

Accounting & Consulting Group, LLP

Certified Public Accountants

STATE OF NEW MEXICO
ALAMOGORDO MUNICIPAL SCHOOL DISTRICT NO. 1
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2012



STATE OF NEW MEXICO
ALAMOGORDO MUNICIPAL SCHOOL DISTRICT NO. 1
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2012

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INTRODUCTORY SECTION

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 Alamogordo Municipal School District No. 1
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STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Official Roster
June 30, 2012

<u>Name</u>	<u>Board of Education</u>	<u>Title</u>
David Ceballes		Board President
Dr. Allan Rickman		Board Vice President
David Weaver		Board Member
Mike Jones		Board Member
David Borunda		Board Member
Lt. Col. Robert Teschner		Ex-Officio Member

Administrative Officials

Dr. George Straface	Superintendent
Carol Genest	Director of Business and Finance
Dave Flood	Director of Operations
Tom Bregler	Comptroller

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparisons for the General Fund and major special revenue fund and the aggregate remaining fund information of Alamogordo Municipal School District No. 1 (the District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, the combining financial statements for the General Fund and the respective budgetary comparisons for the major capital projects fund, major debt service fund, and the nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012 as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2012, and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and the combining financial statements for the General Fund of the District as of June 30, 2012, and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects, the respective budgetary basis of accounting as prescribed in the New Mexico Administrative Code, as more fully described in Note 2 to the financial statements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2012, on our consideration of the District'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* and should be considered in assessing the results of our audit.

Management has omitted the *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America require 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. Our opinion on the basic financial statements is not affected by that missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The accompanying financial information listed as supporting Schedules I through IV in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the District. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
November 5, 2012

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statement of Net Assets
 June 30, 2012

	<u>Primary Government Governmental Activities</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 13,024,162
Receivables:	
Property taxes	455,675
Due from other governments	2,513,680
Other	40,440
Inventory	96,542
Total current assets	16,130,499
Noncurrent assets	
Restricted assets:	
Cash and cash equivalents	4,193,850
Bond issuance costs, net of accumulated amortization of \$135,930	359,331
Capital assets	129,650,950
Less: accumulated depreciation	(63,075,124)
Total noncurrent assets	71,129,007
Total assets	\$ 87,259,506

The accompanying notes are an integral part of these financial statements

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Liabilities	
Current liabilities	
Accounts payable	\$ 2,045,680
Accrued payroll	606,783
Accrued interest	317,683
Accrued compensated absences	141,205
Current portion of loans and capital leases payable	162,411
Current portion of bonds payable	<u>3,305,000</u>
Total current liabilities	<u>6,578,762</u>
Noncurrent liabilities	
Accrued compensated absences	40,589
Loans and capital leases payable	299,235
Bonds payable	27,105,000
Bond premium, net of accumulated amortization of \$88,139	<u>351,449</u>
Total noncurrent liabilities	<u>27,796,273</u>
Total liabilities	<u>34,375,035</u>
Net assets	
Invested in capital assets, net of related debt	43,823,644
Restricted for:	
Debt service	4,050,059
Capital projects	519,816
Other purposes - special revenue	1,543,392
Unrestricted	<u>2,947,560</u>
Total net assets	<u>52,884,471</u>
Total liabilities and net assets	<u>\$ 87,259,506</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statement of Activities
 For the Year Ended June 30, 2012

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:			
Governmental Activities:			
Instruction	\$ 29,098,056	\$ 164,927	\$ 4,782,614
Support services - students	5,632,496	31,925	925,768
Support services - instruction	2,060,129	11,677	338,607
Support services - general administration	1,215,866	6,892	199,842
Support services - school administration	2,412,746	13,675	396,564
Central services	2,120,038	12,016	348,454
Operation and maintenance of plant	7,360,209	41,718	1,209,738
Student transportation	1,448,829	-	1,071,812
Other support services	96,766	-	-
Food services operations	2,688,558	722,679	2,088,336
Amortization	54,247	-	-
Depreciation - unallocated	3,000,736	-	-
Interest and other charges	749,740	-	-
<i>Total governmental activities</i>	<u>\$ 57,938,416</u>	<u>\$ 1,005,509</u>	<u>\$ 11,361,735</u>

General Revenues:

Taxes:

