
<b>Fund balances (deficits), beginning of year</b>	(363,532)	(363,532)	(2,965,577)	(2,602,045)
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$ 1,212,379</u>	<u>\$ (1,910,740)</u>	<u>\$ (3,123,119)</u>

The notes to the basic financial statements are an integral part of this statement.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2013**

	Enterprise Funds		
	Water and Sewer Utility	Housing Assistance	Non-Major Enterprise Funds
<b><u>ASSETS</u></b>			
Current assets:			
Cash and cash equivalents	\$	\$ 113,572	\$ 61,698
Investments	2,049,845		
Accounts receivable		15,380	
Due from state government	22,524		
Prepaid items		8,288	
Inventory		3,950	
<b>Total current assets</b>	<u>2,072,369</u>	<u>141,190</u>	<u>61,698</u>
Noncurrent assets:			
Deferred bond issuance costs	232,330		
Land	377,428	32,000	
Infrastructure	17,437,634		
Buildings and improvements	87,742	4,539,881	
Vehicles, furniture and equipment	628,993	109,478	11,204
Construction in progress		33,321	
Accumulated depreciation	(2,635,375)	(2,874,510)	(10,736)
<b>Total noncurrent assets</b>	<u>16,128,752</u>	<u>1,840,170</u>	<u>468</u>
<b>Total assets</b>	<u>18,201,121</u>	<u>1,981,360</u>	<u>62,166</u>
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Overdraft of cash on deposit	3,200,524		
Accounts payable	54,029	30,117	
Accrued payroll	15,987	4,869	1,142
Accrued interest payable	45,790		
Compensated absences payable	8,236	637	
Customer deposits	14,877	6,925	
Loans payable	217,768		
Bonds payable	690,212		
<b>Total current liabilities</b>	<u>4,247,423</u>	<u>42,548</u>	<u>1,142</u>
Noncurrent liabilities:			
Non-current portion of long-term obligations	10,879,745	3,185	
<b>Total noncurrent liabilities</b>	<u>10,879,745</u>	<u>3,185</u>	
<b>Total liabilities</b>	<u>15,127,168</u>	<u>45,733</u>	<u>1,142</u>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	5,296,553	1,840,170	468
Unrestricted	(2,222,600)	95,457	60,556
<b>Total net position</b>	<u>\$ 3,073,953</u>	<u>\$ 1,935,627</u>	<u>\$ 61,024</u>

The notes to the basic financial statements are an integral part of this statement.

Enterprise Funds

Totals

\$ 175,270  
2,049,845  
15,380  
22,524  
8,288  
3,950  
2,275,257

232,330  
409,428  
17,437,634  
4,627,623  
749,675  
33,321  
(5,520,621)  
17,969,390  
20,244,647

3,200,524  
84,146  
21,998  
45,790  
8,873  
21,802  
217,768  
690,212  
4,291,113

10,882,930  
10,882,930  
15,174,043

7,137,191  
(2,066,587)  
\$ 5,070,604

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013**

	Enterprise Funds		
	Water and Sewer Utility	Housing Assistance	Non-Major Enterprise Funds
<b>Operating revenues:</b>			
Charges for services	\$ 2,985,135	\$ 176,282	\$ 114,283
<b>Total operating revenues</b>	<u>2,985,135</u>	<u>176,282</u>	<u>114,283</u>
<b>Operating expenses:</b>			
Salaries and benefits	622,438	111,319	66,945
Supplies and services	1,544,082	223,500	43,653
Depreciation	151,910	63,964	1,400
<b>Total operating expenses</b>	<u>2,318,430</u>	<u>398,783</u>	<u>111,998</u>
<b>Operating income (loss)</b>	<u>666,705</u>	<u>(222,501)</u>	<u>2,285</u>
<b>Nonoperating revenues (expenses):</b>			
Municipal and state shared taxes	120,095		
Federal grants and aid		330,418	
Other revenues	1,475	2,083	
Interest and fees	(543,701)		
<b>Total nonoperating revenues (expenses)</b>	<u>(422,131)</u>	<u>332,501</u>	
<b>Income (loss) before transfers</b>	<u>244,574</u>	<u>110,000</u>	<u>2,285</u>
<b>Transfers in</b>	103,651		
<b>Transfers out</b>	<u>(12,200)</u>		
<b>Changes in net position</b>	<u>336,025</u>	<u>110,000</u>	<u>2,285</u>
<b>Total net position, beginning of year</b>	3,605,043	1,997,205	58,739
<b>Total net position, restatement</b>	<u>(867,115)</u>	<u>(171,578)</u>	
<b>Total net position, beginning of year, as restated</b>	2,737,928	1,825,627	58,739
<b>Total net position, end of year</b>	<u>\$ 3,073,953</u>	<u>\$ 1,935,627</u>	<u>\$ 61,024</u>

The notes to the basic financial statements are an integral part of this statement.

Enterprise Funds

Totals

\$ 3,275,700  
3,275,700

800,702  
1,811,235  
217,274  
2,829,211

446,489

120,095  
330,418  
3,558  
(543,701)  
(89,630)

356,859

103,651  
(12,200)

448,310

5,660,987  
(1,038,693)  
4,622,294

\$ 5,070,604

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2013**

	Enterprise Funds			Totals
	Water and Sewer Utility	Housing Assistance	Non-Major Enterprise Funds	
<b><u>Increase (Decrease) In Cash and Cash Equivalents</u></b>				
Cash flows from operating activities:				
Cash received from customers	\$ 2,992,881	\$ 183,269	\$ 114,283	\$ 3,290,433
Cash payments to suppliers for goods and services	(1,537,769)	(235,639)	(43,653)	(1,817,061)
Cash payments to employees for services	(617,554)	(111,319)	(72,252)	(801,125)
<b>Net cash provided by (used for) operating activities</b>	<b>837,558</b>	<b>(163,689)</b>	<b>(1,622)</b>	<b>672,247</b>
Cash flows from noncapital and related financing activities:				
Intergovernmental revenues	117,256	330,418		447,674
Miscellaneous revenues		2,083		2,083
Overdrafts of cash deposits	1,563,311			1,563,311
Interfund borrowing	91,451			91,451
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>1,772,018</b>	<b>332,501</b>		<b>2,104,519</b>
Cash flows from capital and related financing activities:				
Principal paid on bonds and loans	(873,041)			(873,041)
Interest paid on bonds and loans	(517,016)			(517,016)
Acquisition and construction of capital assets		(108,716)		(108,716)
<b>Net cash used for capital and related financing activities</b>	<b>(1,390,057)</b>	<b>(108,716)</b>		<b>(1,498,773)</b>
Cash flows from investing activities:				
Interest on investments	1,475			1,475
<b>Net cash provided by investing activities</b>	<b>1,475</b>			<b>1,475</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,220,994</b>	<b>60,096</b>	<b>(1,622)</b>	<b>1,279,468</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>828,851</b>	<b>53,476</b>	<b>63,320</b>	<b>945,647</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 2,049,845</b>	<b>\$ 113,572</b>	<b>\$ 61,698</b>	<b>\$ 2,225,115</b>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u></b>				
<b>Operating income (loss)</b>	<b>\$ 666,705</b>	<b>\$ (222,501)</b>	<b>\$ 2,285</b>	<b>\$ 446,489</b>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	151,910	63,964	1,400	217,274
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable		6,737		6,737
(Increase) decrease in prepaid items		(5,830)		(5,830)
(Increase) decrease in inventory		200		200
Increase (decrease) in accounts payable	6,313	(6,509)		(196)
Increase (decrease) in accrued payroll and employee benefits	805		(584)	221
Increase (decrease) in compensated absences payable	4,079		(4,723)	(644)
Increase (decrease) in deposits	7,746	250		7,996
<b>Total adjustments</b>	<b>170,853</b>	<b>58,812</b>	<b>(3,907)</b>	<b>225,758</b>
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 837,558</b>	<b>\$ (163,689)</b>	<b>\$ (1,622)</b>	<b>\$ 672,247</b>

**The notes to the basic financial statements are an integral part of this statement.**



**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Bernalillo (Town) was incorporated under the provisions of Article 16, Chapter 75 of the New Mexico Statutes of 1915, codification and amendments thereto. The Town operates under an elected Mayor-Council form of government.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

During the year ended June 30, 2013, the Town implemented the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 establishes reporting guidance for certain elements of the financial statements which are distinct from assets and liabilities.

The Town's significant accounting policies are described below.

**A. Reporting Entity**

The Town's major operations include police and fire protection, library, parks and recreation, certain community and social services and general administrative services. In addition, the Town operates three enterprise funds, which include a Water and Sewer Utility Fund, a Housing Assistance Fund, and a Campground Fund.

The financial reporting entity consists of a primary government and its component units. The Town is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the Town for financial statement presentation purposes, and the Town is not included in any other governmental reporting entity. Consequently, the Town's financial statements include only the financial activity of those organizational entities for which its elected governing body is financially accountable.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the Town as a whole. The reported information includes all of the nonfiduciary activities of the Town. For the most part, the effect of internal activity has been removed from these statements. These statements distinguish between governmental and business-type activities of the Town. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, investment income and other items not included among program revenues, but are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

**Government-wide Financial Statements** – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule the effect of internal activity has been eliminated from the government-wide financial statements, however the effect of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their exchange value. The Town does not allocate indirect expenses to functions in the statement of activities.

**Fund Financial Statements** – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. In addition, derived tax revenues, such as gross receipts and gasoline taxes, are recognized as revenues when the underlying exchange transaction has occurred. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

Property taxes, gross receipts taxes, state shared taxes, franchise fees, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenue is not susceptible to accrual because generally they are not measurable until received.

Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Deferred revenue also arise when resources are received by the Town before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Property taxes recognized are net of estimated refunds and uncollectible amounts. Delinquent property taxes have been recorded as deferred revenue. Delinquent property taxes and other receivables that will not be collected within the available period have been reported as deferred revenue on the governmental fund financial statements.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

The Town reports the following major governmental funds.

General Fund – This fund accounts for all financial resources of the Town, except those required to be accounted for in other funds. The General Fund includes the Town's Ambulance, Community Development, and Motor Vehicle Division Funds. These funds are maintained as separate funds for accounting and budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

Gas Tax Fund – This fund accounts for funds used for construction and maintenance of streets and bridges and is provided by a one (1) cent per gallon tax on gasoline purchased in the community as authorized by Section 7-24A, NMSA 1978.

2008 Revenue Bond Debt Service Fund – This fund accounts for the debt service payments related to the 2008 Revenue Bond.

Capital Projects Fund – This fund accounts for various capital projects in progress by the Town.

2008 Revenue Bond Capital Projects Fund – This fund accounts for the proceeds and capital expenditures related to projects funded by the 2008 Revenue Bond issuance.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

The Town reports the following major proprietary funds.

Water and Sewer Utility Fund – This enterprise fund is used to account for all operations of the water and wastewater systems.

Housing Assistance Fund – This enterprise fund is used to account for all low-rent housing operations of the Town.

The Town also reports one non-major proprietary fund, the Campground Fund. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the Town's enterprise funds are charges to customers for water and wastewater services. Operating expenses for this fund include production costs, administrative expenses and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**D. Cash and Investments**

For purposes of the Statement of Cash Flows, the Town considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents at year-end were cash in bank and investments held by the Town.

New Mexico Statutes Annotated (NMSA) authorizes the Town to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of New Mexico, counties, cities, towns, school districts, and special districts as specified by statute.

A significant portion of the cash and investments of funds of the Town is pooled for investment purposes. The balance reported for each participating fund as "Cash and Investments" represents the equity of that fund in the pooled cash and investments. Interest earnings on pooled investments are allocated to the participating funds based on average daily balances.

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest investment contracts with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Investment income is composed of interest and net changes in the fair value of applicable investments.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**E. Investment Income**

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments. Investment income is included in other local revenue in the governmental fund financial statements and in nonoperating revenues in the proprietary fund financial statements.

**F. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Interfund balances between governmental funds are eliminated on the Statement of Net Position. All trade receivables are shown net of allowance for uncollectibles.

**G. Inventory**

All inventories are valued at cost using the weighted average method. Inventories consist of expendable supplies held for consumption. Inventories are recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

**H. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as expenses when consumed in the government-wide financial statements and as expenditures when purchased in the fund financial statements.

**I. Capital Assets**

Capital assets, which include land and improvements, buildings and improvements, vehicles, furniture, equipment, construction in progress, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town defines capital assets as assets with an initial, individual cost of \$5,000 or more (per Section 12-6-10 NMSA 1978) and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Software is

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

capitalized when acquired while library books are not capitalized because the aggregated cost of books is considered immaterial. Donated capital assets are recorded at estimated fair market value at the date of donation. General government infrastructure assets acquired prior to July 1, 2006, consist of road network assets that were acquired or that received substantial improvements subsequent. These infrastructure assets are reported at estimated historical cost using deflated replacement cost.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Certain capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	25
Buildings and improvements	40
Improvements other than buildings	40
Vehicles, furniture and equipment	3-10

**J. Compensated Absences**

The Town's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. Vacation benefits vest immediately at the employee's current rate of pay, but payouts are capped at 240 hours. Sick leave benefits may be converted to vacation leave at specified rates; however, the sick leave benefits do not vest. The current and long-term liabilities for accumulated vacation leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Resources from the General Fund are typically used to pay for compensated absences.

**K. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts, as well as issuance costs, and the difference between the reacquisition price and the net carrying amount of the old debt, are deferred and amortized over the life of the bonds using the straight line method over the term of the related debt.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**L. Property Tax Calendar**

Property taxes attach as a lien on property as of January 1. Taxes are levied each year on July 1 on the taxable valuation of property located within the Town as of the preceding January 1. The taxable valuation for the various classes of property are determined by the Sandoval County Assessor and the State of New Mexico Department of Finance and Administration (DFA), Local Government Division at one-third of assessed valuation. Property taxes are payable in two equal installments due on November 10 of the current year and April 10 of the following year and become delinquent after 30 days.

**M. Interfund Activity**

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund statements are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

**N. Net Position Flow Assumption**

In the government-wide and proprietary fund financial statements the Town applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

**O. Budgets**

The General, Special Revenue, and Proprietary Fund budgets are subject to approval by the New Mexico Department of Finance and Administration (DFA), Local Government Division. During the month of May, public hearings are conducted to obtain taxpayer comments. Prior to June 1, the Town submits to the DFA a proposed operating budget for the fiscal year commencing the following July 1. The budget is prepared by fund and function and includes proposed expenditures, which include carryover encumbrances and accounts payable, and the means of financing them. Prior to July 1, DFA grants interim approval for the Town to operate on the proposed budget subject to adjustments and/or revisions prior to final

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concl'd)**

subsequent approval before the first Monday in September. Such approval is contingent upon the Town Council adopting the proposed budget in accordance with applicable state statutes, and sufficient funds being available for anticipated fiscal year expenditures. Prior to July 31, the Town Council adopts by resolution a formal budget and such budget is presented to DFA for final approval.

Section 6-6-6, NMSA, 1978 Compilation prohibits municipalities from making expenditures in excess of the approved budget. For these purposes the legal level of budgetary control is at the fund level.

The adopted budget of the Town is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

**P. Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

***Nonspendable.*** The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.

***Restricted.*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

***Committed.*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Town Council. Those committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.



**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS (Concl'd)**

*Assigned.* Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Town Council or a management official delegated that authority by the formal Town Council action.

*Unassigned.* Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Town applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The table below provides detail of the major components of the Town's fund balance classifications at year end.

	<u>General Fund</u>	<u>Gas Tax Fund</u>	<u>Capital Projects Fund</u>	<u>2008 Revenue Bond Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Fund Balances:						
Restricted:						
Capital projects	\$	\$	\$ 122,726	\$ 610,462	\$	\$ 733,188
Public safety					265,543	265,543
Tourism					105,105	105,105
Recreation					138,504	138,504
Unassigned	<u>871,000</u>	<u>(1,910,740)</u>			<u>(295,342)</u>	<u>(1,335,082)</u>
Total fund balances	<u>\$ 871,000</u>	<u>\$ (1,910,740)</u>	<u>\$ 122,726</u>	<u>\$ 610,462</u>	<u>\$ 213,810</u>	<u>\$ (92,742)</u>

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**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Individual Deficit Fund Balances** – At year end, the following individual major and non-major funds reported deficits in fund balance.

