

Tyrone Water & Wastewater Association
Financial Statements
For the One and Twelve Months Ended
June 30, 2023



Mike Morones & Associates, LLC

ACCOUNTANTS' COMPILATION REPORT

To the Board Members
Tyrone Water & Wastewater Association
Tyrone, New Mexico

Management is responsible for the accompanying financial statements of Tyrone Water & Wastewater Association, which comprise the Statement of Financial Position as of June 30, 2023, and the related Statement of Financial Activity for the one and twelve months, and the Monthly Statement of Activity, and the Statement of Cash Flow then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has omitted substantially all the disclosures ordinarily included in financial statements prepared in accordance with the tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Tyrone Water & Wastewater Association.

Mike Morones & Associates, LLC

MIKE MORONES & ASSOCIATES, LLC
Silver City, NM 88061
July 26, 2023

TYRONE WATER & WASTEWATER ASSOCIATION
Statement of Financial Position
June 30, 2023

ASSETS

Current Assets		
First American Bank - payroll	\$	6,083.42
Western Bank - operations 7964		65,206.24
Operating reserve 4702		10,625.43
Water reserve 4701		3,667.45
Water tower reserve 4703		3,682.46
USDA short lived reserve 8268		10,242.39
USDA debt service reserve 8277		33,877.09
USDA O & M reserve 8286		11,305.21
Pollution reserve 8295		<u>13,362.83</u>
 Total Current Assets		 158,052.52
Property and Equipment		
Furniture		72,830.00
Equipment		681,280.00
Improvements		22,975.92
2020 Park Area Improvement		36,644.41
2020 Sewer Improvements		221,464.13
2021 Sewer Improvements		136,453.48
2022 Sewer Improvements		117,023.02
Water Improvements		53,213.88
2020 Other Improvements		8,966.06
Accumulated Depreciation		<u>(884,465.51)</u>
 Total Property and Equipment		 466,385.39
 Total Assets	 \$	 <u><u>624,437.91</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Current Portion-LT Debt	\$	<u>11,619.81</u>
 Total Current Liabilities		 11,619.81
Long-Term Liabilities		
Long Term Debt		<u>548,422.17</u>
 Total Long-Term Liabilities		 <u>548,422.17</u>
 Total Liabilities		 560,041.98
Capital		
Fund Balance		79,350.53
Net Income		<u>(14,954.60)</u>
 Total Capital		 <u>64,395.93</u>
 Total Liabilities & Capital	 \$	 <u><u>624,437.91</u></u>

See Accountant's Compilation Report

Tyrone Water & Wastewater Association
Statement of Activity
One and Eleven Months Ended June 30, 2023

	Current Month	Year to Date
Revenues		
Residential assessment	\$ 30,671.62	\$ 367,524.36
CC Assessment Fees	24.00	203.00
Wastewater access fees	0.00	750.00
Community center rent	0.00	200.00
Interest income	190.35	292.47
Dividend Income	190.40	258.73
	31,076.37	369,228.56
Total Revenues		
Cost of Sales		
	0.00	0.00
Total Cost of Sales		
	31,076.37	369,228.56
Gross Profit		
Expenses		
System Repairs and maintenance	1,731.65	1,731.65
Water R & M - System R & M	0.00	830.24
Sewer R & M - System R & M	0.00	13,424.72
Contract services - TCA	9,828.15	151,215.16
Maint supplies - System P & S	0.00	535.78
Vehicle expenses	0.00	51.63
Electricity	0.00	2,981.64
Telephone - Other Utilities	91.92	758.06
Comm Water - Other Utilities	0.00	4,130.14
Accounting - Professional Svc	(14,017.35)	4,157.32
Legal fees - Professional Svc	29,520.18	31,622.60
Bank charges - Office & Admin	92.18	1,301.20
Insurance expense	1,875.52	34,758.71
License & Permit Fees	0.00	321.00
Dues & Subscriptions	0.00	180.54
Postage - Office & Admin	0.00	185.67
Office svc - Office & Admin	0.00	762.08
Office supplies - Office & Adm	0.00	108.00
Real Estate taxes	0.00	572.32
Members dues	0.00	200.00
Interest Expense	525.59	16,873.14
Depreciation Expense	9,790.13	117,481.56
	39,437.97	384,183.16
Total Expenses		
	\$ (8,361.60)	\$ (14,954.60)
Net Income		

TYRONE WATER WASTEWATER ASSOCIATION
Monthly Statement of Activity
For July 1, 2022 through June 30, 2023