Property taxes, levied for operating programs

Property taxes, levied for debt services

Property taxes, levied for capital projects

State equalization guarantee

Local sources

Investment income

Miscellaneous income

Transfers from agency fund

Total General Revenues

Change in net assets

Net assets - as originally stated

Net assets - restatement (Note 6)

Net assets - as restated

Net assets - ending

The accompanying notes are an integral part of these financial statements

<u>Program Revenues</u> <u>Capital Grants and</u> <u>Contributions</u>	<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in Net</u> <u>Assets</u> <u>Government</u> <u>Activities</u>
\$ 162,264	\$ (23,988,250)
31,409	(4,643,393)
11,488	(1,698,357)
6,780	(1,002,352)
13,455	(1,989,052)
11,822	(1,747,746)
41,044	(6,067,709)
-	(377,017)
-	(96,766)
-	122,457
-	(54,247)
-	(3,000,736)
-	(749,740)
<u>\$ 278,263</u>	(45,292,909)

251,451
4,068,675
1,278,544
39,904,346
8,033
12,760
241,850
164,178
45,929,837
636,928
51,617,275
630,268
52,247,543
<u>\$ 52,884,471</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Balance Sheet
 Governmental Funds
 June 30, 2012

	General Fund	Title I IASA Special Revenue Fund	Entitlement IDEA- B Special Revenue Fund
<i>Assets</i>			
Cash and cash equivalents	\$ 2,147,135	\$ -	\$ -
Receivables:			
Property taxes	21,300	-	-
Due from other governments	-	676,540	679,227
Other	40,440	-	-
Inventory	51,264	-	-
Due from other funds	1,938,505	-	-
<i>Total assets</i>	\$ 4,198,644	\$ 676,540	\$ 679,227
<i>Liabilities</i>			
Accounts payable	\$ 562,404	\$ -	\$ -
Accrued payroll	510,343	30,729	24,276
Accrued compensated absences	4,285	-	-
Deferred revenue:			
Property taxes	14,446	-	-
Other	-	-	-
Due to other funds	-	645,811	654,951
<i>Total liabilities</i>	1,091,478	676,540	679,227
<i>Fund balances</i>			
Nonspendable:			
Inventory	51,264	-	-
Spendable:			
Restricted for:			
Instructional materials	257,606	-	-
Food services	-	-	-
Extracurricular activities	-	-	-
Education	-	-	-
Capital acquisitions and improvements	-	-	-
Debt service	-	-	-
Committed for:			
Subsequent year's expenditures	1,121,124	-	-
Unassigned	1,677,172	-	-
<i>Total fund balances</i>	3,107,166	-	-
<i>Total liabilities and fund balances</i>	\$ 4,198,644	\$ 676,540	\$ 679,227

The accompanying notes are an integral part of these financial statements

<u>Bond Building Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 8,119,464	\$ 3,287,758	\$ 3,663,655	\$ 17,218,012
-	253,633	180,742	455,675
-	-	1,157,913	2,513,680
-	-	-	40,440
-	-	45,278	96,542
-	-	-	1,938,505
<u>\$ 8,119,464</u>	<u>\$ 3,541,391</u>	<u>\$ 5,047,588</u>	<u>\$ 22,262,854</u>
\$ 1,120,053	\$ -	\$ 363,223	\$ 2,045,680
-	-	41,435	606,783
-	-	-	4,285
-	174,141	124,497	313,084
-	-	67,571	67,571
-	-	637,743	1,938,505
<u>1,120,053</u>	<u>174,141</u>	<u>1,234,469</u>	<u>4,975,908</u>
-	-	45,278	96,542
-	-	-	257,606
-	-	495,560	495,560
-	-	58,055	58,055
-	-	948,380	948,380
6,999,411	-	1,404,264	8,403,675
-	3,367,250	929,577	4,296,827
-	-	-	1,121,124
-	-	(67,995)	1,609,177
<u>6,999,411</u>	<u>3,367,250</u>	<u>3,813,119</u>	<u>17,286,946</u>
<u>\$ 8,119,464</u>	<u>\$ 3,541,391</u>	<u>\$ 5,047,588</u>	<u>\$ 22,262,854</u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Governmental Funds
 Reconciliation of the Balance Sheet to the Statement of Net Assets
 June 30, 2012