	Deficit
Major Funds:	
Gas Tax	\$ 1,910,740
Non-Major Governmental Funds:	
Law Enforcement	20,375
Rescue	274,967

The deficits arose because of operations during the year and prior years. The deficits are expected to be eliminated in fiscal year 2014 when the Town investigates and corrects the accumulation of prior year errors in the general ledger.

**Excess Expenditures Over Appropriations** – For the current fiscal year, expenses exceeded appropriations in the following fund:

	Budget	Expenditures	Excess
Proprietary Fund:			
Housing Assistance	\$	\$ 334,819	\$ (334,819)

**NOTE 4 – CASH AND INVESTMENTS**

At year end, the carrying amount of the Town’s deposits was \$1,441,445 and the bank balance was \$4,666,141. The difference represents outstanding checks, deposits, and other reconciling items.

***Custodial Credit Risk – Deposits.*** Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned. The Town does not have a specific deposit policy for custodial credit risk; however, under New Mexico law, all deposits with financial institutions must be collateralized in an amount not less than 50% of the uninsured balance.

The Town’s agreement with its sole depository requires pledged collateral of 102% of the public money in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). As of year end, \$632,474 of the Town’s deposits were covered by Federal depository insurance and \$4,033,667 of the Town’s bank balance was exposed to custodial credit risk as uninsured and collateralized with a letter of credit issued by a federal home loan bank.

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**NOTE 4 – CASH AND INVESTMENTS (Concl'd)**

The collateral at year end consists of the following.

Deposits	\$ 4,666,141
Less FDIC	<u>(632,474)</u>
Total unsecured public funds	4,033,667
50% collateral requirement	2,016,834
Letter of credit issued by a federal home loan bank	<u>6,000,000</u>
Collateral in excess of requirement	<u>\$ 3,983,166</u>

At year end the Town's investments consisted of the following.

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	10+
Money market – U.S. Treasuries	\$ 88,970	\$ 88,970	\$	\$	\$
NMFA pooled debt service accounts	1,315,602	1,315,602			
U.S. Treasuries	212,853	34,022	94,289	84,542	
U.S. Agencies:					
Federal Home Loan Mortgage Corporation	51,054		13,912		37,142
Federal National Mortgage Association	<u>381,366</u>		<u>21,262</u>	<u>24,970</u>	<u>335,134</u>
Total	<u>\$ 2,049,845</u>	<u>\$ 1,438,594</u>	<u>\$ 129,463</u>	<u>\$ 109,512</u>	<u>\$ 372,276</u>

**Interest Rate Risk.** The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** The Town has no investment policy that would further limit its investment choices. All of the Town's investments in U.S. Agencies in the preceding table were rated Aaa-mf by Moody's Investors Service and AAAM by Standard & Poor's.

**Custodial Credit Risk – Investments.** To control custody risk State law and the Town adopted Investment Policy requires all securities and all collateral for time and demand deposits as well as repurchase agreement collateral be transferred delivery versus payment and held by an independent party required to provide original safekeeping receipts. Repurchase agreements and deposits must be collateralized to 102% and 100% respectively.

**Concentration of Credit Risk.** The Town places no limit on the amount the Town may invest in any one issuer. More than 5 percent of the Town's investments are in Federal National Mortgage Association, which represents 19% of the Town's total investments.

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**NOTE 5 – RECEIVABLES**

Receivable balances, net of allowance for uncollectibles, have been disaggregated by type and presented separately in the financial statements. Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the General Fund, a major fund, reported \$49,690 in deferred revenues related to delinquent property taxes earned but unavailable at year end.

**NOTE 6 – CAPITAL ASSETS**

A summary of capital asset activity for the current fiscal year follows.

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 260,810	\$	\$	\$ 260,810
Total capital assets, not being depreciated	<u>260,810</u>			<u>260,810</u>
Capital assets, being depreciated:				
Infrastructure	10,435,769			10,435,769
Buildings and improvements	4,189,196			4,189,196
Improvements other than buildings	1,038,278			1,038,278
Vehicles, furniture and equipment	3,310,301	117,430		3,427,731
Total capital assets being depreciated	<u>18,973,544</u>	<u>117,430</u>		<u>19,090,974</u>
Less accumulated depreciation for:				
Infrastructure	(3,392,396)	(148,693)		(3,541,089)
Buildings and improvements	(1,455,831)	(83,783)		(1,539,614)
Improvements other than buildings	(198,806)	(20,893)		(219,699)
Vehicles, furniture and equipment	(2,508,781)	(212,902)		(2,721,683)
Total accumulated depreciation	<u>(7,555,814)</u>	<u>(466,271)</u>		<u>(8,022,085)</u>
Total capital assets, being depreciated, net	<u>11,417,730</u>	<u>(348,841)</u>		<u>11,068,889</u>
Governmental activities capital assets, net	<u>\$ 11,678,540</u>	<u>\$ (348,841)</u>	<u>\$</u>	<u>\$ 11,329,699</u>

Depreciation expense was charged to functions/programs as follows.

Governmental Activities:	
General government	\$ 248,741
Public safety	154,191
Culture and recreation	63,339
Total depreciation expense – governmental activities	<u>\$ 466,271</u>

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**NOTE 6 – CAPITAL ASSETS (Concl'd)**

<u>Business-type Activities</u>	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 409,428	\$	\$	\$ 409,428
Construction in process	33,321			33,321
Total capital assets, not being depreciated	<u>442,749</u>			<u>442,749</u>
Capital assets, being depreciated:				
Infrastructure	17,437,634			17,437,634
Buildings and improvements	4,537,561	90,062		4,627,623
Vehicles, furniture and equipment	731,021	18,654		749,675
Total capital assets being depreciated	<u>22,706,216</u>	<u>108,716</u>		<u>22,814,932</u>
Less accumulated depreciation for:				
Infrastructure	(1,981,808)	(106,305)		(2,088,113)
Buildings and improvements	(2,786,211)	(60,190)		(2,846,401)
Vehicles, furniture and equipment	(535,328)	(50,779)		(586,107)
Total accumulated depreciation	<u>(5,303,347)</u>	<u>(217,274)</u>		<u>(5,520,621)</u>
Total capital assets, being depreciated, net	<u>17,402,869</u>	<u>(108,558)</u>		<u>17,294,311</u>
Governmental activities capital assets, net	<u>\$ 17,845,618</u>	<u>\$ (108,558)</u>	<u>\$</u>	<u>\$ 17,737,060</u>

Depreciation expense was charged to functions/programs as follows.

Business-Type Activities:	
Water and sewer utility	\$ 151,910
Housing assistance	63,964
Campground	1,400
Total depreciation expense – business-type activities	<u>\$ 217,274</u>

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**NOTE 7 – LOANS PAYABLE**

The Town has received loans for the purchase of fire trucks and to refinance a previous loan, for the design and construction of an arsenic removal system, and for various purchases of land. The fire trucks and refinancing loan will be repaid by the Fire Fund. The business-type loans will be repaid by the Water and Sewer Utility Fund. The loans payable at year-end are presented below.

Purpose	Interest Rates (Including Fees)	Remaining Maturities	Outstanding Principal June 30, 2013	Due Within One Year
<b>Governmental activities:</b>				
Fire Trucks and Refinancing	2.23%	5/1/14-22	\$ 438,507	\$ 50,717
Total			<u>\$ 438,507</u>	<u>\$ 50,717</u>
<b>Business-type activities:</b>				
San Juan-Chama Project	3.05%	9/1/13-22	\$ 101,462	\$ 8,831
Arsenic Removal Loan	3.88%	6/1/14-27	2,727,768	150,994
Land Purchase Loan	3.88%	5/1/14-27	291,870	16,156
Water Infrastructure Land Purchase Loan	4.21%	5/1/14-28	826,593	41,787
Total			<u>\$ 3,947,693</u>	<u>\$ 217,768</u>

Principal and interest payments on the governmental and business-type activities loans payable at year end are summarized as follows.

		Governmental Activities	
		Principal	Interest
Year ending June 30:			
	2014	\$ 50,717	\$ 5,720
	2015	50,915	5,494
	2016	51,162	5,166
	2017	51,488	4,846
	2018	52,045	4,302
	2019-22	182,180	9,654
Total		<u>\$ 438,507</u>	<u>\$ 35,182</u>
		Business-type Activities	
		Principal	Interest
Year ending June 30:			
	2014	\$ 217,768	\$ 154,629
	2015	225,579	146,832
	2016	233,779	138,648
	2017	242,408	130,037
	2018	251,471	120,990
	2019-23	1,410,113	452,501
	2024-28	1,366,575	152,532
Total		<u>\$ 3,947,693</u>	<u>\$ 1,296,169</u>

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**NOTE 8 – BONDS PAYABLE**

Revenue bonds are issued and authorized by the governing body to provide funds to acquire and construct certain improvements for the Town and to pay the costs incurred in connection with the issuance of the bonds. The governmental activity revenue bonds are secured by a pledge of state-shared gross receipts taxes and the business-type activity revenue and refunding bonds are secured by a pledge of revenues from the water and sewer utility systems. Neither the governmental nor the business-type activity revenue and refunding bonds constitute a general obligation of the Town backed by the general taxing authority.

The governmental activity revenue bonds will be repaid by the 2008 Revenue Bond Debt Service Fund and the business-type activity revenue and refunding bonds will be repaid by the Water and Sewer Utility Fund.

***Intra-entity Debt Holding.*** The Town has purchased and holds \$1,504,710 of its own State-Shared Gross Receipts Tax Revenue Bonds, Series 2008. Certain IRS notices have provided certain temporary rules that allowed state and local governmental issuers to purchase and hold their own tax-exempt bonds for temporary holding periods without resulting in a retirement of the purchased tax-exempt bonds. The Town intends to use future project reimbursements from the U.S. Army Corp of Engineers to retire the bonds upon receipt of the funds. Bond counsel of the Town performed due diligence procedures on the bond purchase; however, the financial statement and/or tax-exempt status implications, if any, of the Town holding its own bonds has not been fully evaluated by management.

Governmental and business-type activity revenue bonds outstanding at year end were as follows.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2013</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Revenue Bonds, 2008	\$ 8,125,000	4.25-4.95%	6/1/14-21	\$ 2,390,000	\$
Total				<u>\$ 2,390,000</u>	<u>\$</u>
<b>Business-type activities:</b>					
Refunding Revenue					
Bonds, 2005	\$ 2,938,111	4.07%	6/1/14-15	\$ 680,325	\$ 340,212
Revenue Bonds, 2006	8,775,000	4.00-4.25%	6/1/14-28	7,135,000	350,000
Total				<u>\$ 7,815,325</u>	<u>\$ 690,212</u>

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**NOTE 8 – BONDS PAYABLE (Concl'd)**

Annual debt service requirements to maturity on revenue and refunding bonds for governmental and business-type activities at year end are summarized as follows.

		<u>Governmental Activities</u>	
		<u>Principal</u>	<u>Interest</u>
Year ending June 30:			
	2014	\$	115,856
	2015		115,856
	2016		115,856
	2017		115,856
	2018	350,000	115,856
	2019-21	<u>2,040,000</u>	<u>302,940</u>
Total		<u>\$ 2,390,000</u>	<u>\$ 882,220</u>
		<u>Business-type Activities</u>	
		<u>Principal</u>	<u>Interest</u>
Year ending June 30:			
	2014	\$ 690,212	\$ 327,386
	2015	705,113	298,662
	2016	380,000	269,308
	2017	395,000	253,158
	2018	415,000	236,370
	2019-23	2,350,000	902,412
	2024-28	<u>2,880,000</u>	<u>371,282</u>
Total		<u>\$ 7,815,325</u>	<u>\$ 2,658,578</u>

**Pledged revenues – governmental activities.** The Town has pledged future state-shared gross receipts tax revenues to repay outstanding revenue bonds of \$2.4 million as of June 30, 2013. Proceeds from the original bond issuance provided financing for capital improvement projects. The bonds are paid solely from the Town's gross receipts tax and are payable through 2021. Total annual principal and interest payments for all gross receipts tax revenue bonds are expected to require less than 20% of gross revenues. Total principal and interest to be paid on the bonds is \$3.3 million. The current total gross receipts tax revenues were \$5.3 million and the total principal and interest paid on the bonds was \$750,256, or 14% of gross revenues.



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**NOTE 9 – CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the current fiscal year was as follows.

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Loans payable	\$ 488,966	\$	\$ 50,459	\$ 438,507	\$ 50,717
Revenue bonds payable	3,000,000		610,000	2,390,000	
Compensated absences	231,361		49,630	181,731	90,866
Total	<u>\$ 3,720,327</u>	<u>\$</u>	<u>\$ 710,089</u>	<u>\$ 3,010,238</u>	<u>\$ 141,583</u>
<b>Business-type Activities:</b>					
Loans payable	\$ 4,158,020	\$	\$ 210,327	\$ 3,947,693	\$ 217,768
Revenue bonds payable	8,478,039		662,714	7,815,325	690,212
Compensated absences	41,475	4,079	8,789	36,765	8,873
Total	<u>\$ 12,677,534</u>	<u>\$ 4,079</u>	<u>\$ 881,830</u>	<u>\$ 11,799,783</u>	<u>\$ 916,853</u>

**NOTE 10 – INTERFUND TRANSFERS**

At year end, interfund transfers were as follows.

	Transfers in					Total
	General Fund	Gas Tax Fund	2008 Revenue Bond Debt Service Fund	Capital Projects Fund	Water and Sewer Utility Fund	
Transfers out						
General Fund	\$	\$	\$ 738,056	\$	\$ 103,651	\$ 841,707
2008 Revenue Bond Capital Projects Fund	22,712	274,265		691,210		988,187
Water and Sewer Utility Fund			12,200			12,200
Total	<u>\$ 22,712</u>	<u>\$ 274,265</u>	<u>\$ 750,256</u>	<u>\$ 691,210</u>	<u>\$ 103,651</u>	<u>\$ 1,842,094</u>

Transfers between funds were used 1) to move funds to the 2008 Revenue Bond Debt Service Fund and the Water and Sewer Utility Fund for debt payments and 2) to move bond proceeds from the 2008 Revenue Bond Capital Projects fund to reimburse project expenditures incurred in other funds.

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**NOTE 11 – PRIOR PERIOD ADJUSTMENT AND OTHER RESTATEMENT**

The July 1, 2012, government-wide net position for business-type activities and the net position for the Water and Sewer Utility Fund do not agree to the prior year financial statements due to a correction of an error. The Town did not properly recognize all outstanding loans issued in previous years.

Additionally, the July 1, 2012, government-wide net position for business-type activities and the net position for the Housing Assistance Fund Fund do not agree to the prior year financial statements due the transfer of the Housing Choice Voucher Program (CFDA #14.871). This program was effectively transferred to the Santa Fe Civic Housing Authority on July 1, 2012, and is no longer included in the Town’s financial statements.

	Statement of Activities	Proprietary Funds	
		Water and Sewer Utility Fund	Housing Assistance Fund
Net position, June 30, 2012, as previously reported	\$ 5,660,987	\$ 3,605,043	\$ 1,997,205
Water infrastructure land purchase loan	(867,115)	(867,115)	
Transfer of housing program	(171,578)		(171,578)
Net position, July 1, 2012, as restated	<u>\$ 4,622,294</u>	<u>\$ 2,737,928</u>	<u>\$ 1,825,627</u>

**NOTE 12 – CONTINGENT LIABILITIES**

**Compliance** – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures/expenses that may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

**Lawsuits** – The Town is a defendant in a number of lawsuits as of June 30, 2013. It is the opinion of management and Town counsel that the amount of losses resulting from these litigations at June 30, 2013, would not be material and are covered by their risk pool and commercial insurances for risks of loss.