	July	August	September	October	November	December	January	February	March	April	May	June
Revenues												
Residential assessment	\$ 29,963.83	31,786.90	28,064.79	27,080.04	32,819.64	32,995.34	36,047.78	\$ 27,196.27	30,273.91	29,243.89	31,380.35	30,671.62
CC Assessment Fees	15.00	0.00	0.00	48.00	23.00	24.00	15.00	24.00	0.00	6.00	24.00	24.00
Wastewater access fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	750.00	0.00	0.00
Community center rent	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenues	30,178.83	31,786.90	28,064.79	27,128.04	32,842.64	33,019.34	36,062.78	27,220.27	30,273.91	29,999.89	31,404.35	30,695.62
Expenses												
Maintenance and Repair												
System Repairs and maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,731.65
Water R & M - System R & M	0.00	0.00	0.00	0.00	830.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sewer R & M - System R & M	0.00	8,473.82	2,419.88	0.00	0.00	449.19	1,210.73	226.80	0.00	644.30	0.00	0.00
Contract services - TCA	7,427.42	12,161.78	9,355.98	11,422.48	12,831.51	13,250.20	19,540.04	11,160.49	14,705.94	14,535.06	14,996.11	9,828.15
Total Maint. and Repair	7,427.42	20,635.60	11,775.86	11,422.48	13,661.75	13,699.39	20,750.77	11,387.29	14,705.94	15,179.36	14,996.11	11,559.80
Parts and Supplies												
Maint supplies - System P & S	0.00	0.00	0.00	0.00	535.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Vehicle expenses	0.00	51.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Parts and Supplies	0.00	51.63	0.00	0.00	535.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities												
Electricity	0.00	887.39	1,719.50	(867.04)	(597.88)	603.07	205.89	200.50	195.91	214.81	419.49	0.00
Telephone - Other Utilities	175.13	86.16	86.08	185.43	148.98	181.90	181.97	92.00	(1,018.01)	183.26	363.24	91.92
Comm Water - Other Utilities	0.00	0.00	0.00	0.00	0.00	0.00	2,079.43	0.00	0.00	0.00	2,050.71	0.00
Total Utilities	175.13	973.55	1,805.58	(681.61)	(448.90)	784.97	2,467.29	292.50	(822.10)	398.07	2,833.44	91.92
Administrative												
Accounting - Professional Svc	1,404.00	1,404.00	1,404.00	1,407.09	1,407.09	1,407.09	1,948.28	1,948.28	1,948.28	1,948.28	1,948.28	(14,017.35)
Legal fees - Professional Svc	0.00	0.00	350.00	1,476.00	0.00	0.00	0.00	0.00	0.00	0.00	276.42	29,520.18
Bank charges - Office & Admin	143.14	100.80	81.46	123.41	96.99	103.30	115.99	105.88	112.86	122.49	102.70	92.18
Insurance expense	0.00	0.00	6,057.03	1,875.52	1,875.52	1,875.52	1,875.52	1,875.52	13,697.52	1,875.52	1,875.52	1,875.52
License & Permit Fees	0.00	0.00	0.00	0.00	0.00	0.00	321.00	0.00	0.00	0.00	0.00	0.00
Dues & Subscriptions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.18	150.36	0.00	0.00	0.00
Postage - Office & Admin	60.00	0.00	0.00	0.00	0.00	0.00	0.00	125.67	0.00	0.00	0.00	0.00
Office svc - Office & Admin	86.16	0.00	0.00	138.36	0.00	537.56	0.00	0.00	0.00	0.00	0.00	0.00
Office supplies - Office & Adm	108.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real Estate taxes	0.00	0.00	0.00	0.00	0.00	286.16	0.00	0.00	0.00	286.16	0.00	0.00
Members dues	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Administrative	1,801.30	1,504.80	8,092.49	5,020.38	3,379.60	4,530.63	3,939.79	4,085.53	15,909.02	4,232.45	4,202.92	17,470.53
Total Expenses	9,403.85	23,165.58	21,673.93	15,761.25	17,128.23	19,014.99	27,157.85	15,765.32	29,792.86	19,809.88	22,032.47	29,122.25
Net Operations Income	20,774.98	8,621.32	6,390.86	11,366.79	15,714.41	14,004.35	8,904.93	11,454.95	481.05	10,190.01	9,371.88	1,573.37
Reserve Income and Expense												
Interest income	2.66	2.35	3.12	6.37	6.20	24.27	6.70	6.08	30.90	6.56	6.91	190.35
Interest Expense	(1,495.00)	(1,492.58)	(1,490.16)	(1,487.73)	(1,485.04)	(1,482.84)	(1,482.84)	(1,482.84)	(1,482.84)	(1,482.84)	(1,482.84)	(525.59)
Dividend Income	7.49	0.00	0.00	0.00	0.00	60.84	0.00	0.00	0.00	0.00	0.00	190.40
Depreciation Expense	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)	(9,790.13)
Total Reserve Income and Expense	(11,274.98)	(11,280.36)	(11,277.17)	(11,271.49)	(11,268.97)	(11,187.86)	(11,266.27)	(11,266.89)	(11,242.07)	(11,266.41)	(11,266.06)	(9,934.97)
Net Income	\$ 9,500.00	(2,659.04)	(4,886.31)	95.30	4,445.44	2,816.49	(2,361.34)	\$ 188.06	(10,761.02)	(1,076.40)	(1,894.18)	(8,361.60)

TYRONE WATER & WASTEWATER ASSOCIATION
Statement of Cash Flow
For the twelve Months Ended June 30, 2023

	Current Month	Year to Date
Cash Flows from operating activities		
Net Income	\$ (8,361.60)	\$ (14,954.60)
Adjustments to reconcile net income to net cash provided by operating activities		
Accumulated Depreciation	9,790.13	117,481.56
Current Portion-LT Debt	180.79	358.76
	<u>9,970.92</u>	<u>117,840.32</u>
Total Adjustments		
Net Cash provided by Operations	<u>1,609.32</u>	<u>102,885.72</u>
 Cash Flows from investing activities		
Used For		
2022 Sewer Improvements	<u>0.00</u>	<u>(17,024.65)</u>
Net cash used in investing	<u>0.00</u>	<u>(17,024.65)</u>
 Cash Flows from financing activities		
Proceeds From		
Used For		
Long Term Debt	<u>(2,082.62)</u>	<u>(12,532.79)</u>
Net cash used in financing	<u>(2,082.62)</u>	<u>(12,532.79)</u>
Net increase <decrease> in cash	<u>\$ (473.30)</u>	<u>\$ 73,328.28</u>
 Summary		
Cash Balance at End of Period	\$ 158,052.52	\$ 158,052.52
Cash Balance at Beg of Period	<u>(158,525.82)</u>	<u>(84,724.24)</u>
Net Increase <Decrease> in Cash	<u>\$ (473.30)</u>	<u>\$ 73,328.28</u>

See Accountants' Compilation Report