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund balances - total governmental funds	\$	17,286,946
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		66,575,826
Other noncurrent assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Bond issuance costs		359,331
Property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		313,084
Grant revenues not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		67,571
Other liabilities are not due and payable in the current period and therefore, not reported in the funds:		
Bond premiums		(351,449)
Liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued compensated absences not due and payable		(177,509)
Accrued interest payable		(317,683)
Bonds, loans and capital leases payable		(30,871,646)
		(318,050,242)
Total net assets - governmental funds	\$	52,884,471

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statements of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2012

	General Fund	Title I IASA Special Revenue Fund	Entitlement IDEA-B Special Revenue Fund
<i>Revenues</i>			
Property taxes	\$ 253,474	\$ -	\$ -
Intergovernmental revenue			
Federal flowthrough	167,862	1,901,792	1,809,516
Federal direct	1,246,094	-	-
Local sources	-	-	-
State flowthrough	383,170	-	-
State direct	39,904,346	-	-
Transportation distribution	1,071,812	-	-
Charges for services	188,806	-	-
Investment income	-	-	-
Miscellaneous	35,115	-	-
<i>Total revenues</i>	<u>43,250,679</u>	<u>1,901,792</u>	<u>1,809,516</u>
<i>Expenditures</i>			
Current			
Instruction	26,099,466	957,903	905,648
Support services - students	3,657,061	188,627	749,781
Support services - instruction	1,296,020	442,934	32,012
Support services - general administration	930,445	129,397	71,924
Support services - school administration	2,210,412	2,137	482
Central services	1,962,469	52,273	-
Operation and maintenance of plant	6,014,100	-	-
Student transportation	1,396,454	-	36,000
Other support services	96,766	-	-
Food services operations	40,918	-	-
Capital Outlay	164,172	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	-
<i>Total expenditures</i>	<u>43,868,283</u>	<u>1,773,271</u>	<u>1,795,847</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(617,604)</u>	<u>128,521</u>	<u>13,669</u>
<i>Other financing sources (uses)</i>			
Remittal of prior year fund balance	-	(128,521)	(13,669)
Transfers in	164,008	-	-
Transfers (out)	-	-	-
Bond premium	-	-	-
Bond proceeds	-	-	-
<i>Total other financing sources (uses)</i>	<u>164,008</u>	<u>(128,521)</u>	<u>(13,669)</u>
<i>Net change in fund balances</i>	(453,596)	-	-
<i>Fund balances - beginning</i>	<u>3,560,762</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 3,107,166</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Bond Building Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total
\$ -	\$ 3,222,801	\$ 2,155,283	\$ 5,631,558
-	-	3,723,398	7,602,568
-	-	452,036	1,698,130
-	-	8,033	8,033
-	-	627,589	1,010,759
-	-	202,501	40,106,847
-	-	-	1,071,812
-	-	816,703	1,005,509
5,559	3,243	3,958	12,760
-	-	206,735	241,850
<u>5,559</u>	<u>3,226,044</u>	<u>8,196,236</u>	<u>58,389,826</u>
-	-	980,145	28,943,162
-	-	1,036,353	5,631,822
-	-	284,438	2,055,404
-	32,060	51,283	1,215,109
-	-	193,488	2,406,519
-	-	41,329	2,056,071
160,951	-	1,338,803	7,513,854
-	-	16,375	1,448,829
-	-	-	96,766
-	-	2,643,977	2,684,895
4,979,596	-	1,892,901	7,036,669
-	2,225,000	1,154,333	3,379,333
-	755,075	79,556	834,631
90,403	-	37,823	128,226
<u>5,230,950</u>	<u>3,012,135</u>	<u>9,750,804</u>	<u>65,431,290</u>
<u>(5,225,391)</u>	<u>213,909</u>	<u>(1,554,568)</u>	<u>(7,041,464)</u>
-	-	(1,834)	(144,024)
30,205	-	272	194,485
-	(30,205)	(102)	(30,307)
-	108,306	3,125	111,431
6,000,000	-	1,330,000	7,330,000
<u>6,030,205</u>	<u>78,101</u>	<u>1,331,461</u>	<u>7,461,585</u>
804,814	292,010	(223,107)	420,121
<u>6,194,597</u>	<u>3,075,240</u>	<u>4,036,226</u>	<u>16,866,825</u>
<u>\$ 6,999,411</u>	<u>\$ 3,367,250</u>	<u>\$ 3,813,119</u>	<u>\$ 17,286,946</u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2012