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**NOTE 13 – RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Therefore, the Town joined the New Mexico Self-Insurers' Fund Risk Pool (Pool), together with other cities and towns in the State. The Pool is a public entity risk pool currently operating as a common risk management and insurance program for member cities and towns. The Town pays an annual premium to the Pool for its general insurance coverage. The agreement provides that the Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of the annual aggregate per policy for general liability, property, and workers' compensation claims. The Town carries commercial insurance for all other risks of loss including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The Town also participates in the New Mexico Self-Insurers' Fund (the "Fund"), which services the City's worker's compensation claims. Through this arrangement, the Town retains risks associated with worker's compensation claims up to \$500,000 per accident.

The Town currently reports all of its risk management activities in its General Fund. The General Fund pays the worker's compensation claims and premiums, which are then reimbursed by the Town's other Funds.

The New Mexico Self-Insurers' Fund (Fund) charges a "premium" to the Town to cover expenses of the Fund (including, but not limited to, reinsurance expenses, claims adjusting, rating, underwriting, safety and loss control, reporting and administration). This "premium" is equal to 20% of the earned normal premium, which is based on a percentage of the Town's current payroll. Additionally, the "premium" charge includes a factor for recent actual claims experience.

**NOTE 14 – PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**

*Plan Description.* Substantially all of the full-time employees of the Town participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at [www.pera.state.nm.us](http://www.pera.state.nm.us).

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**NOTE 14 –PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION  
(Concl'd)**

*Funding Policy.* General plan members are required to contribute 6.26% of their gross salary; police and fire are required to contribute 4.94% and 5.12% of their gross salary, respectively. The Town is required to contribute 25.91% for police, 28.93% for fire and 21.04% for all other plan members (ranges from 7.0% to 25.72% depending upon the plan) of the gross covered salary. The contribution requirements of plan members and the Town are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Town's contributions to PERA for the years ended 2013, 2012, and 2011, were \$569,940, \$593,617, and \$733,170, respectively, which were equal to the amount of the required contributions for each year.

**NOTE 15 – POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTHCARE PLAN**

*Plan Description.* The Town contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

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**NOTE 13 – POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTHCARE PLAN  
(Concl'd)**

*Funding Policy.* The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us).

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Town's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011 were \$57,252, \$55,850, and \$75,080, respectively, which equal the required contributions for each year.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 16 – SUBSEQUENT EVENT**

Effective July 1, 2013, the Town of Bernalillo's Public and Indian Housing Program (CFDA #14.850) and Public Housing Capital Program (CFDA #14.872) were permanently transferred from the Town of Bernalillo to the Santa Fe Civic Housing Authority. The financial statements and compliance related to these programs will no longer be included in the Town's financial statements beginning in fiscal year 2014.

**COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS  
AND SCHEDULES**

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
2008 REVENUE BOND DEBT SERVICE  
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts <u>Original &amp; Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Expenditures:</b>			
Debt service -			
Principal	\$ 610,000	\$ 610,000	\$
Interest and fees	140,256	140,256	
<b>Total expenditures</b>	<u>750,256</u>	<u>750,256</u>	
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(750,256)</u>	<u>(750,256)</u>	
<b>Other financing sources (uses):</b>			
Transfers in	750,256	750,256	
<b>Total other financing sources (uses)</b>	<u>750,256</u>	<u>750,256</u>	
<b>Changes in fund balances</b>			
<b>Fund balances, beginning of year</b>			
<b>Fund balances, end of year</b>	<u>\$</u>	<u>\$</u>	<u>\$</u>



**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL PROJECTS  
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Federal grants and aid	\$ 977,000	\$ 973,934	\$ 973,934	\$
State grants and aid	444,902	64,359	64,359	
<b>Total revenues</b>	<u>1,421,902</u>	<u>1,038,293</u>	<u>1,038,293</u>	
<b>Expenditures:</b>				
Capital outlay	1,312,913	1,816,728	1,771,629	45,099
<b>Total expenditures</b>	<u>1,312,913</u>	<u>1,816,728</u>	<u>1,771,629</u>	<u>45,099</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>108,989</u>	<u>(778,435)</u>	<u>(733,336)</u>	<u>45,099</u>
<b>Other financing sources (uses):</b>				
Transfers in		778,435	691,210	(87,225)
<b>Total other financing sources (uses)</b>		<u>778,435</u>	<u>691,210</u>	<u>(87,225)</u>
<b>Changes in fund balances</b>	<u>108,989</u>		<u>(42,126)</u>	<u>(42,126)</u>
<b>Fund balances, beginning of year</b>	2,545,027	2,545,027	164,852	(2,380,175)
<b>Fund balances, end of year</b>	<u>\$ 2,654,016</u>	<u>\$ 2,545,027</u>	<u>\$ 122,726</u>	<u>\$ (2,422,301)</u>

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
2008 REVENUE BOND CAPITAL PROJECTS  
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts <u>Original &amp; Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Investment income	\$	\$ 1,904	\$ 1,904
<b>Total revenues</b>		<u>1,904</u>	<u>1,904</u>
<b>Excess (deficiency) of revenues over expenditures</b>		<u>1,904</u>	<u>1,904</u>
<b>Other financing sources (uses):</b>			
Transfers out		(988,187)	(988,187)
<b>Total other financing sources (uses)</b>		<u>(988,187)</u>	<u>(988,187)</u>
<b>Changes in fund balances</b>		<u>(986,283)</u>	<u>(986,283)</u>
<b>Fund balances, beginning of year</b>		1,596,745	1,596,745
<b>Fund balances, end of year</b>	\$	<u>\$ 610,462</u>	<u>\$ 610,462</u>

## **SPECIAL REVENUE FUNDS**

**Fire** – to account for the operation and maintenance of the fire department, pursuant to Section 59A-53 of New Mexico Annotated (NMSA) 1978.

**Recreation** – to account for the operation and maintenance of the town’s recreation and park facilities, pursuant to Section 7-12-15 NMSA 1978. Financing is provided by the Town’s share of State cigarette tax and fees charged for swimming pool use.

**Corrections** – to account for payments made for housing costs of the Town’s prisoners in other detention facilities. Financing is provided by fees collected pursuant to offenses committed within the Town’s boundaries, as provided by Section 35-14 and 33-3-25 of NMSA 1978.

**Law Enforcement** – to account for funds used in maintaining and improving the Town’s police department in order to enhance its efficiency and effectiveness. Financing is provided by a State appropriation authorized by Section 29-13 of NMSA.

**Lodgers’ Tax** – to account for advertising, publication and promotion of tourist attraction facilities for the Town of Bernalillo, pursuant to NMSA 1978 Section 3-38-13 thru 3-38-24. Financing is provided by a 3% lodgers’ tax.

**Ambulance** – to account for funds used in the operation of the Town’s ambulances. The fund does not meet the criteria for separate reporting and is therefore included in the GAAP-basis General Fund.

**EMS Grant** – to account for funds received to be used in the operation of the Town’s emergency medical services (EMS) pursuant to Section 24-10A NMSA 1978.

**Rescue** – to account for funds used to purchase and install a radio dispatch system for police, fire and emergency medical services in Bernalillo in Sandoval County. Funding authority is NMSA 24-10A-1 and contract number 98-L-1-3-G7335.

**Community Development** – to account for funds used for the New Mexico Wine Festival and other activities to promote Community Development. The fund does not meet the criteria for separate reporting and is therefore included in the GAAP-basis General Fund.

**Motor Vehicle Division** – to account for the Town’s operations and related costs of the motor vehicle office maintained at Town Hall.

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2013**

	Fire	Recreation	Corrections
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 69,192	\$ 138,504	\$ 206,400
<b>Total assets</b>	<b>\$ 69,192</b>	<b>\$ 138,504</b>	<b>\$ 206,400</b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Overdraft of cash on deposit	\$	\$	\$
Accounts payable	23,646	_____	_____
<b>Total liabilities</b>	<b>23,646</b>	_____	_____
Fund balances (deficits):			
Restricted	45,546	138,504	206,400
Unassigned	_____	_____	_____
<b>Total fund balances</b>	<b>45,546</b>	<b>138,504</b>	<b>206,400</b>
 <b>Total liabilities and fund balances</b>	 <b>\$ 69,192</b>	 <b>\$ 138,504</b>	 <b>\$ 206,400</b>

<u>Law Enforcement</u>	<u>Lodgers' Tax</u>	<u>EMS Grant</u>	<u>Rescue</u>	<u>Totals</u>
\$	\$ 105,294	\$ 13,597	\$	\$ 532,987
\$	\$ 105,294	\$ 13,597	\$	\$ 532,987
\$ 20,375	\$	\$	\$ 274,967	\$ 295,342
	189			23,835
<u>20,375</u>	<u>189</u>		<u>274,967</u>	<u>319,177</u>
	105,105	13,597		509,152
(20,375)			(274,967)	(295,342)
<u>(20,375)</u>	<u>105,105</u>	<u>13,597</u>	<u>(274,967)</u>	<u>213,810</u>
\$	\$ 105,294	\$ 13,597	\$	\$ 532,987

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

	<u>Fire</u>	<u>Recreation</u>	<u>Corrections</u>
<b>Revenues:</b>			
Municipal and state shared taxes	\$	\$	\$
State grants and aid	145,422		
Fines and forfeits			29,328
<b>Total revenues</b>	<u>145,422</u>	<u></u>	<u>29,328</u>
<b>Expenditures:</b>			
Current -			
General government			
Public safety	36,360		
Capital outlay	459,119		12,864
Debt service -			
Principal	50,459		
Interest and fees	5,471		
<b>Total expenditures</b>	<u>551,409</u>	<u></u>	<u>12,864</u>
<b>Changes in fund balances</b>	<u>(405,987)</u>	<u></u>	<u>16,464</u>
<b>Fund balances (deficits), beginning of year</b>	451,533	138,504	189,936
<b>Fund balances (deficits), end of year</b>	<u>\$ 45,546</u>	<u>\$ 138,504</u>	<u>\$ 206,400</u>

<u>Law Enforcement</u>	<u>Lodgers' Tax</u>	<u>EMS Grant</u>	<u>Rescue</u>	<u>Totals</u>
\$ 30,800	\$ 97,041	\$	\$	\$ 97,041
<u>30,800</u>	<u>97,041</u>			<u>176,222</u>
	55,475			29,328
30,800	21,287			302,591
<u>30,800</u>	<u>76,762</u>			<u>50,459</u>
	20,279			5,471
(20,375)	84,826	13,597	(274,967)	(369,244)
<u>\$ (20,375)</u>	<u>\$ 105,105</u>	<u>\$ 13,597</u>	<u>\$ (274,967)</u>	<u>\$ 213,810</u>

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FIRE**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
State grants and aid	\$ 58,584	\$ 89,491	\$ 89,491	\$
<b>Total revenues</b>	<u>58,584</u>	<u>89,491</u>	<u>89,491</u>	
<b>Expenditures:</b>				
Current -				
Public safety	58,584	89,491	36,360	53,131
Capital outlay			35,473	(35,473)
<b>Total expenditures</b>	<u>58,584</u>	<u>89,491</u>	<u>71,833</u>	<u>17,658</u>
<b>Changes in fund balances - budgetary basis</b>			<u>17,658</u>	
<b>Fund balances, beginning of year</b>				
<b>Fund balances, end of year</b>	<u>\$</u>	<u>\$</u>		
<b>Reconciliation to change in fund balance - GAAP-basis:</b>				
Unbudgeted revenues			55,931	
Unbudgeted expenditures			(479,576)	
<b>Change in fund balance - GAAP-basis</b>			<u>\$ (405,987)</u>	



**STATE OF NEW MEXICO - TOWN OF BERNALILLO  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 RECREATION  
 YEAR ENDED JUNE 30, 2013**

<b>Changes in fund balances</b>	Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	Original & Final		
<b>Fund balances, beginning of year</b>	68,292	138,504	70,212
<b>Fund balances, end of year</b>	<u>\$ 68,292</u>	<u>\$ 138,504</u>	<u>\$ 70,212</u>

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CORRECTIONS**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
<b>Revenues:</b>			
Fines and forfeits	\$ 30,000	\$ 29,328	\$ (672)
<b>Total revenues</b>	<u>30,000</u>	<u>29,328</u>	<u>(672)</u>
<b>Expenditures:</b>			
Capital outlay	30,000	12,864	17,136
<b>Total expenditures</b>	<u>30,000</u>	<u>12,864</u>	<u>17,136</u>
<b>Changes in fund balances</b>		<u>16,464</u>	<u>16,464</u>
<b>Fund balances, beginning of year</b>	218,220	189,936	(28,284)
<b>Fund balances, end of year</b>	<u>\$ 218,220</u>	<u>\$ 206,400</u>	<u>\$ (11,820)</u>

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**LAW ENFORCEMENT**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
<b>Revenues:</b>			
State grants and aid	\$ 30,800	\$ 30,800	\$
<b>Total revenues</b>	<u>30,800</u>	<u>30,800</u>	
<b>Expenditures:</b>			
Capital outlay	30,800	30,800	
<b>Total expenditures</b>	<u>30,800</u>	<u>30,800</u>	
<b>Changes in fund balances</b>			
<b>Fund balances (deficits), beginning of year</b>		(20,375)	(20,375)
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$ (20,375)</u>	<u>\$ (20,375)</u>

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**LODGERS' TAX**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
<b>Revenues:</b>			
Municipal and state shared taxes	\$ 100,000	\$ 97,041	\$ (2,959)
<b>Total revenues</b>	<u>100,000</u>	<u>97,041</u>	<u>(2,959)</u>
<b>Expenditures:</b>			
Current -			
General government	100,000	55,475	44,525
Capital outlay		21,287	(21,287)
<b>Total expenditures</b>	<u>100,000</u>	<u>76,762</u>	<u>23,238</u>
<b>Changes in fund balances</b>		<u>20,279</u>	<u>20,279</u>
<b>Fund balances, beginning of year</b>	285,093	84,826	(200,267)
<b>Fund balances, end of year</b>	<u>\$ 285,093</u>	<u>\$ 105,105</u>	<u>\$ (179,988)</u>

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**AMBULANCE**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts <u>Original &amp; Final</u>	Non-GAAP Actual	Variance with Final Budget Positive (Negative)
<b>Changes in fund balances</b>			
<b>Fund balances, beginning of year</b>		2,184	2,184
<b>Fund balances, end of year</b>	<u>\$</u>	<u>\$ 2,184</u>	<u>\$ 2,184</u>

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**EMS GRANT**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
<b>Revenues:</b>			
State grants and aid	\$ 9,500	\$	\$ (9,500)
<b>Total revenues</b>	<u>9,500</u>	<u></u>	<u>(9,500)</u>
<b>Expenditures:</b>			
Current -			
Public safety	13,600	<u></u>	13,600
<b>Total expenditures</b>	<u>13,600</u>	<u></u>	<u>13,600</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(4,100)</u>	<u></u>	<u>4,100</u>
<b>Other financing sources (uses):</b>			
Transfers in	4,100	<u></u>	(4,100)
<b>Total other financing sources (uses):</b>	<u>4,100</u>	<u></u>	<u>(4,100)</u>
<b>Changes in fund balances</b>	<u></u>	<u></u>	<u></u>
<b>Fund balances, beginning of year</b>		13,597	13,597
<b>Fund balances, end of year</b>	<u>\$</u>	<u>\$ 13,597</u>	<u>\$ 13,597</u>

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**RESCUE**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	Original & Final		
<b>Changes in fund balances</b>			
<b>Fund balances (deficits), beginning of year</b>		(274,967)	(274,967)
<b>Fund balances (deficits), end of year</b>	\$	\$ (274,967)	\$ (274,967)