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

Net change in fund balances - total governmental funds	\$	420,121
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures		7,036,669
Depreciation expense		(3,000,736)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:

Change in deferred revenue related to property taxes receivables		(32,888)
Change in deferred revenue related to grant receivables		54,228

Expenses in the Statement of Activities that are not paid from current financial resources are not reported as expenditures in the funds:

Change in payable related to claims payable		12,500
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The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Current year amortization of bond premium		39,028
Original bond issuance cost		128,226
Current year amortization of bond issuance cost		(54,247)
Bond proceeds		(7,330,000)
Original bond premiums		(111,431)
Decrease in accrued compensated absences		50,262
Decrease in accrued interest payable		45,863
Principal payments on bonds		3,225,000
Principal payments on capital leases		154,333

Change in net assets of governmental activities	\$	<u>636,928</u>
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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 General Fund

Exhibit C-1

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 243,824	\$ 243,824	\$ 252,345	\$ 8,521
Intergovernmental revenue				
Federal flowthrough	200,000	200,000	167,862	(32,138)
Federal direct	1,152,725	1,152,725	1,246,094	93,369
Local sources	-	-	-	-
State flowthrough	265,257	265,257	383,170	117,913
State direct	39,795,469	39,943,077	39,904,346	(38,731)
Transportation distribution	1,096,591	1,071,813	1,071,812	(1)
Charges for services	64,000	64,000	183,359	119,359
Investment Income	35,000	35,000	-	(35,000)
Miscellaneous	-	-	122	122
<i>Total revenues</i>	<u>42,852,866</u>	<u>42,975,696</u>	<u>43,209,110</u>	<u>233,414</u>
<i>Expenditures</i>				
Current				
Instruction	27,976,567	27,085,650	26,125,061	960,589
Support services - students	3,591,102	3,901,812	3,654,243	247,569
Support services - instruction	772,775	1,298,805	977,512	321,293
Support services - general administration	816,601	962,472	859,404	103,068
Support services - school administration	2,100,863	2,231,443	2,210,412	21,031
Central services	1,914,558	2,005,519	1,988,360	17,159
Operation and maintenance of plant	6,455,649	6,115,438	5,975,028	140,410
Student transportation	1,391,591	1,409,089	1,396,454	12,635
Other support services	109,782	109,782	92,185	17,597
Food services operations	20,000	43,100	40,918	2,182
Capital Outlay	-	169,000	164,172	4,828
<i>Total expenditures</i>	<u>45,149,488</u>	<u>45,332,110</u>	<u>43,483,749</u>	<u>1,848,361</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,296,622)</u>	<u>(2,356,414)</u>	<u>(274,639)</u>	<u>2,081,775</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,296,622	2,356,414	-	(2,356,414)
Transfers in	-	-	164,008	164,008
Transfers (out)	-	-	-	-
Bond Proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,296,622</u>	<u>2,356,414</u>	<u>164,008</u>	<u>(2,192,406)</u>
<i>Net change in fund balances</i>	-	-	(110,631)	(110,631)
<i>Fund balances - beginning of year</i>	-	-	4,196,271	4,196,271
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,085,640</u>	<u>\$ 4,085,640</u>
Net change in fund balances (Non-GAAP budgetary basis)				\$ (110,631)
Adjustments to revenues for taxes and insurance recoveries				41,569
Adjustments to expenditures for supplies and payroll expenditures				(384,534)
Net change in fund balances (GAAP Basis)				<u>\$ (453,596)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Title I IASA Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,944,147	2,033,271	1,396,059	(637,212)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,944,147</u>	<u>2,033,271</u>	<u>1,396,059</u>	<u>(637,212)</u>
<i>Expenditures</i>				
Current				
Instruction	1,134,505	1,089,630	966,049	123,581
Support services	770,813	890,410	763,095	127,315
Central services	38,829	53,231	52,273	958
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,944,147</u>	<u>2,033,271</u>	<u>1,781,417</u>	<u>251,854</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(385,358)</u>	<u>(385,358)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Remittal of prior year fund balance	-	-	(128,521)	(128,521)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(128,521)</u>	<u>(128,521)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(513,879)</u>	<u>(513,879)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(131,932)</u>	<u>(131,932)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (645,811)</u>	<u>\$ (645,811)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (513,879)
Adjustments to revenues for federal grants				505,733
Adjustments to expenditures for payroll expenditures				8,146
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Entitlement IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,532,332	2,140,788	1,332,389	(808,399)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,532,332</u>	<u>2,140,788</u>	<u>1,332,389</u>	<u>(808,399)</u>
<i>Expenditures</i>				
Current				
Instruction	610,680	1,044,642	904,974	139,668
Support services	921,652	1,056,146	854,199	201,947
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	40,000	36,000	4,000
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,532,332</u>	<u>2,140,788</u>	<u>1,795,173</u>	<u>345,615</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(462,784)</u>	<u>(462,784)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Remittal of prior year fund balance	-	-	(13,669)	(13,669)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(13,669)</u>	<u>(13,669)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(476,453)</u>	<u>(476,453)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(178,498)</u>	<u>(178,498)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (654,951)</u>	<u>\$ (654,951)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (476,453)
Adjustments to revenues for federal grants				477,127
Adjustments to expenditures for payroll expenditures				(674)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2012

Exhibit D-1

<i>Current Assets</i>	
Cash and cash equivalents	\$ 811,503
<i>Total assets</i>	<u>\$ 811,503</u>
 <i>Current Liabilities</i>	
Accounts payable	\$ 4,946
Due to student organizations	<u>806,557</u>
<i>Total liabilities</i>	<u>\$ 811,503</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies

Alamogordo Municipal School District No. 1 “the District” is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the City of Alamogordo. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the State of New Mexico and the regulations of the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The District operates sixteen schools within the District with a total enrollment of approximately 6,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

A. Financial Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14 and No. 39. Blended component units, although legally separate entities, are in substance part of the government’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

Based upon the application of these criteria, the District has no component units, and is not a component unit of another governmental agency.

B. Government-wide and fund financial statements

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not have any *business-type activities*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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, state equalization, and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial statement. 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 provider have been met.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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.

Property taxes, franchise taxes, licenses, and interest 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, subject to the availability criterion. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met, subject to the availability criterion.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by the District's school tax levy, state equalization and transportation funds, state instructional material allocations, and earnings from investments. Expenditures include all costs associated with the daily operations of the school except for those items included in other funds. The General Fund includes the *Pupil Transportation Fund*, which is used to account for transportation distribution received from the New Mexico Public Education Department which is used to pay for the costs associated with transporting school age children. It also includes the *Instructional Materials Fund*, which is used to account for the monies received from the New Mexico Public Education Department for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Title I IASA Special Revenue Fund* is used to account for a program funded by a Federal grant to assist the District in providing supplemental education opportunities for academically disadvantaged children in the area in which they reside. Funding is allocated to the District through the New Mexico Department of Education. Authority for the creation of this fund is Part A, Chapter I, Title I of the Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 102-383.

The *Entitlement IDEA-B Special Revenue Fund* is used to account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all children with disabilities. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U.S.C. 1411-1420.

The *Bond Building Capital Projects Fund* is used to account for bond proceeds plus any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District. Authority for the creation of this fund is the New Mexico Public Education Department.

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Additionally, the District reports the following agency fund:

The *Fiduciary Funds* account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

Deposits and Investments: The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Local Government Investment Pool (LGIP). The LGIP operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Restricted Assets: The Debt Service Fund is used to report resources set aside for the payment of long-term debt principal and interest.

Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in Otero County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2012 is considered "measurable and available" and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2012. Period of availability is deemed to be sixty days subsequent to year end.

Certain Special Revenue funds are administered on a reimbursement method of funding; other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

Inventory: The District’s method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost and consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed.

Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). The District was a Phase I government for purposes of implementing GASB 34 however, the District does not have any infrastructure assets to report.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction projects paid for by the Public School Capital Outlay Council are included in the District’s capital assets. No interest was included as part of the cost of capital assets under construction.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	20-50
Buildings and improvements	20-50
Furniture, fixtures and equipment	5-10

Deferred Revenues: There are two sets of circumstances in which the District accrues deferred revenue.

- *Unearned revenue* - Under both the accrual and the modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for *deferred revenue*.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

- *Unavailable revenue* – Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual (it must be both measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue. The District has recorded \$313,084 in deferred revenue related to property taxes considered “unavailable.” The District has also recorded \$67,571 in deferred revenue related to grant revenue considered “unavailable.”