**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COMMUNITY DEVELOPMENT**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts <u>Original &amp; Final</u>	Non-GAAP Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
State grants and aid	\$ 300,000	\$ 241,885	\$ (58,115)
Charges for services	366,800	242,356	(124,444)
Other revenues	<u>59,967</u>	<u>515</u>	<u>(59,452)</u>
<b>Total revenues</b>	<u>726,767</u>	<u>484,756</u>	<u>(242,011)</u>
<b>Expenditures:</b>			
Current -			
Culture and recreation	892,505	800,938	91,567
Capital outlay	<u>978</u>	<u>978</u>	<u>(978)</u>
<b>Total expenditures</b>	<u>892,505</u>	<u>801,916</u>	<u>90,589</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(165,738)</u>	<u>(317,160)</u>	<u>(151,422)</u>
<b>Other financing sources (uses):</b>			
Transfers in	183,608	22,712	(160,896)
Transfers out	<u>(17,870)</u>	<u>17,870</u>	<u>17,870</u>
<b>Total other financing sources (uses)</b>	<u>165,738</u>	<u>22,712</u>	<u>(143,026)</u>
<b>Changes in fund balances - budgetary basis</b>	<u>                    </u>	<u>(294,448)</u>	
<b>Fund balances, beginning of year</b>	<u>27,573</u>		
<b>Fund balances, end of year</b>	<u>\$ 27,573</u>		
<b>Reconciliation to change in fund balance - GAAP-basis:</b>			
Fund balance reported in the General Fund		<u>294,448</u>	
<b>Change in fund balance - GAAP-basis</b>		<u>\$</u>	



**STATE OF NEW MEXICO - TOWN OF BERNALILLO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MOTOR VEHICLE DIVISION**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts	Non-GAAP	Variance with Final Budget
	Original & Final	Actual	Positive (Negative)
<b>Expenditures:</b>			
Current -			
General government	\$ 110,732	\$ 99,177	\$ 11,555
<b>Total expenditures</b>	110,732	99,177	11,555
<b>Excess (deficiency) of revenues over expenditures</b>	(110,732)	(99,177)	11,555
<b>Other financing sources (uses):</b>			
Transfers in	110,732		(110,732)
Transfers out			
<b>Total other financing sources (uses)</b>	110,732		(110,732)
<b>Changes in fund balances - budgetary basis</b>		(99,177)	
<b>Fund balances, beginning of year</b>			
<b>Fund balances, end of year</b>	\$		
<b>Reconciliation to change in fund balance - GAAP-basis:</b>			
Fund balance reported in the General Fund		99,177	
<b>Change in fund balance - GAAP-basis</b>		\$	

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**PROPRIETARY FUNDS**

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
WATER AND SEWER UTILITY  
YEAR ENDED JUNE 30, 2013**

	<u>Budgeted Amounts</u>		<u>Non-GAAP Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b>Operating revenues:</b>				
Charges for services	\$ 3,390,961	\$ 3,457,391	\$ 2,985,135	\$ (472,256)
<b>Total operating revenues</b>	<u>3,390,961</u>	<u>3,457,391</u>	<u>2,985,135</u>	<u>(472,256)</u>
<b>Operating expenses:</b>				
Salaries and benefits	399,542	384,704	622,438	(237,734)
Supplies and services	2,497,775	2,429,630	1,544,082	885,548
<b>Total operating expenses</b>	<u>2,897,317</u>	<u>2,814,334</u>	<u>2,166,520</u>	<u>647,814</u>
<b>Operating income (loss)</b>	<u>493,644</u>	<u>643,057</u>	<u>818,615</u>	<u>175,558</u>
<b>Non-operating revenues (expenses):</b>				
Municipal and state shared taxes	122,109	122,109	120,095	(2,014)
Other revenues			1,475	1,475
Interest and fees	(354,959)	(354,959)	(543,701)	(188,742)
<b>Total non-operating revenues (expenses)</b>	<u>(232,850)</u>	<u>(232,850)</u>	<u>(422,131)</u>	<u>(189,281)</u>
<b>Income (loss) before transfers</b>	<u>260,794</u>	<u>410,207</u>	<u>396,484</u>	<u>(13,723)</u>
<b>Transfers in</b>	1,067,770	1,129,770	103,651	(1,026,119)
<b>Transfers out</b>	<u>(1,328,564)</u>	<u>(1,328,564)</u>	<u>(12,200)</u>	<u>1,316,364</u>
<b>Changes in net position</b>		<u>211,413</u>	<u>487,935</u>	
<b>Total net position, beginning of year</b>	<u>374,822</u>	<u>374,822</u>		
<b>Total net position, end of year</b>	<u>\$ 374,822</u>	<u>\$ 586,235</u>		
<b>Reconciliation to change in net position - GAAP basis:</b>				
Depreciation			(151,910)	
<b>Change in net position - GAAP basis</b>			<u>\$ 336,025</u>	

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
HOUSING ASSISTANCE  
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts <u>Original &amp; Final</u>	Non-GAAP Actual	Variance with Final Budget Positive (Negative)
<b>Operating revenues:</b>			
Charges for services	\$	\$ 176,282	\$ 176,282
<b>Total operating revenues</b>		176,282	176,282
<b>Operating expenses:</b>			
Salaries and benefits		111,319	(111,319)
Supplies and services		223,500	(223,500)
<b>Total operating expenses</b>		334,819	(334,819)
<b>Operating income (loss)</b>		(158,537)	(158,537)
<b>Non-operating revenues (expenses):</b>			
Federal grants and aid		330,418	330,418
Other revenues		2,083	2,083
<b>Total non-operating revenues (expenses)</b>		332,501	332,501
<b>Changes in net position</b>		173,964	
<b>Total net position, beginning of year</b>			
<b>Total net position, end of year</b>	\$		
<b>Reconciliation to change in net position - GAAP basis:</b>			
Depreciation		(63,964)	
<b>Changes in net position - GAAP basis</b>		\$ 110,000	

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
CAMPGROUND  
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
Charges for services	\$ 140,000	\$ 114,283	\$ 114,283	\$
<b>Total operating revenues</b>	<u>140,000</u>	<u>114,283</u>	<u>114,283</u>	
<b>Operating expenses:</b>				
Salaries and benefits	82,028	71,123	66,945	4,178
Supplies and services	49,560	42,971	43,653	(682)
<b>Total operating expenses</b>	<u>131,588</u>	<u>114,094</u>	<u>110,598</u>	<u>3,496</u>
<b>Operating income (loss)</b>	<u>8,412</u>	<u>189</u>	<u>3,685</u>	<u>3,496</u>
<b>Changes in net position</b>	<u>8,412</u>	<u>189</u>	<u>3,685</u>	
<b>Total net position, beginning of year</b>	<u>45,425</u>	<u>45,425</u>		
<b>Total net position, end of year</b>	<u>\$ 53,837</u>	<u>\$ 45,614</u>		
<b>Reconciliation to change in net position - GAAP basis:</b>				
Depreciation			(1,400)	
<b>Changes in net position - GAAP basis</b>			<u>\$ 2,285</u>	

**OTHER SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF PLEDGED COLLATERAL  
JUNE 30, 2013**

	US Bank
Bank Accounts:	
Checking/Demand Accounts	\$ 3,256,769
Savings/CD/Money Market Accounts	1,409,372
Total amount of deposits in bank	4,666,141
Less: FDIC coverage	632,474
Total uninsured public funds	4,033,667
Collateral requirements (Per 6-10-10 & 6-10-17, NMSA 1978)	
50% of uninsured time and demand accounts	2,016,834
Pledged collateral	
Federal Home Loan Bank of Cincinnati, Letter of Credit	6,000,000
Total collateral	6,000,000
Over / (under) secured	\$ 3,983,166
Custodial Credit Risk:	
Insured	\$ 632,474
Collateralized with a letter of credit issued by a federal home loan bank	4,033,667
Uninsured and uncollateralized	
Total deposits	\$ 4,666,141
Location of collateral:	
Federal Home Loan Bank of Cincinnati, Cincinnati, Ohio	



**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS  
JUNE 30, 2013**

Account Name - Account Type	US Bank	LPL Financial	Bank of Albuquerque	Total
Wine Festival - non-interest bearing checking	\$ 1,800	\$	\$	\$ 1,800
Court Cash Bonds - non-interest bearing checking	28,273			28,273
General - non-interest bearing checking	3,095,217			3,095,217
Prices Water Rights - savings	67,748			67,748
Permit Fees - savings	263,785			263,785
General - savings	375,181			375,181
Bond Account - savings	610,462			610,462
Utility - savings	55,214			55,214
General - savings	35,987			35,987
Housing - non-interest bearing checking	116,616			116,616
Security Deposit - non-interest bearing checking	14,863			14,863
Housing Self Sufficiency - savings	995			995
Utility Water Assistance - investment		66,741		66,741
Utility 2006 Revenue Bond - investment		667,502		667,502
NMFA pooled debt service - investment			1,315,602	1,315,602
<b>Total on deposit</b>	<b>4,666,141</b>	<b>734,243</b>	<b>1,315,602</b>	<b>6,715,986</b>
<b>Reconciling items</b>	<b>(3,224,696)</b>			<b>(3,224,696)</b>
<b>Reconciled balance, June 30, 2013</b>	<b>1,441,445</b>	<b>734,243</b>	<b>1,315,602</b>	<b>3,491,290</b>
<b>Total deposits and investments</b>	<b>\$ 1,441,445</b>	<b>\$ 734,243</b>	<b>\$ 1,315,602</b>	<b>\$ 3,491,290</b>

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**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF JOINT POWERS AGREEMENTS AND  
MEMORANDUMS OF UNDERSTANDING  
JUNE 30, 2013**

**JOINT POWERS AGREEMENTS:**

<b>Participants:</b>	Town of Bernalillo, Sandoval County, Village of Corrales, Pueblo of Santa Ana
<b>Responsible Party:</b>	City of Rio Rancho
<b>Description:</b>	Sandoval County Retional Emergency Communications Center (Dispatch Services)
<b>Date of Agreement:</b>	12/1/2007
<b>Total Amount/Town Share:</b>	8.0134% of SCRECC Annual Budget
<b>Fiscal Year 2013 Amount:</b>	\$217,713
<b>Audit Responsibility:</b>	City of Rio Rancho
<b>Participants:</b>	Town of Bernalillo and Sandoval County
<b>Responsible Party:</b>	Sandoval County
<b>Description:</b>	Provide ambulance transport services within the Town of Bernalillo
<b>Date of Agreement:</b>	9/1/2011
<b>Total Amount/Town Share:</b>	Four payments of \$100,000
<b>Fiscal Year 2013 Amount:</b>	\$100,000
<b>Audit Responsibility:</b>	Sandoval County
<b>Participants:</b>	Town of Bernalillo and City of Albuquerque
<b>Responsible Party:</b>	City of Albuquerque
<b>Description:</b>	Provide animal housing services for the Town of Bernalillo
<b>Date of Agreement:</b>	9/1/2011
<b>Total Amount/Town Share:</b>	Proportionate share based on intake of animals to be determined by the City's actual expense calculated quarterly.
<b>Fiscal Year 2013 Amount:</b>	\$0
<b>Audit Responsibility:</b>	City of Albuquerque

**MEMORANDUMS OF UNDERSTANDING**

<b>Participants:</b>	Town of Bernalillo and Santa Fe Civic Housing Authority
<b>Responsible Party:</b>	Santa Fe Civic
<b>Description:</b>	Temporary management of the Town of Bernalillo Housing Authority by Santa Fe Civic Housing Authority
<b>Date of Agreement:</b>	4/9/2012
<b>Total Amount/Town Share:</b>	none
<b>Fiscal Year 2013 Amount:</b>	none
<b>Audit Responsibility:</b>	Town of Bernalillo
<b>Participants:</b>	Town of Bernalillo and Eastern Sandoval County Arroyo Flood Control Authority
<b>Responsible Party:</b>	Eastern Sandoval County Arroyo Flood Control Authority
<b>Description:</b>	Eastern Sandoval County Arroyo Flood Control Authority to establish storm water facilities on Town owned Property and establish mutual obligations
<b>Date of Agreement:</b>	3/26/2012
<b>Total Amount/Town Share:</b>	none
<b>Fiscal Year 2013 Amount:</b>	none
<b>Audit Responsibility:</b>	Eastern Sandoval County Arroyo Flood Control Authority
<b>Participants:</b>	Town of Bernalillo and Sandoval County
<b>Responsible Party:</b>	Town of Bernalillo
<b>Description:</b>	Use Town of Bernalillo legislative appropriation to continue improvement of the Sandoval County Vietnam Veterans Memorial
<b>Date of Agreement:</b>	4/9/2012
<b>Total Amount/Town Share:</b>	\$14,884
<b>Fiscal Year 2013 Amount:</b>	\$14,884
<b>Audit Responsibility:</b>	Town of Bernalillo

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
FINANCIAL DATA SCHEDULES  
STATEMENT OF NET POSITION - HOUSING ASSISTANCE PROGRAM  
JUNE 30, 2013**

FDS Line #	Account Description	Low Rent Public Housing 14.850a
		14.850a
<b>ASSETS:</b>		
111	Cash - unrestricted	\$ 98,808
114	Cash - tenant security deposits	14,764
126	Accounts receivable - tenants - dwelling rents	17,380
126.1	Allowance for doubtful accounts - dwelling rents	(2,000)
142	Prepaid expenses and other assets	8,288
143	Inventories	3,950
161	Land	32,000
162	Buildings	4,455,557
163	Furniture, equipment and machinery - dwellings	5,744
164	Furniture, equipment and machinery - administration	103,734
165	Leasehold improvements	84,324
166	Accumulated depreciation	(2,874,510)
167	Construction in progress	33,321
	<b>TOTAL ASSETS</b>	<b>\$ 1,981,360</b>
<b>LIABILITIES:</b>		
321	Accrued wage/payroll taxes payable	\$ 4,869
322	Accrued compensated absences - current portion	637
341	Tenant security deposits	6,925
345	Other current liabilities	30,117
354	Accrued compensated absences - noncurrent	3,185
	<b>TOTAL LIABILITIES</b>	<b>45,733</b>
<b>NET POSITION</b>		
508.1	Invested in capital assets, net of related debt	1,840,170
511.1	Restricted net assets	
512.1	Unrestricted net assets	95,457
	<b>TOTAL NET POSITION</b>	<b>1,935,627</b>
	<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 1,981,360</b>

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
FINANCIAL DATA SCHEDULES  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -  
HOUSING ASSISTANCE PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2013**

FDS Line #	Account Description	Low Rent Public Housing 14.850a
	REVENUE:	
703	Net tenant rental income	\$ 176,282
706	HUD PHA operating grants	251,328
706.1	Capital grants	79,090
715	Other Revenue	2,083
	<b>TOTAL REVENUE</b>	<b><u>508,783</u></b>
	EXPENSES:	
911	Administrative salaries	32,770
915	Employee benefit contributions - administration	42,369
916	Office expenses	9,962
919	Other	60,698
931	Water	13,105
932	Electricity	3,343
933	Gas	30,349
938	Other utilities expense	15,736
941	Ordinary maintenance and operations - labor	36,180
942	Ordinary maintenance and operations - materials and other	48,615
943	Ordinary maintenance and operations - contracts	21,060
961	Insurance premiums	<u>20,632</u>
	<b>TOTAL OPERATING EXPENSES</b>	<b>334,819</b>
974	Depreciation expense	63,964
	<b>TOTAL EXPENSES</b>	<b><u>398,783</u></b>
	<b>CHANGE IN NET POSITION</b>	<b>110,000</b>
	<b>NET POSITION, BEGINNING OF YEAR</b>	<b><u>1,825,627</u></b>
	<b>NET POSITION, END OF YEAR</b>	<b><u>\$ 1,935,627</u></b>
MEMO account information		
1103	Beginning equity	1,825,627
1117	Administrative Fee Equity	
1118	Housing Assistance Payments Equity	
1119	Unit months available	

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**SINGLE AUDIT SECTION**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

Mr. Hector H. Balderas  
New Mexico State Auditor

Honorable Mayor, Members of the Town Council  
of the Town of Bernalillo, New Mexico

We were engaged to audit, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue fund of Town of Bernalillo, New Mexico (Town) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Town of Bernalillo, New Mexico's basic financial statements, and the combining and individual funds and related budgetary comparisons of the Town presented as supplementary information, and have issued our report thereon dated November 25, 2013. We were unable to express an opinion on those financial statements because the Town did not maintain sufficient internal controls and/or adequate records of its cash and investments, capital assets, revenues/receivables, payables, and completeness of the underlying general ledger accounting.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of Bernalillo, New Mexico's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Town of Bernalillo, New Mexico's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Bernalillo, New Mexico's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items FS 2006-03, FS 2006-08, FS 2007-02, FS 2007-03 and FS 2008-04 to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items FS 2006-01, FS 2007-01, FS 2007-04, FS 2008-03, FS 2008-05, and FS 2008-06 to be significant deficiencies.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Bernalillo, New Mexico's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Town of Bernalillo, New Mexico's Response to Findings

The Town of Bernalillo, New Mexico's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Town of Bernalillo, New Mexico's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.  
CPAs and Business Consultants

November 25, 2013

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133**

Independent Auditor's Report

Mr. Hector H. Balderas  
New Mexico State Auditor

Honorable Mayor, Members of the Town Council  
of the Town of Bernalillo, New Mexico

**Report on Compliance for Each Major Federal Program**

We have audited Town of Bernalillo, New Mexico's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Town of Bernalillo, New Mexico's major federal programs for the year ended June 30, 2013. Town of Bernalillo, New Mexico's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Town of Bernalillo, New Mexico's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Town of Bernalillo, New Mexico's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Town of Bernalillo, New Mexico's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Town of Bernalillo, New Mexico complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

### **Report on Internal Control Over Compliance**

Management of Town of Bernalillo, New Mexico is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered Town of Bernalillo, New Mexico's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Town of Bernalillo, New Mexico's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
CPAs and Business Consultants

November 25, 2013

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>CFDA Number</u>	<u>Grantor's Number</u>	<u>Total Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>			
Passed through New Mexico Department of Finance and Administration:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	10-C-NR-I-01-G-07	\$ 500,000
Direct Programs:			
Public and Indian Housing	14.850	NM035	251,328
Public Housing Capital Fund - Program Year 2009	14.872	NM02P035501-09	6,106
Public Housing Capital Fund - Program Year 2010	14.872	NM02P035501-10	50,000
Public Housing Capital Fund - Program Year 2011	14.872	NM02P035501-11	22,984
Total for CFDA 14.872			<u>79,090</u>
Total U.S. Department of Housing and Urban Development			<u>830,418</u>
<u>U.S. Department of Justice</u>			
Direct program:			
Bulletproof Vest Partnership Program	16.607	2011BUBX11055324	378
Bulletproof Vest Partnership Program	16.607	2012BUBX12060593	1,660
Total for CFDA 16.607			<u>2,038</u>
<u>U.S. Department of Transportation</u>			
Passed through New Mexico Department of Transportation:			
State and Community Highway Safety	20.600	12-PT-DS-009	4,690
State and Community Highway Safety	20.600	13-PT-DS-009	280
Total for CFDA 20.600			<u>4,970</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	12-AL-64-009	5,933
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	13-AL-64-009	10,990
Total for CFDA 20.608			<u>16,923</u>
Total U.S. Department of Transportation			<u>21,893</u>
<u>Environmental Protection Agency</u>			
Direct program:			
Congressionally Mandated Projects	66.202	XP-96685501	473,934
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 1,328,283</u></u>

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2013**

**NOTE 1 - BASIS OF PRESENTATION**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Town and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE 2 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS**

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2013 *Catalog of Federal Domestic Assistance*.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: Disclaimer

Internal control over financial reporting:

- Material weakness(es) identified?  X  yes   no
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)?  X  yes   none reported

Noncompliance material to financial statements noted?   yes  X  no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?   yes  X  no
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)?   yes  X  none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?   yes  X  no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
66.202	Congressionally Mandated Projects

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?   yes  X  no

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**Reference Number:** FS 2006-01

**Type of Finding:** Significant Deficiency

**Description:** Exceeded Budget Authority

CONDITION

In violation of New Mexico State Statute, expenditures in the following fund exceeded the budgeted amounts as submitted to the State of New Mexico.

<u>Fund</u>	<u>Overbudget</u>
Proprietary Funds:	
Housing Assistance	\$ 334,819

CRITERIA

All Town funds are to be budgeted by the local governing body and submitted to the State of New Mexico Department of Finance and Administration (NMDFA) – Local Government Division for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation, as the fund-level has been established as the legal level of budgetary control.

EFFECT

The Town exceeded the approved expenditure budgets of the funds noted. According to NMSA 6-6-6 1978 Compilation any expenditure in excess of the approved budget may be determined to be a liability of the officials authorizing such expenditure.

CAUSE

The fund exceeded the approved budget due to ineffective monitoring of budget capacity.

RECOMMENDATION

The Town must follow New Mexico State law and all mandated budgetary requirements. If the lack of budget monitoring is due to limited staff and training, the Town should allocate the necessary resources to remedy such situations.

AGENCY RESPONSE

Effective July 1, 2013, the Town of Bernalillo Public Housing Authority was transferred from the Town of Bernalillo to Santa Fe Civic Housing Authority.



**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2006-03

**Type of Finding:** Material Weakness

**Description:** Accounts Receivables Records and Procedures

CONDITION

Due to an excessive penalty policy, which existed in prior years, the Town accrued significant uncollectible customer accounts receivable which were recorded on the Town's subsidiary accounts receivable ledger. As a result, the Town posted adjustments to the receivable balance during fiscal year 2007-08 in an attempt to more accurately reflect the true receivable outstanding. However, during fiscal year 2008-09 the Town implemented a new accounting software package and the receivable balances were not correctly transferred and are once again misstated in the fiscal year 2012-13 general ledger.

CRITERIA

According to generally accepted accounting principles, the Town's general ledger and its subsidiary ledger of customer utility accounts should reflect true, collectible receivables due to the Town for services provided.

EFFECT

The Town's general ledger and subsidiary customer ledger include significant amounts of uncollectible accounts receivable as well as other errors that arose during the transition to a new accounting software package that have yet to be resolved. A disclaimer of opinion was issued on the Town's financial statements due to our inability to sufficiently complete the audit objectives necessary to render an opinion on the accounts receivable and allowance for accounts receivable balances.

CAUSE

The Town's penalty policy for late utility payments resulted in inflated receivable balances in both the general ledger and the subsidiary customer account ledger which have not been monitored or adjusted to properly report collectible balances. Additionally, the Town is unable to fully reconcile the amount of receivables reported in the fiscal year 2012-13 general ledger due to software implementation errors.

RECOMMENDATION

As of the report issuance, the Town has revised the penalty and interest policy. In addition, management should adjust the customer account balances recorded in the general ledger and subsidiary customer ledger to properly reflect the customer balances that are estimated to be collectible as reported on the financial statements.

AGENCY RESPONSE

Management agrees with the recommendation. The Town has started the process of obtaining proper approvals from NMDFA and NMOSA to adjust the erroneous receivable balances. Once the approval is obtained, the Town will work to accurately adjust customer balances to reflect correct receivable balances on both the general ledger and the subsidiary customer ledger.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2006-08

**Type of Finding:** Material Weakness

**Description:** Reconciliation and Recording of Bank Accounts

CONDITION

We noted material unreconciled balances in several funds at June 30, 2013 that could not be substantiated. Beginning in fiscal year 2012-13, the Town reconciled most accounts timely; however, the “book balances” on the reconciliations didn’t agree to the Town’s general ledger cash balances. Additionally, the Town did not reconcile or account for the activity and balances maintained in the NMFA debt service accounts, nor did the Town record the 2008 Revenue Bond bank account and activity in the general ledger. It was noted during the fiscal year 2012-13 audit that due to these issues not all debt service payments were properly recorded in the Town’s general ledger, therefore, audit adjustments were required to properly recognize the balances and activity.

CRITERIA

The Town is responsible for establishing and maintaining internal controls that include controls over cash and investments accounts in order to meet the financial reporting objectives of the Town.

EFFECT

The Town is at risk of undetected misstatements in the cash and investment accounts, as well as, other financial accounts. Fraud risk is also heightened without the proper recognition and sufficient reconciliation of all bank and investment accounts. A disclaimer of opinion was issued on the Town’s financial statements due to our inability to sufficiently complete the audit objectives necessary to render an opinion on cash and investments.

CAUSE

The Town did not have a procedure for tracking bank accounts to ensure that all are captured on the general ledger and reconciled.

RECOMMENDATION

The Town should review all existing banking and investment accounts and ensure their inclusion in the general ledger. The Town should also develop and enforce a policy that requires a full reconciliation and documentation of all banking and investment accounts.

AGENCY RESPONSE

Management agrees with the recommendation. The Town has started the process of obtaining proper approvals from NMDFA and NMOSA to adjust the erroneous fund balances. Once these balances are corrected, reconciliations will agree to general ledger cash balances. The Town is also committed to develop and adopt a policy ensuring all banking and investment accounts are being reconciled in a timely manner.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2007-01

**Type of Finding:** Significant Deficiency

**Description:** Comprehensive Set of Policies

CONDITION

The Town does not have a comprehensive set of policies and procedures that address various key components of its operations.

CRITERIA

The internal control structure of the Town must include policies that document proper business practices for key operations.

EFFECT

The Town is at risk to internal control failures which could lead to undetected misstatements in financial statements. Additionally, the risk of fraud is heightened without proper documentation and review procedures.

CAUSE

Limited staff size and resources in key financial management positions.

RECOMMENDATION

The Town should allocate the necessary resources in order to develop and/or update outdated existing policies and desk procedures for the following functions: payroll documentation, human resources documentation, employee leave, cash receipting, month-end and year-end close out, asset safeguarding, and purchasing procedures including credit card usage.

AGENCY RESPONSE

Management agrees with the recommendation to develop, update, and adopt comprehensive policies and procedures throughout the Town. The Town is committed to create, update, and adopt policies that will establish proper internal controls, ensure accurate reporting, safeguard Town assets, maintain strong accountability, and ensure procedures are being followed throughout the Town. It is management's goal to have these critical policies and procedures implemented within the current fiscal year.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2007-02

**Type of Finding:** Material Weakness

**Description:** Internal Control Over Financial Reporting

CONDITION

The Town's management did not have adequate internal control procedures in place over the financial statements issued by the Town using the basis of accounting required by generally accepted accounting principles (GAAP), including the schedule of expenditures of federal awards (SEFA). These controls include the use of a financial statement checklist during the review of the report draft, documented review procedures, identification of management and/or staff to review draft, and verifying amounts reported in the financial statements to underlying records and schedules. In addition, numerous audit adjustments from prior years have not been properly posted to the financial statements.

CRITERIA

Town management is responsible for establishing and maintaining internal controls that include controls for the generally accepted accounting principles (GAAP) basis financial statements issued by the Town. In addition, OMB Circular A-133 requires the auditee to prepare a complete and accurate SEFA. The Town's system of internal controls must extend beyond the cash basis general ledger and the supporting schedules prepared by the Town; rather it must also include controls over the GAAP basis financial statements.

EFFECT

The Town's internal controls over financial reporting at the financial statement level are not adequate to ensure that a misstatement would be prevented and/or detected. A disclaimer of opinion was issued on the Town's financial statements due to our inability to sufficiently complete the audit objectives necessary to render an opinion on the account balances.

CAUSE

The Town's small size and limited resources contribute to difficulties in establishing controls over financial reporting at the financial statement level.

RECOMMENDATION

The Town must design and implement effective internal control procedures to ensure the financial statements and related notes are free from material misstatements.

AGENCY RESPONSE

Town Management agrees with the recommendation to design and implement internal control procedures to ensure the financial statements and notes are free from material misstatements. The Town recognizes the need for effective policies and procedures that will ensure more accurate reporting and is committed to create and adopt these policies within the current fiscal year.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2007-03

**Type of Finding:** Material Weakness

**Description:** Year-end Cutoff

CONDITION

The Town does not have a formal procedure in place to identify significant payables or receivables existing at year end.

CRITERIA

According to generally accepted accounting principles, the Town must record expenditures in the year that goods or services were received and record revenues in the year which they are earned.

EFFECT

The Town is at risk of misstatements to the financial statements.

CAUSE

Due to insufficient staff, the Town did not monitor year end activity to determine proper fiscal year posting.

RECOMMENDATION

The Town's general ledger software provides a posting field which will allow the Town to properly monitor and account for financial activity related to a prior fiscal period. The Town should implement and utilize this general ledger field and mechanism to track year end activity, then properly record the applicable year end accruals.

AGENCY RESPONSE

Management agrees with the recommendation. The Town will work with the financial software vendor to ensure the system is being used to its full potential and provide additional training to staff in order to appropriately account for prior year activity. The Town will also design and implement a policy that will identify and record all year end accruals.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2007-04

**Type of Finding:** Significant Deficiency

**Description:** Violation of Town's Procurement Policies

CONDITION

The Town was unable to provide evidence that written or verbal quotes were obtained for two of five transactions reviewed (purchases of \$6,661 and \$23,282). Additionally, for one of three large purchases, the Town did not solicit for sealed bids (purchase of \$23,857). Finally, for one purchase deemed sole source, the Town did not maintain documentation to demonstrate that the vendor chosen was a sole source provider for the contracted service (purchase of \$17,957).

CRITERIA

State Procurement Code, Sections 13-1-125, 13-1-103 through 13-1-110, and 13-1-111 through 13-1-122 NMSA 1978; as well as the Town's policy, requires the use of competitive bids or sealed proposals for purchases exceeding the prescribed threshold and the use of quotes below that threshold. Additionally, the documentation for the sole source vendor designation should also be prepared and retained.

EFFECT

The Town's purchasing policy is not enforced consistently and could result in higher costs for goods and services being charged to the Town. Additionally, the lack of record retention increases the Town's risk to procurement violations.

CAUSE

Due to insufficient staff, the Town's purchasing department did not consistently enforce Town procurement policy.

RECOMMENDATION

The Town should both review its purchasing policy for necessary updates, as well as stringently enforce those rules prior to processing any payments to vendors.

AGENCY RESPONSE

Management agrees with the recommendation to review the procurement policy. The Town implemented a new procurement policy in September 2013. Management will review and initiate changes as needed to maintain strong accountability for all involved in the procurement process.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2008-03

**Type of Finding:** Significant Deficiency

**Description:** Credit Card Purchases

CONDITION

For six of ten credit card transactions reviewed, the employee making the purchase was not documented or easily identifiable (purchases totaled \$1,876). Additionally, for two of ten transactions reviewed, there were no receipts to support the purchases (purchases totaled \$1,625). Finally, the Town maintains two credit card accounts that are not sufficiently monitored.

CRITERIA

Management is responsible for developing an effective system of internal control over financial reporting, which includes controls over credit card transactions. In addition, Town policy and NMSA require sufficient supporting documentation for expenditures.

EFFECT

Monitoring of credit card purchases is a key internal control activity which helps ensure the accuracy of transactions and provides assurances with respect to public funds. The internal control over credit cards transactions were not adequate to ensure processing of authorized transactions.

CAUSE

The Town did not maintain sufficient evidence for all credit card purchases.

RECOMMENDATION

The Town should update its credit card policies, including clearly defining responsibilities and review procedures. Management should design and implement effective internal controls to ensure effective monitoring and use of credit card transactions.

AGENCY RESPONSE

Management agrees with the recommendation to update the credit card policy. This updated policy will include stronger internal controls and accountability to ensure all Town credit card accounts are being adequately monitored.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2008-04

**Type of Finding:** Material Weakness

**Description:** Insufficient Capital Asset Support

CONDITION

The Town did not provide an accurate or complete listing of fiscal year 2012-13 capital asset additions by asset category, as well as an accurate and complete listing of cumulative capital assets by asset category. The Town also did not reconcile total capital expenditures to current year capital asset additions. Finally, the Town has not conducted a physical inventory of assets in several years.

CRITERIA

Management is responsible for establishing and maintaining internal controls that include controls for the Town's capital assets. Controls should include reconciliation of all capital expenditures to capital asset additions, as well as an annual physical inventory.

EFFECT

The Town's controls over capital assets were not adequate to ensure that a misstatement material to financial reporting for capital assets would be prevented and/or detected. A disclaimer of opinion was issued on the Town's financial statements due to our inability to sufficiently complete the audit objectives necessary to render an opinion on the capital assets.

CAUSE

Limited staff size and resources contributed to difficulties in establishing adequate controls over capital assets.

RECOMMENDATION

The Town should implement effective internal control procedures to ensure completeness of capital asset balances reported.