Compensated Absences: It is the District’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Twelve-month employees may accumulate up to 20 days of vacation leave; any leave beyond these limits must be used by June 30th of the current contract year unless carryover approval is obtained from the Superintendent.

Qualified employees are entitled to accumulate sick leave. There is no limit to the amount of sick leave which an employee may accumulate; however, upon termination, sick leave is not paid out to the employee.

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In the past, the liability has been paid from the general fund.

Accrued Payroll: In the fund financial statements, governmental fund types recognize the accrual of unpaid wages and benefits that employees have earned at the close of each fiscal year. The amount recognized in the fund financial statements represents checks that were held at year end in relation to employee’s summer payroll.

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method or the straight-line method if the difference from the effective interest method is minimal. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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 the 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.

Fund Balance Classification Policies and Procedures: The District has implemented GASB Statement No. 54 and has defined the various categories reported in fund balance. For committed fund balance, the District’s highest level of decision-making authority is the Board of Education. The formal action that is required to be taken to establish a fund balance commitment is a resolution of the Board of Education.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

For assigned fund balance, the Board of Education or an official or body to which the School Board of Education delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

For the classification of fund balances, the District considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the District considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Nonspendable Fund Balance: At June 30, 2012, the nonspendable fund balance in the general fund and food service fund are made up of inventory in the amounts of \$51,264 and \$45,278, respectively, that are not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2012, the restricted fund balance on the governmental funds balance sheet is made up of \$1,759,601 restricted for providing instructional materials, food services, extracurricular activities and education to the students of the District, \$8,403,675 restricted for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act [22-24-1 NMSA 1978], or any combination of these purposes, and \$4,296,827 restricted for the payment of principal and interest of the future debt service requirements. The District has also committed fund balance in the amount of \$1,121,124 for expenditures in the subsequent year.

Net Assets: Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt: Net assets invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets: Consists of net assets with constraints placed on the use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net assets restricted for “special revenue, capital projects, and debt service” are described on pages 35 and 64-67.
- c. Unrestricted net assets: All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates for the District are management’s estimate of depreciation on assets over their estimated useful lives and the current portion of accrued compensated absences.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues

State Equalization Guarantee: School districts in the State of New Mexico receive a 'state equalization guarantee distribution' which is defined as "that amount of money distributed to each school district to insure that the school district's operating revenue, including its local and federal revenues as defined (in Chapter 22, Section 825, NMSA 1978) is at least equal to the school district's program costs."

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$39,904,346 in state equalization guarantee distributions during the year ended June 30, 2012.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$5,598,670 in tax revenues in the government-wide financial statements during the year ended June 30, 2012. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district. The District received \$1,071,812 in transportation distributions during the year ended June 30, 2012.

Instructional Materials: The Public Education Department (Department) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2012 totaled \$266,953.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues (continued)

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1 of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. However, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District received \$386,252 in state SB-9 matching during the year ended June 30, 2012.

Public School Capital Outlay: The public school capital outlay fund was created under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used for: capital expenditures deemed by the public school capital outlay council to be necessary for an adequate educational program per Section 22-24-4(B); core administrative functions of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved.

The District received \$79,279 in state Public School Capital Outlay matching during the year ended June 30, 2012.

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operates under its own budget, which has been approved by the Federal Department or the flow-through agency (usually the New Mexico Public Education Department). The various budgets are approved by the local School Board and the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as restricted fund balance.

Actual expenditures may not exceed the budget at the function (or “series”) level. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a “series” this may be accomplished with only local Board of Education approval. If a transfer between “series” or a budget increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the State of New Mexico Public Education Department.
2. In May or June of each year, the proposed “operating” budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 2. Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the original budget and the final budget.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

The School Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico Administrative Code 6.20.2.9 prohibits the District from exceeding budgetary control at the function level.