AGENCY RESPONSE

Management agrees with the recommendation to implement effective internal control procedures. The Town will develop and adopt capital asset policies and procedures to ensure accuracy in its reporting. The Town will also begin implementing annual physical inventory of all assets.



**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2008-05

**Type of Finding:** Significant Deficiency

**Description:** Insufficient Controls over Disbursements

CONDITION

We noted in seven of 20 disbursements reviewed, the purchase order was issued after goods or services were received (purchases totaled \$496,187).

CRITERIA

The Town's policy requires purchase requisitions and purchase orders to be obtained and approved before procurement of goods and services.

EFFECT

The Town's internal controls over purchasing authorizations and payments limit management's ability to monitor the accuracy of transactions and provide assurance with respect to public funds.

CAUSE

Due to insufficient staff in key positions, the Town's purchase authorization practices were not adequately enforced.

RECOMMENDATION

The Town should exercise more caution with purchase authorization procedures to ensure similar instances do not occur.

AGENCY RESPONSE

Management agrees with the recommendation. The Town will implement stronger control to ensure procurement procedures are being followed.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Cont'd)**

**Reference Number:** FS 2008-06

**Type of Finding:** Significant Deficiency

**Description:** Deficits in Actual Fund Balances

CONDITION

At year-end the following individual funds reported deficits in fund balance.

<u>Fund</u>	<u>Deficits</u>
Gas Tax	\$ 1,910,740
Law Enforcement	20,375
Rescue	274,967

CRITERIA

All Town fund annual expenditures should be limited to annual revenue sources plus fund balance in accordance with prudent business practices.

EFFECT

The Town reported deficits fund balances in the funds which could negatively impact the Town based on decisions made by the users of the financial statements (bond companies, oversight agencies).

CAUSE

Ineffective monitoring of expenditures in prior years and the cash reconciliation deficiencies noted in FS 2006-08 have likely resulted in the deficits reported.

RECOMMENDATION

The Town must investigate the deficits to determine if they actually exist or are the result of erroneous reporting. In addition, the amounts in error should be adjusted accordingly.

AGENCY RESPONSE

Town management recognizes the need to correct fund balances. The Town has started the process of obtaining proper approvals from NMDFA and NMOSA to adjust the erroneous fund balances. Once received, the Town will accurately adjust balances in order to reflect correct fund balances across all Town funds.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2013**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS (Concl'd)**

**Reference Number:** FS 2013-01

**Type of Finding:** Compliance with NMAC

**Description:** Late IPA Recommendation Form

CONDITION

The Town's IPA recommendation form and audit contract for the fiscal year 2012-13 audit were not delivered to the State Auditor by May 15, 2013.

CRITERIA

Paragraph (6) of Subsection G of 2.2.2.8 NMAC requires that local public bodies submit the IPA recommendation form and audit contract to the State Auditor by the specified dates.

EFFECT

The Town did not adhere to requirements outlined in the NMAC.

CAUSE

The Town did not award the contract for audit services until September 2013.

RECOMMENDATION

The Town should ensure that future IPA recommendation forms and audit contracts are submitted to the State Auditor by the specified dates.

AGENCY RESPONSE

Management agrees with the recommendation and will ensure that all future IPA recommendations and audit contracts are submitted to the State Auditor by the specified dates.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2013**

**Status of Prior Year Findings**

Financial Statement Findings:

<u>Finding Reference</u>	<u>Status</u>
FS 2006-01 Exceeded Budget Authority	Modified and Repeated.
FS 2006-03 Accounts Receivables Records and Procedures	Modified and Repeated.
FS 2006-08 Reconciliation and Recording of Bank Accounts	Modified and Repeated.
FS 2007-01 Comprehensive Set of Policies	Modified and Repeated.
FS 2007-02 Internal Control over Financial Reporting	Modified and Repeated.
FS 2007-03 Year-end Cutoff	Modified and Repeated.
FS 2007-04 Violation of Town's Procurement Policies	Modified and Repeated.
FS 2008-03 Credit Card Purchases	Modified and Repeated.
FS 2008-04 Insufficient Capital Asset Support	Modified and Repeated.
FS 2008-05 Insufficient Controls over Disbursements	Modified and Repeated.
FS 2008-06 Deficits in Budgeted and/or Actual Fund Balances/Net position	Modified and Repeated.

Federal Findings:

<u>Finding Reference</u>	<u>Status</u>
FA 2006-01	Corrected.
FA 2009-01	Corrected.

The following prior year findings are no longer applicable to the Town of Bernalillo due to the transfer of the Section 8 Housing Choice Vouchers Program to the Santa Fe Civic Housing Authority during fiscal year 2012-13.

- FA 2009-02
- FA 2010-01

FINANCIAL STATEMENT PREPARATION

Heinfeld, Meech & Co. assisted in the preparation of the financial statements presented in this report. The Town's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.

**STATE OF NEW MEXICO  
TOWN OF BERNALILLO  
EXIT CONFERENCE  
YEAR ENDED JUNE 30, 2013**

An exit conference was held on November 25, 2013, in a closed meeting, in which the contents of this report were discussed with the following.

**Town of Bernalillo**

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Jack Torres, Mayor

Juan Torres, Interim Town Treasurer

Marian A. Jaramillo, City Councilor

**Heinfeld, Meech & Co., P.C.**

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Michael A. Hoerig, CPA, Partner

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**Fiscal Year 2014  
Expense Summary**

<b>General Fund</b>			
	<b>Finance Proposed</b>	<b>Department Head Requested</b>	<b>Council Approved</b>
Administrative	1,160,883	1,160,883	1,160,883
Election	13,700	13,700	13,700
Executive	91,980	91,980	91,980
Finance	258,881	258,881	258,881
Fire Department	658,047	658,047	658,047
HR	95,865	95,865	95,865
IT	435,590	466,090	466,090
Judicial	128,989	128,989	128,989
Library	374,737	374,737	374,737
Parks	278,888	278,888	278,888
Police	2,297,951	2,297,951	2,297,951
Capital Projects	28,500	28,500	28,500
P & Z	181,754	181,754	181,754
Recreation	256,503	256,503	256,503
Community Development	119,756	119,756	119,756
MVD	104,975	104,975	104,975
GF Departments Sub Total	6,486,999	6,517,499	6,517,499
YCC Town Match	118,581	118,581	118,581
Capital Projects Fund	-	-	-
Gas Tax (Projects)	182,016	182,016	182,016
Sub Total	6,787,596	6,818,096	6,818,096
GF Debt Services	521,045	521,045	521,045
<b>Total</b>	<b>7,308,641</b>	<b>7,339,141</b>	<b>7,339,141</b>

<b>Special Revenue Funds</b>			
	<b>Finance Proposed</b>	<b>Department Head Requested</b>	<b>Council Approved</b>
Fire Fund	85,279	85,279	85,279
Rescue	13,600	13,600	13,600
LEPF	31,400	31,400	31,400
Lodgers Tax	95,000	95,000	95,000
Gas Tax	4,725,377	4,725,377	4,725,377
Capital Projects Fund	600,000	600,000	600,000
YCC	444,575	444,575	444,575
Wine Festival	343,614	343,614	343,614

<b>Coronado Campground</b>			
	<b>Finance Proposed</b>	<b>Department Head Requested</b>	<b>Council Approved</b>
Campground	127,333	127,333	127,333

**Fiscal Year 2014  
Expense Summary Cont.**

<b>Utility Enterprise Fund</b>			
	<b>Finance Proposed</b>	<b>Department Head Requested</b>	<b>Council Approved</b>
Water	1,088,205	1,088,205	1,088,205
Waste Water	718,406	778,406	778,406
Animal Control	573,685	573,685	573,685
Sub Total	2,380,296	2,440,296	2,440,296
UF Debt Services	1,276,294	1,276,294	1,276,294
Total	3,656,590	3,716,590	3,716,590



**Fiscal Year 2014  
Revenue Summary**

<b>General Fund Revenue</b>	
Revenue	Amount
General Fund	7,327,214
Community Development	6,500
GRT Intercept	80,556
Total	7,414,270

<b>Special Revenue Funds</b>	
Fire Fund	85,279
Rescue	9,500
LEPF	31,400
Lodgers Tax	95,000
Gas Tax	4,543,361
Capital Projects Fund	600,000
YCC	325,994
Wine Festival	399,800

<b>Enterprise Funds</b>	
Campground	115,000

Utility Fund	3,476,018
Permit Fees	267,460
Total	3,743,478

**Fiscal Year 2014  
Debt Service Summary**

<b>General Fund Debt Services</b>		
	<b>Description</b>	<b>Amount Due</b>
Ordinance 245	2008 Series Revenue Bond	414,605
Resolution 32307A	NMFA Loan - Land Purchase	27,469
Ordinance 243	NMFA Loan - Land Purchase	78,971
	Total	521,045

<b>Enterprise Fund Debt Services</b>		
	<b>Description</b>	<b>Amount Due</b>
Ordinance 211	2005 Series Refunding Bond	369,879
Ordinance 223	2006 Series Joint Water and Sewer Bond	649,695
Ordinance 229	NMFA Loan - Arsenic Treatment Plant	256,720
	Total	1,276,294

**Fiscal Year 2014  
Net Effect**

<b>General Fund</b>			
	<b>Finance Proposed</b>	<b>Department Head Requested</b>	<b>Council Approved</b>
Expense	7,308,641	7,339,141	7,339,141
Revenue	7,414,270	7,414,270	7,414,270
<b>Excess/(Deficit)</b>	<b>105,629</b>	<b>75,129</b>	<b>75,129</b>

<b>Coronado Campground</b>			
	<b>Finance Proposed</b>	<b>Department Head Requested</b>	<b>Council Approved</b>
Expense	127,333	127,333	127,333
Revenue	115,000	115,000	115,000
<b>Excess/(Deficit)</b>	<b>(12,333)</b>	<b>(12,333)</b>	<b>(12,333)</b>

<b>Utility Enterprise Fund</b>			
	<b>Finance Proposed</b>	<b>Department Head Requested</b>	<b>Council Approved</b>
Expense	3,656,590	3,716,590	3,716,590
Revenue	3,743,478	3,743,478	3,743,478
<b>Excess/(Deficit)</b>	<b>86,888</b>	<b>26,888</b>	<b>26,888</b>

STATE OF NEW MEXICO

TOWN OF BERNALILLO

ORDINANCE NO. 159

AN ORDINANCE AMENDING ORDINANCE Nos. 66 and 69 TO ADJUST SEWER CONNECTION RATES

WHEREAS, Ordinance No. 66 was passed by the Board of Trustees of the Town of Bernalillo, County of Sandoval, State of New Mexico, on January 21, 1981; and,

WHEREAS, Ordinance No. 69 was passed by the Board of Trustees of the Town of Bernalillo, County of Sandoval, State of New Mexico, on January 29, 1981; and,

WHEREAS, the periodic revision of monthly rates, charges and conditions for sewer services furnished by the municipality is essential for the preservation and maintenance of a municipal water and sewer system; and,

WHEREAS, an amendment to portions of said ordinance is necessary in order to provide for the needs of the Town.

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE TOWN OF BERNALILLO, COUNTY OF SANDOVAL, STATE OF NEW MEXICO:

SECTION ONE

ORDINANCE Nos. 66 and 69, ARTICLE TWO, SECTION TWO, ENTITLED "CONNECTION FEES", are hereby amended as follows:

SECTION TWO - CONNECTION FEES: There is hereby established, and there shall be maintained, collected and enforced, a connection fee as set forth in the table below. Sewer connection fees shall be based on the size of the customer's water meter.

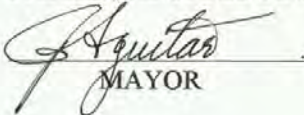
Meter Size	Connection Fee	Meter Size	Connection Fee
3/4"	\$1,200.00	2"	\$6,200.00
1"	\$2,300.00	3"	\$13,000.00
1 1/2"	\$3,400.00	4"	\$14,600.00

SECTION TWO

REPEALER: All Ordinances or parts of Ordinances in existence are hereby repealed to the extent that they are inconsistent with this Ordinance; and, provided however, that such repeal shall not effect any claims or rights arising under such prior Ordinances, and all claims or rights of The Town of Bernalillo arising under such prior ordinances shall remain in full force and effect; provided further, that all Ordinances or parts of Ordinances inconsistent with this Ordinance are hereby repealed.

SEVERABILITY: That if any section, paragraph, clause or provision of this Ordinance shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect the validity of the remaining parts of this Ordinance.

PASSED, ADOPTED AND SIGNED THIS 24th DAY OF November, 1997

  
MAYOR

ATTEST:   
TOWN CLERK

ORDINANCE NO. 210

AN ORDINANCE AMENDING ORDINANCE NOS. 66, 152, 163, 169 AND 186 TO ADJUST SEWER RATES.

BE IT ORDAINED BY THE GOVERNING BODY OF THE TOWN OF BERNALILLO, COUNTY OF SANDOVAL, STATE OF NEW MEXICO:

SECTION ONE

ORDINANCE NO. 66, ARTICLE TWO, SECTION ONE, ENTITLED "MONTHLY SEWAGE RATES", is hereby amended to read as follows (with changes made, indicated by underlining):

SECTION ONE - MONTHLY SEWAGE RATES: The following monthly rates, charges and conditions for sewage service are hereby adopted:

<u>USER CATEGORY</u>	<u>MINIMUM FOR 4,000 GALLONS PER MONTH OR LESS OF WATER USAGE</u>
RESIDENTIAL	<u>\$21.93</u>
COMMERCIAL	<u>\$36.25</u>

For each additional one thousand (1,000) gallons or portion thereof, residential users, will be assessed at \$3.38 per one thousand (1,000) gallons during the winter months of December, January and February only. For the remaining months of the year (March, April, May, June, July, August, September, October, and November), the sewage rates will be assessed at the rate of the average sewer use billing for the three (3) winter months mentioned, for each sewer user. For each additional one thousand (1,000) gallons, or portion thereof, commercial users will be assessed at \$3.38 per one thousand gallons. Users formerly categorized as special and public housing will now be considered commercial users.

There will be a 25% surcharge on accounts outside of Town limits.

SEVERABILITY:

If any section, paragraph, clause or provision of this ordinance shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

PASSED, ADOPTED AND SIGNED THIS 11 DAY OF July, 2005

  
MAYOR

ATTEST:   
TOWN CLERK

Larry says should be 1.2 MGD Capacity of Aerated

PART I - REQUIREMENTS FOR NPDES PERMITS

SECTION A. LIMITATIONS AND MONITORING REQUIREMENTS

1. FINAL Effluent Limits - 0.8 MGD Design Flow

During the period beginning the effective date of the permit and lasting through the expiration date of the permit (unless otherwise noted), the permittee is authorized to discharge treated municipal wastewater to the Rio Grande, in Segment Number 20.6.4.106, from Outfall 001. Such discharges shall be limited and monitored by the permittee as specified below:

EFFLUENT CHARACTERISTICS	STORET CODE	DISCHARGE LIMITATIONS							MONITORING REQUIREMENTS	
		lbs/day, unless noted			mg/l, unless noted (*1)				MEASUREMENT FREQUENCY	SAMPLE TYPE
POLLUTANT		30-DAY AVG	DAILY MAX	7-DAY AVG	30-DAY AVG	DAILY MAX	7-DAY AVG			
Flow	50050	Report MGD	Report MGD	Report MGD	***	***	***		Continuous	Totalizing Meter
Biochemical Oxygen Demand, 5-day	00310	200	N/A	300	30	N/A	45		Three/Month (*2)	12-Hour Composite
Total Suspended Solids	00530	200	N/A	300	30	N/A	45		Three/Month (*2)	12-Hour Composite
E. Coli Bacteria	51040	1.43 X 10 <sup>9</sup> (*3, *4)	N/A	N/A	47 (*3)	88 (*3)	N/A		Three/Month (*2)	12-Hour Composite
Nitrate, Total	00620	66.7	N/A	158.8	10	23.8	N/A		Two/Week	12-Hour Composite
Ammonia, Total, as N	00610	14.3	21.4	N/A	2.14	3.21	N/A		Two/Week	12-Hour Composite
Arsenic, Total	01002	Report	Report	N/A	Report	Report	N/A		Two/Week	12-Hour Composite
Total Residual Chlorine	50060	N/A	N/A	N/A	N/A	11 ug/l	N/A		Daily (*5)	Composite Instantaneous
PCB (*6)	39516	N/A	Report (*6)	N/A	N/A	Report (*6)	N/A		Once (*6)	Grab (*5) 12-Hour Composite
Dissolved Oxygen	00300	N/A	N/A	N/A		Report (*7)			Two/Week (*7)	Grab (*7)

EFFLUENT CHARACTERISTICS	DISCHARGE LIMITATIONS		MONITORING REQUIREMENTS	
	MINIMUM	MAXIMUM	MEASUREMENT FREQUENCY	SAMPLE TYPE
STORSET CODE 00400	6.6	9.0	Five/Week	Grab

EFFLUENT CHARACTERISTICS	DISCHARGE MONITORING		MONITORING REQUIREMENTS	
	30-DAY AVG MINIMUM	48-HR MINIMUM	MEASUREMENT FREQUENCY	SAMPLE TYPE
WHOLE EFFLUENT TOXICITY TESTING (48 Hr. NOEC) (*8)	Report	Report	Once/Six-Months	24-Hr Composite
Daphnia pulex	Report	Report	Once/Six-Months	24-Hr Composite
Pimephales promelas	Report	Report	Once/Six-Months	24-Hr Composite

**Footnotes:**

- \*1 See Appendix A of Part II of the permit for minimum quantification limits.
- \*2 Sampling on at least three different weeks in a month.
- \*3 Colony forming units (cfu) per 100 ml.
- \*4 Loading limit based on conversion factor  $3.79 \times 10^7$  cfu/MGD  $\times$  47 cfu/day  $\times$  0.8 MGD.
- \*5 The effluent limitation for TRC is the instantaneous maximum grab sample taken during periods of chlorine use and cannot be averaged for reporting purposes. TRC shall be measured during periods when chlorine is used as either backup bacteria control or when disinfection of plant treatment equipment is required. Regulations at 40 CFR Part 136 define "instantaneous grab" as analyzed within 15 minutes of collection.
- \*6 PCB Testing shall be one time during the first 12-months after the permit effective date. Test shall use Method 1668A, as revised: Chlorinated Biphenyl Congeners in Water, Soil, Sediment and Tissue by High Resolution Gas Chromatography/High Resolution Mass Spectrometry (HRGC/HRMS).
- \*7 Daily minimum. Samples taken between 10:00 am and 2:00 pm.
- \*8 Monitoring and reporting requirements begin on the effective date of this permit. See PART II, Whole Effluent Toxicity testing requirements for additional WET monitoring and reporting conditions.



**NAME:** BERNALILLO, TOWN OF  
**ADDRESS:** PO BOX 638  
BERNALILLO, NM 87004

PERMIT NUMBER  
NM0023485

DISCHARGENUMBER  
001 A

DMR MAILING ZIP CODE: 87004  
MINOR \$

**FACILITY:** TOWN OF BERNALILLO  
**LOCATION:** 585 CALLE CHAPARRAL  
BERNALILLO, NM 87004

MONITORING PERIOD  
MM/DD/YYYY TO MM/DD/YYYY  
09/01/2013 TO 09/31/2013

MINOR 92-500  
External Outfall

NO DISCHARGE

**ATTN:** MAYOR JACK TORRES

PARAMETER	SAMPLE MEASUREMENT REQUIREMENT	QUANTITY OR LOADING			QUALITY OR CONCENTRATION			NO. EX	FREQUENCY OF ANALYSIS	SAMPLE TYPE
		VALUE	UNITS	VALUE	UNITS	VALUE	UNITS			
00300 1 0 Effluent Gross	SAMPLE PERMIT REQUIREMENT	*****	*****	2.66	*****	*****	*****	0	Two Per Week	GRAB
		*****	*****	Req. Mon DAILY MIN	*****	*****	mg / L			
BOD, 5-Day, 20 deg. C	SAMPLE PERMIT REQUIREMENT	18	4	4	*****	4	*****	0	Three Per Month	COMP 12
		200	300	30 DA AVG	lb / d	30	45			
00310 1 0 Effluent Gross	SAMPLE PERMIT REQUIREMENT	*****	*****	7.3	*****	*****	*****	0	Five Per Week	GRAB
		*****	*****	MINIMUM	*****	*****	SU			
00400 1 0 Effluent Gross	SAMPLE PERMIT REQUIREMENT	*****	*****	6.6	*****	*****	*****	0	Three Per Month	COMP 12
		*****	*****	MAXIMUM	*****	*****	mg / L			
Solids, total suspended	SAMPLE PERMIT REQUIREMENT	31	36	6	*****	7	*****	0	Two Per Week	GRAB
		200	300	30 DA AVG	lb / d	30	45			
00530 1 0 Effluent Gross	SAMPLE PERMIT REQUIREMENT	2.0	2.1	0.40	*****	0.40	*****	0	Two Per Week	COMP 12
		14.3	21.4	30 DA AVG	lb / d	2.14	3.21			
Nitrogen, ammonia total (as N)	SAMPLE PERMIT REQUIREMENT	46.2	43.0	9	*****	12.0	*****	0	Two Per Week	COMP 12
		66.70	158.8	30 DA AVG	lb / d	10	23.8			
00610 1 0 Effluent Gross	SAMPLE PERMIT REQUIREMENT	41	46	8.3	*****	9.4	*****	0	Two Per Week	COMP 12
		Req. Mon. 30 DA AVG	Req. Mon. DAILY MX	Req. Mon. 30 DA AVG	lb / d	Req. Mon. 30 DA AVG	ug / L			

NAME/TITLE PRINCIPAL EXECUTIVE OFFICER MAYOR JACK TORRES	I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to ensure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.	TELEPHONE	DATE
		505	2013 10 17
TYPED OR PRINTED	SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT	AREA Code	NUMBER
			YEAR MO DAY

**COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)**  
 Dissolved oxygen, daily minimum - samples taken between 10:00 AM and 2:00 PM.  
 Plant transferred to UV light on 08/12/2008 and discontinuing chlorination disinfection. Chlorine is no longer used on this facility.

**ADDRESS:** PO BOX 638 BERNALILLO, NM 87004  
**FACILITY LOCATION:** TOWN OF BERNALILLO 585 CALLE CHAPARRAL BERNALILLO, NM 87004  
**ATTN:** MAYOR JACK TORRES

**PERMIT NUMBER:** NM0023485  
**DISCHARGE NUMBER:** 001 A  
**DMR MAILING ZIP CODE:** 87004

**MONITORING PERIOD:** MM/DD/YYYY 09/01/2013 TO MM/DD/YYYY 09/31/2013  
**MINOR:** 92-500 External Outfall  
**NO DISCHARGE:**

PARAMETER	QUANTITY OR LOADING			QUALITY OR CONCENTRATION			NO. EX	FREQUENCY OF ANALYSIS	SAMPLE TYPE
	VALUE	UNITS	VALUE	UNITS	VALUE	UNITS			
Flow, in conduit or thru treatment plant									
50050 1 0 Effluent Gross Chlorine, total residual	*****	*****	0.614	*****	0.700	0.918	0	Continuous	TOTALZ
50060 A 0 Disinfection, Process Complete E.Coli Bacteria	*****	*****	*****	*****	*****	NA	0		GRAB
51040 1 0 Effluent Gross	46	MCFU/d	*****	*****	9	33	0	Three Per Month	GRAB
	1430	30 DAYGEO	*****	*****	47	88			
	30 DAYGEO	MCFU/d	*****	*****	30 DAYGEO	DAILY MX			

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

**NAME/TITLE PRINCIPAL EXECUTIVE OFFICER:** MAYOR JACK TORRES  
**TYPED OR PRINTED:**

**SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT:**

**TELEPHONE:** 505 867-3311  
**DATE:** 2013 10 17

**AREA Code:** NUMBER  
**YEAR:** MO  
**DAY:**

**COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here):**  
 Dissolved oxygen, daily minimum - samples taken between 10:00 AM and 2:00 PM.  
 Plant transferred to UV light on 08/12/2008 and discontinuing chlorination disinfection. Chlorine is no longer used on this facility.

EPA Form 3320-1 (Rev.01/06) Previous editions may be used.

Reference Address # 7486 3415 UNIT 2407 3472

Page 2

**NAME:** BERNALILLO, TOWN OF  
**ADDRESS:** PO BOX 638  
 BERNALILLO, NM 87004

**PERMIT NUMBER:** NM0023485  
**DISCHARGE NUMBER:** 001 A

**DMR MAILING ZIP CODE:** 87004  
**MINOR \$**

**FACILITY:** TOWN OF BERNALILLO  
**LOCATION:** 585 CALLE CHAPARRAL  
 BERNALILLO, NM 87004

**MONITORING PERIOD**

MM/DD/YYYY	MM/DD/YYYY
02/01/2013	02/28/2013

**MINOR 92-500**  
 External Outfall

**ATTN:** MAYOR JACK TORRES

**NO DISCHARGE**

PARAMETER	QUANTITY OR LOADING			QUALITY OR CONCENTRATION			NO. EX	FREQUENCY OF ANALYSIS	SAMPLE TYPE
	VALUE	UNITS	REQUIREMENT	VALUE	UNITS	REQUIREMENT			
Oxygen, dissolved (DO)	3.56	Req. Mon DAILY MIN	3.56	mg/L	0	Two Per Week	0	GRAB	
Effluent Gross	25	30 DA AVG	25	lb/d	0	Three Per Month	0	COMP 12	
BOD, 5-Dry, 20 deg. C	7	7 DA AVG	7	SU	0	Five Per Week	0	GRAB	
Effluent Gross	36	30 DA AVG	36	lb/d	0	Three Per Month	0	COMP 12	
pH	7.2	MINIMUM	7.2	mg/L	0	Two Per Week	0	COMP 12	
00400 1 0	1.9	30 DA AVG	1.9	mg/L	0	Two Per Week	0	COMP 12	
Effluent Gross	10.96	30 DA AVG	10.96	mg/L	0	Two Per Week	0	COMP 12	
Nitrogen, ammonia total (as N)	36.9	30 DA AVG	36.9	ug/L	0	Two Per Week	0	COMP 12	
Effluent Gross	36.9	30 DA AVG	36.9	ug/L	0	Two Per Week	0	COMP 12	

**NAME/TITLE PRINCIPAL EXECUTIVE OFFICER:** MAYOR JACK TORRES

**SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT:** *[Signature]*

**TELEPHONE:** 505 867-3311

**DATE:** 2013 03 07

**COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here):**  
 Dissolved oxygen, daily minimum - samples taken between 10:00 AM and 2:00 PM. Plant transferred to UV light on 08/12/2008 and discontinuing chlorination disinfection. Chlorine is no longer used on this facility.

**TYPED OR PRINTED:**

**EPA Form 3320-1 (Rev.01/06) Previous editions may be used.**

**NAME:** BERNALILLO, TOWN OF  
**ADDRESS:** PO BOX 638  
BERNALILLO, NM 87004

DMR MAILING ZIP CODE: 87004  
MINOR \$

**FACILITY:** TOWN OF BERNALILLO  
**LOCATION:** 585 CALLE CHAPARRAL  
BERNALILLO, NM 87004

MINOR 92-500  
External Outfall

**ATTN:** MAYOR JACK TORRES

NO DISCHARGE

PARAMETER	QUANTITY OR LOADING			QUALITY OR CONCENTRATION			NO. EX	FREQUENCY OF ANALYSIS	SAMPLE TYPE
	VALUE	UNITS	VALUE	VALUE	UNITS	VALUE			
Flow, in conduit or thru treatment plant	*****	*****	*****	0.610	Req. Mon. DAILY MX	0.727	0	Continuous	TOTAL/L
	*****	*****	*****	*****	Req. Mon. 7 DA AVG	NA	0	DAILY	GRAB
50060 A 0 Effluent Gross Chlorine, total residual	*****	*****	*****	*****	*****	*****	0	*****	*****
	*****	*****	*****	*****	*****	*****	0	*****	*****
50060 A 0 Disinfection, Process Complete E.Coli Bacteria	15	*****	*****	3.0	30 DAY GEO	7.0	0	Three per Month	GRAB
	1430	*****	*****	*****	*****	*****	0	*****	*****
51040 I 0 Effluent Gross	30 DAY GEO	MCFU/d	*****	*****	*****	*****	0	*****	*****

NAME/TITLE PRINCIPAL EXECUTIVE OFFICER: *Jack Torres*  
 SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT: *Jack Torres*  
 TELEPHONE: 505) 867-3311  
 DATE: 2013 03 07  
 AREA Code: NUMBER: YEAR: MO: DAY

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here)  
 Dissolved oxygen, daily minimum - samples taken between 10:00 AM and 2:00 PM.  
 Plant transferred to UV light on 08/12/2008 and discontinuing chlorination disinfection. Chlorine is no longer used on this facility.  
 EPA Form 3320-1 (Rev.01/06) Previous editions may be used.

**APPENDIX D: COST ESTIMATE DETAILS**



Preliminary Engineering Report  
Interstate Frontage Wastewater Improvements Project



**Estimate of Probable Cost - Summary**  
**Alternative 2 - Connect to Existing Public Sewer System**  
**I-25 Frontage Road Wastewater Improvements Project**  
**Sandoval County, New Mexico**

Item	Amount
<b>Capital Costs:</b>	
Planning & Design (10% of construction)	\$ 326,000.00
Easements and Right of Way	\$ 10,000.00
Environmental, Archeological and Hydrology Services	\$ 10,000.00
Construction (including NMGR)	\$ 3,260,000.00
Legal Fees	\$ 5,000.00
<b>Total Capital</b>	<b>\$ 3,611,000.00</b>
Annual Costs	\$264,000.00
Net Present Value	\$ 7,450,000.00
<b>NET PRESENT VALUE CALCULATIONS</b>	
Present Value of Capital Cost (C)	\$ 3,611,000.00
Total Annual Cost	\$ 264,000.00
Net Present Value of Total Annual Cost*	\$ 192,189.55
Net Present Value (NPV)	\$ 7,450,000.00
Unit Cost of Water (1,000 gallons)	\$ 4.32

\*Real Discount Rate over a 20-year life cycle (USOMB,2014),  $i =$  1.60%  
Single Payment Present Worth Factor = 0.7280

**Estimate of Probable Construction Cost**  
**Alternative 2 - Connect to Existing Public Sewer System**  
**I-25 Frontage Road Wastewater Improvements Project**  
**Sandoval County, New Mexico**

Item	Description	Qty.	Unit	Unit Cost	Amount
1	Mobilization/Demobilization	1	LS	\$ 35,000.00	\$ 35,000.00
2	Clearing/Grubbing removal and disposal	1	Acres	\$ 15,000.00	\$ 15,000.00
3	Unclassified Excavation	1,000	cubic yd	\$ 30.00	\$ 30,000.00
4	6-inch PVC (SDR 35) sewer force main including trenching, backfill, compaction	8,800	LF	\$ 28.50	\$ 250,800.00
5	8 inch PVC SDR 35 gravity sewerline including, trenching, backfill, compaction	9,200	LF	\$ 30.00	\$ 276,000.00
6	16-inch steel casing placed in a horizontal borehole (2 places)	700	LF	\$ 400.00	\$ 280,000.00
7	Rehabilitate Existing TOB Manhole, core and recast invert for new sewerline connection	2	LS	\$ 10,000.00	\$ 20,000.00
8	Sewer by Pass Pumping	2	LS	\$ 10,000.00	\$ 20,000.00
9	Manhole (Type E)	25	EA	\$ 6,000.00	\$ 150,000.00
10	Lift Station including wet well, duplex pumps, piping, controls and electrical	4	EA	\$ 250,000.00	\$ 1,000,000.00
11	6" commercial service connection to existing businesses including all materials, trenching, backfill, compaction, CIP	7	EA	\$ 1,500.00	\$ 10,500.00
12	Site Restoration and reseeding	9	Acres	\$ 2,400.00	\$ 21,600.00
13	Construction Staking	1	LS	\$ 30,000.00	\$ 30,000.00
14	Traffic Control	1	LS	\$ 30,000.00	\$ 30,000.00
15	Utility Locating	1	LS	\$ 10,000.00	\$ 10,000.00
16	Testing Allowance	1	LS	\$ 40,000.00	\$ 40,000.00
17	Post Construction CCTV inspection of new sewer lines	18,000	LF	\$ 2.50	\$ 45,000.00
<b>Subtotal</b>					<b>\$ 2,263,900.00</b>
<b>Contractors Contingency (10%)</b>					<b>\$ 226,390.00</b>
<b>Subtotal</b>					<b>\$ 2,490,290.00</b>
<i>NMGRT @ 7.0625%</i>					<i>\$ 15,988.79</i>
<b>Construction Subtotal with Tax</b>					<b>\$ 2,506,278.79</b>
<i>Allowance for Engineer's Level of Accuracy (25%)</i>					<i>\$ 626,569.70</i>
<b>Construction Contractor's Total Cost (nearest \$1,000)</b>					<b>\$ 3,133,000.00</b>
<i>Engineering Services during Construction (4%)</i>					<i>\$ 125,320.00</i>
<b>TOTAL CONSTRUCTION COST (nearest \$10,000)</b>					<b>\$ 3,260,000.00</b>