The appropriated budget for the year ended June 30, 2012, was properly amended by the District's Board of Education throughout the year. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ (2,296,622)	\$ (2,356,414)
Title I IASA Special Revenue Fund	\$ -	\$ -
Entitlement IDEA-B Special Revenue Fund	\$ -	\$ -
Bond Building Capital Projects Fund	\$ (9,547,096)	\$ (12,974,637)
Debt Service Fund	\$ (2,843,238)	\$ (3,012,629)
Other Governmental Funds	\$ (4,521,825)	\$ (4,782,870)

The District is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

The reconciliation between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis for each governmental fund are included in each individual budgetary comparison.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 3. Deposits and Investments

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2012.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

According to the Federal Deposit Insurance Corporation (FDIC), public unit deposits are funds owned by the public unit. Under the Transaction Account Guarantee Program (TAGP) in effect from July 1, 2010 to December 31, 2010, time deposits, savings deposits and interest bearing negotiable order of withdrawal (NOW) accounts of a public unit in an institution in the same state were insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. The TAGP program expired on December 31, 2010. On November 9, 2010, the FDIC Board of Directors issued a final rule to implement the section of the Dodd-Frank Wall Street Reform and Consumer Protection Act that provides temporary unlimited coverage for noninterest-bearing transaction accounts at the all FDIC-insured depository institutions. The separate coverage on non-interest bearing transaction accounts became effective on December 31, 2010 and will terminate on December 31, 2012. From December 31, 2010 to July 20, 2012 accounts held by an official custodian for a government unit are insured as follows:

- Up to \$250,000 for the combined total of all time and savings deposits (including NOW accounts), and
- Unlimited coverage for noninterest-bearing transaction (demand deposit) accounts

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2012, \$6,795,577 of the District's bank balances of \$20,366,718 was exposed to custodial credit risk, all of which was uninsured and collateralized by collateral held by the pledging bank's trust department not in the District's name. None of the District's deposits were uninsured and uncollateralized.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 3. Deposits and Investments (continued)

	First American Bank	First National Bank	Wells Fargo Bank	Total
Amount of deposits	\$ 13,576,128	\$ 4,165,434	\$ 2,625,156	\$ 20,366,718
Transaction Deposit Accounts covered by the "Dodd-Frank Deposit Insurance Program"	(7,676,145)	(2,769,840)	(2,375,156)	(12,821,141)
FDIC coverage	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(750,000)</u>
Total uninsured public funds	<u>5,649,983</u>	<u>1,145,594</u>	<u>-</u>	<u>6,795,577</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	<u>5,649,983</u>	<u>1,145,594</u>	<u>-</u>	<u>6,795,577</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Collateral requirement (50%)	\$ 2,824,992	\$ 572,797	\$ -	\$ 3,397,789
Pledged securities	<u>6,567,349</u>	<u>3,989,309</u>	<u>-</u>	<u>10,556,658</u>
Over (under) collateralized	<u>\$ 3,742,357</u>	<u>\$ 3,416,512</u>	<u>\$ -</u>	<u>\$ 7,158,869</u>

The collateral pledged is listed on Schedule III of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, District or political subdivision of the State of New Mexico.

The District utilizes internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2012. Funds 24101 through 25254 are federal funds and 27103 through 27155 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2012:

24101	Title I IASA	\$ (645,811)
24106	Entitlement IDEA-B	(654,951)
24109	Preschool IDEA-B	(25,181)
24113	Education of Homeless	(388)
24115	IDEA-B Private School Share	(4,892)
24118	Fresh Fruits & Vegetables	(924)
24124	Title I 1003g Grant	(254,115)
24154	Teacher/Principal Training/Recruiting	(93,289)
24174	Carl D. Perkins Secondary Current	(33,990)
24176	Carl D. Perkins Secondary Redistribution	(12,267)
25254	DOD Education Activity	(189,857)
27103	Dual Credit Instructional Materials	(3,660)
27105	Library GO Bonds 2009-2010	(197)
27106	2010 G.O. Bond Student Library	(17,894)
27155	Breakfast for Elementary Students	<u>(1,089)</u>
	Total	<u>\$ (1,938,505)</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 3. Deposits and Investments (continued)

Investments

As of June 30, 2012, the District did not have any investment balances.