**Estimate of Probable Annual Cost**  
**Alternative 2 - Connect to Existing Public Sewer System**  
**I-25 Frontage Road Wastewater Improvements Project**  
**Sandoval County, New Mexico**

<b>Item</b>	<b>Description</b>	<b>Qty.</b>	<b>Unit</b>	<b>Unit price</b>	<b>Amount</b>
1	Bernalillo Wastewater Department Expenses	1218	Connections	\$ 84.60	\$ 103,042.80
2	Interest on Loan (20-years @ 2% interest, 15% share)	12	mos	\$ 9,030.00	\$ <u>108,360.00</u>
				<b>Subtotal</b>	<b>\$ 211,402.80</b>
				Allowance for Engineer's Level of Accuracy (25%)	\$ <u>52,850.70</u>
				<b>TOTAL ANNUAL COST (nearest \$1K)</b>	<b>\$ 264,000.00</b>

**Estimate of Probable Cost - Summary**  
**Alternative 3 - New Community Wastewater System**  
**I-25 Frontage Road Wastewater Improvements Project**  
**Sandoval County, New Mexico**

**Capital Costs:**

Item	Amount
Planning & Design (8% of construction)	\$ 990,000.00
Easements and Right of Way	\$ 50,000.00
Environmental, Archeological and Hydrology Services	\$ 10,000.00
Construction (including NMGR)	\$ 9,900,000.00
Land Acquisition	\$ 50,000.00
Legal Fees	\$ 25,000.00
<b>Total Capital</b>	<b>\$ 11,025,000.00</b>

Annual Costs	\$ 762,000.00
--------------	---------------

**NET PRESENT VALUE CALCULATIONS**

Present Value of Capital Cost (C)	\$ 11,025,000.00
Total Annual Cost	\$ 762,000.00
Net Present Value of Total Annual Cost*	\$ 554,728.93
Net Present Value (NPV)	\$ 22,119,578.52
Unit Cost of Water (1,000 gallons)	\$ 12.84
*Real Discount Rate over a 20-year life cycle (USOMB,2014), i =	1.60%
Single Payment Present Worth Factor =	0.7280

**Estimate of Probable Construction Cost**  
**Alternative 3 - New Community Wastewater System**  
**I-25 Frontage Road Wastewater Improvements Project**  
**Sandoval County, New Mexico**

Item	Description	Qty.	Unit	Unit Cost	Amount
1	Mobilization/Demobilization	1	LS	\$ 35,000.00	\$ 35,000.00
2	Clearing/Grubbing removal and disposal	1	Acres	\$ 15,000.00	\$ 15,000.00
3	Unclassified Excavation	1,000	cubic yd	\$ 30.00	\$ 30,000.00
4	6-inch PVC (SDR 35) sewer force main including trenching, backfill, compaction	9,400	LF	\$ 28.50	\$ 267,900.00
5	8 inch PVC SDR 35 sewerline including, trenching, backfill, compaction	8,100	LF	\$ 30.00	\$ 243,000.00
6	Manhole (type E)	21	EA	\$ 6,000.00	\$ 126,000.00
7	16-inch steel casing placed in a horizontal borehole (NM 165).	200	LF	\$ 240.00	\$ 48,000.00
8	Lift Station including wet well, duplex pumps, piping, controls and electrical	4	EA	\$ 250,000.00	\$ 1,000,000.00
9	6" commercial service connection to existing businesses including all materials, trenching, backfill, compaction, CIP	7	EA	\$ 750.00	\$ 5,250.00
10	WWTP construction including all unit processes, process piping, controls, electrical and startup and testing*	2	Units	\$ 2,207,329.00	\$ 4,414,658.00
11	8 inch PVC SDR 35 effluent disposal line including, trenching, backfill, compaction	8,200	LF	\$ 30.00	\$ 246,000.00
12	Chain Link Fence (8' tall)	3,000	LF	\$ 40.00	\$ 120,000.00
13	Site Restoration and reseeding	23	Acres	\$ 2,500.00	\$ 57,500.00
14	Construction Staking	1	LS	\$ 30,000.00	\$ 30,000.00
15	Traffic Control	1	LS	\$ 50,000.00	\$ 50,000.00
16	Utility Locating	1	LS	\$ 10,000.00	\$ 10,000.00
17	Testing Allowance	1	LS	\$ 120,000.00	\$ 120,000.00
18	Post Construction CCTV inspection of new sewer lines	25,700	LF	\$ 2.50	\$ 64,250.00
<b>Subtotal</b>					<b>\$ 6,882,558.00</b>
<b>Contractors Contingency (10%)</b>					<b>\$ 688,255.80</b>
<b>Subtotal</b>					<b>\$ 7,570,813.80</b>
<i>NMGRT @ 7.0625%</i>					<i>\$ 48,608.07</i>
<b>Construction Subtotal with Tax</b>					<b>\$ 7,619,421.87</b>
<i>Allowance for Engineer's Level of Accuracy (25%)</i>					<i>\$ 1,904,855.47</i>
<b>Construction Contractor's Total Cost (nearest \$1,000)</b>					<b>\$ 9,524,000.00</b>
<i>Engineering Services during Construction (4%)</i>					<i>\$ 380,960.00</i>
<b>TOTAL CONSTRUCTION COST (nearest \$10,000)</b>					<b>\$ 9,900,000.00</b>

**Estimate of Probable Annual Cost**  
**Alternative 3 - Centralized Wastewater System**  
**I-25 Frontage Road Wastewater Improvements Project**  
**Sandoval County, New Mexico**

<b>Item</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Annual Amount</b>
Sewer Maintenance Labor	416	Hours	\$ 18.00	\$ 7,488.00
Electricity Cost -2 Lift Stations (2 HP ea operating at 12 hrs/day)	13,064.66	Kw-hr	\$ 0.08	\$ 1,045.17
Pipeline Repair (\$0.10/foot)	25000	foot	\$ 0.10	\$ 2,500.00
Laboratory and testing	12	year	\$ 2,000.00	\$ 24,000.00
Waste disposal	12	year	\$ 3,000.00	\$ 36,000.00
WWTP*	1	year	\$ 184,680.00	\$ 184,680.00
Interest on Loan (75% loan - 25% grant) - 2%	12	month	\$ 25,294.00	\$ 303,528.00
Professional Services	1	year	\$ 50,000.00	\$ 50,000.00
<b>Subtotal</b>				<b>\$ 609,241.17</b>
Allowance for Engineer's Level of Accuracy (25%)				\$ 152,310.29
<b>Total Annual Costs</b>				<b>\$ 761,551.47</b>

**APPENDIX E: PRELIMINARY WASTEWATER FLOW CALCULATIONS**

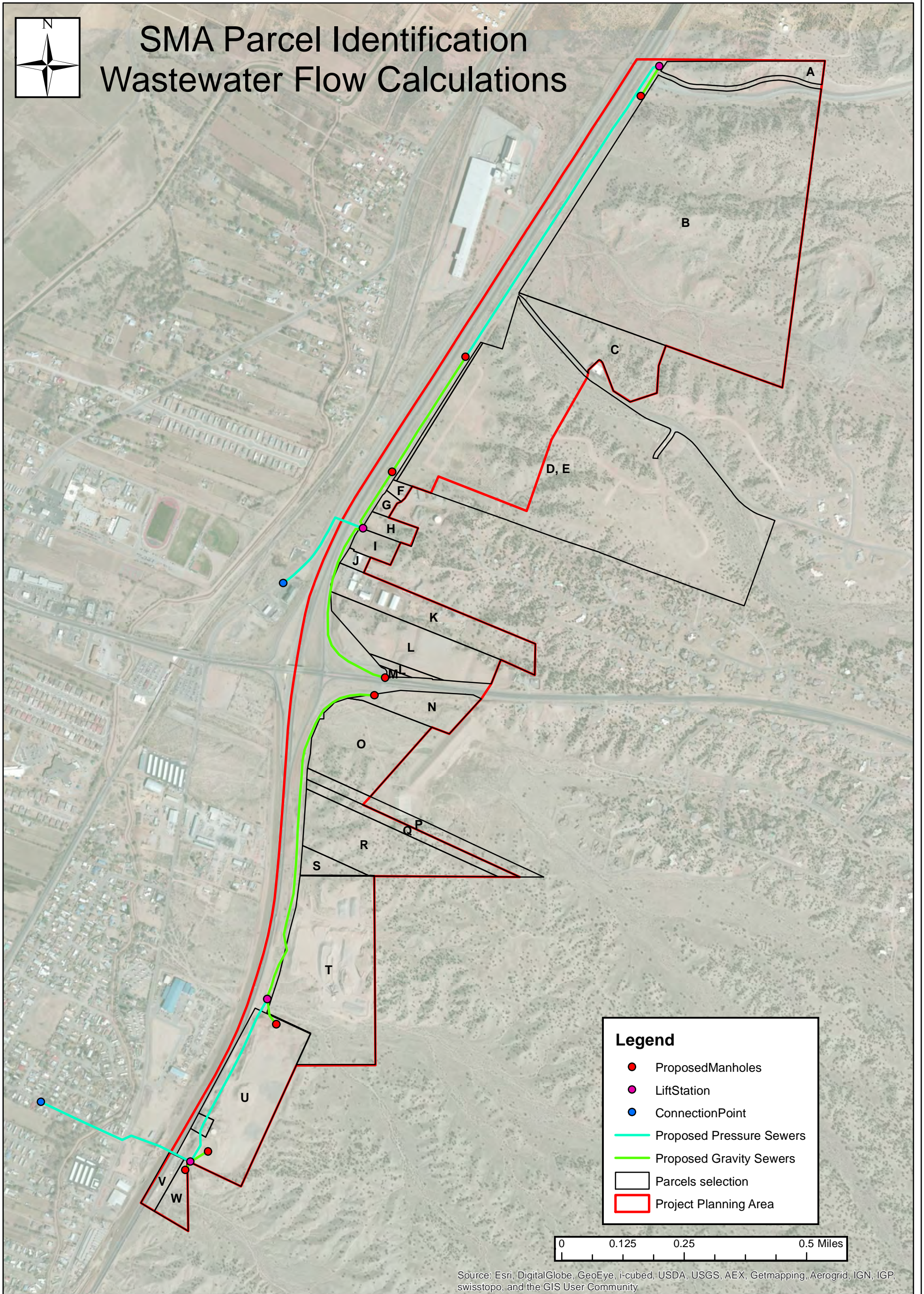


Preliminary Engineering Report  
Interstate Frontage Wastewater Improvements Project



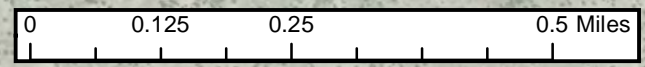


# SMA Parcel Identification Wastewater Flow Calculations



**Legend**

- Proposed Manholes
- Lift Station
- Connection Point
- Proposed Pressure Sewers
- Proposed Gravity Sewers
- Parcels selection
- Project Planning Area



Source: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

Wastewater Flow Calculation Map  
Sandoval County PER  
Bernalillo, New Mexico

5ddYbXl 9

Document: P:\6-Sandoval County Bernalillo Wastewater PERs (6421284)\05 PrelimDesign\05-01 BaseData\MapsAerials\WW Flow Map.mxd WW Flow Map

Revisions	
By: _____	Date: _____ Descr: _____
By: _____	Date: _____ Descr: _____
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Drawn _____
Checked _____
Approved _____



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Preliminary Engineering Design Basis - Wastewater Flows  
I-25 Frontage Road Wastewater Improvements Project  
Sandoval County, New Mexico

Owner	Parcel	WW Flows (gpd)	Start Node	Pipe	Stop Node	Average WW Flows (gpm)	Peak WW Flows (x2.5) (gpm)	Peak WW Flows (x4.0) (gpm)
Mt. Adams Holdings	A	5,525	Manhole A	Gravity Line A	Lift Station 1	3.8	9.6	15.3
Prefisso 505 LLC	B	79,543				55.2	138.1	221.0
Total Flow		<b>85,069</b>				<b>59.1</b>	<b>147.7</b>	<b>236.3</b>
Upstream Flows		85,069	Lift Station 1	Pressure Line 1	Manhole B	59.1	147.7	236.3
Total Flow		<b>85,069</b>				59.1	147.7	236.3
Trails Investors LLC	C	10,648	Manhole B	Gravity Line B	Manhole C	7.4	18.5	29.6
Trails Investors LLC	D	26,545				18.4	46.1	73.7
Trails Investors LLC	E	4,396				3.1	7.6	12.2
Upstream Flows		85,069				59.1	147.7	236.3
Total Flow		<b>126,658</b>				88.0	219.9	351.8
DFA LLC	F	442	Manhole C	Gravity Line C	Lift Station 2	0.3	0.8	1.2
DFA LLC	G	591				0.4	1.0	1.6
Tri-State Music and Video	H	1,708				1.2	3.0	4.7
Upstream Flows		126,658				88.0	219.9	351.8
Total Flow		<b>129,398</b>				89.9	224.6	359.4
Tri-State Music and Video	I	1,850	Manhole D	Gravity Line D	Lift Station 2	1.3	3.2	5.1
Unknown	J	714				0.5	1.2	2.0
Bailey Olson and Reed LLC	K	10,804				7.5	18.8	30.0
Pueblo of Sandia	L	10,901				7.6	18.9	30.3
Unknown	M	1,454				1.0	2.5	4.0
Upstream Flows		0				0.0	0.0	0.0
Total Flow		<b>25,725</b>				17.9	44.7	71.5
<b>Project Planning Area (North)</b>		<b>155,123</b>	Lift Station 2	Pressure Line 2	Manhole Z1	107.7	269.3	430.9
One Placitas Development Co. Inc	N	3,888	Manholes E & F	Gravity Line E & F	Lift Station #3	2.7	6.7	10.8
One Placitas Development Co. Inc	O	12,791				8.9	22.2	35.5
Unknown	P	1,175				0.8	2.0	3.3
Madrid, Frank G.	Q	3,487				2.4	6.1	9.7
Pueblo of Sandia	R	13,018				9.0	22.6	36.2
Pueblo of Sandia	S	1,844				1.3	3.2	5.1
Fisher, Thomas	T	22,003				15.3	38.2	61.1
Pueblo of Sandia	U	9,356				6.5	16.2	26.0
Total Flow		<b>67,562</b>	46.9	117.3	187.7			
Pueblo of Sandia	U	9,356	Manholes G & H	Gravity Lines G & H	Lift Station #4	6.5	16.2	26.0
Unknown	V	1,636				1.1	2.8	4.5
New Mexico Highway Department	W	2,221				1.5	3.9	6.2
Total Flow		<b>13,213</b>	9.2	22.9	36.7			
<b>Project Planning Area (South)</b>		<b>80,775</b>	Lift Station #4	Pressure Line 4	Manhole Z1	56.1	140.2	224.4