Reconciliation to the Statements of Net Assets

The carrying amount of deposits and investments shown above are included in the District's statement of net assets as follows:

Primary Government

Reconciliation to the Statement of Net Assets

Cash and cash equivalents per Exhibit A-1	\$ 13,024,162
Restricted cash per Exhibit A-1	4,193,850
Cash - Statement of Fiduciary Assets and Liabilities per Exhibit D-1	811,503
 Total cash and cash equivalents	 18,029,515
Add: outstanding checks	2,337,553
Less: petty cash	(350)
 Bank balance of deposits	 \$ 20,366,718

NOTE 4. Accounts Receivable

Accounts receivable as of June 30, 2012, are as follows:

	General Fund	Title I IASA Special Revenue Fund	Entitlement IDEA-B	Debt Service Fund	Other Governmental Funds	Total
Property taxes receivable	\$ 21,300	\$ -	\$ -	\$ 253,633	\$ 180,742	\$ 455,675
Due from other governments:						
Federal sources	-	676,540	679,227	-	669,542	2,025,309
State sources	-	-	-	-	488,371	488,371
Other receivables						
Insurance recovery	25,683	-	-	-	-	25,683
Charges for services	5,447	-	-	-	-	5,447
Miscellaneous	9,310	-	-	-	-	9,310
	\$ 61,740	\$ 676,540	\$ 679,227	\$ 253,633	\$ 1,338,655	\$ 3,009,795

In accordance with GASB No. 33, property tax revenues and grant revenue in the amount of \$313,084 and \$67,571, respectively, that were not collected within the period of availability have been reclassified as deferred revenue in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 5. Interfund Receivables, Payables, and Transfers

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. The composition of interfund balances during the year ended June 30, 2012 is as follows:

<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Amount</u>
General Fund	Title I IASA Special Revenue Fund	\$ 645,811
General Fund	Entitlement IDEA-B Special Revenue Fund	654,951
General Fund	Preschool IDEA-B Special Revenue Fund	25,181
General Fund	Education of Homeless Special Revenue Fund	388
General Fund	IDEA-B Private School Share Special Revenue Fund	4,892
General Fund	Fresh Fruits & Vegetables Special Revenue Fund	924
General Fund	Title I 1003g Grant Special Revenue Fund	254,115
General Fund	Teacher/Principal Training/Recruiting Special Revenue Fund	93,289
General Fund	Carl D. Perkins Secondary Current Special Revenue Fund	33,990
General Fund	Carl D. Perkins Secondary Redistribution Special Revenue Fund	12,267
General Fund	DOD Education Activity Special Revenue Fund	189,857
General Fund	Dual Credit Instructional Materials Special Revenue Fund	3,660
General Fund	Library GO Bonds 2009-2010 Special Revenue Fund	197
General Fund	2010 G.O. Bond Student Library Fund Special Revenue Fund	17,894
General Fund	Breakfast for Elementary Students Special Revenue Fund	1,089
	Total	<u>\$ 1,938,505</u>

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations during the year ended June 30, 2012 is as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
Beginning Teacher Mentoring Program Special Revenue Fund	General Fund	\$ 102
Debt Service Fund	Bond Building Capital Projects Fund	30,205
Agency Funds	General Fund	163,906
Agency Funds	Food Services Special Revenue Fund	272
	Total	<u>\$ 194,485</u>

The District's Agency Fund made a permanent cash transfer to the District's General Fund and Food Service Special Revenue Fund in the amount of \$163,906 and \$272, respectively, during the year ended June 30, 2012.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2012, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

Capital assets, net of accumulated depreciation, at June 30, 2012 appear in the Statement of Net Assets as follows:

	Balance June 30, 2011	Adjustments to Net Assets	Additions	Deletions	Balance June 30, 2012
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 3,891,582	\$ -	\$ -	\$ -	\$ 3,891,582
Construction in progress	3,555,666	-	2,190,780	3,555,667	2,190,779
Total capital assets not being depreciated	7,447,248	-	2,190,780	3,555,667	6,082,361
Capital assets being depreciated:					
Buildings and improvements	106,144,298	630,268	7,867,424	51,508	114,590,482
Land improvements	1,221,950	-	60,996	-	1,282,946
Furniture, fixtures, and equipment	7,554,210	-	473,136	332,185	7,695,161
Total capital assets being depreciated	114,920,458	630,268	8,401,556	383,693	123,568,589
Less accumulated depreciation:					
Buildings and improvements	54,491,616	-	2,625,912	51,508	57,066,020
Land improvements	135,633	-	64,824	-	200,457
Furniture, fixtures, and equipment	5,830,832	-	310,000	332,185	5,808,647
Total accumulated depreciation	60,458,081	-	3,000,736	383,693	63,075,124
Total capital assets, net of depreciation	\$ 61,909,625	\$ 630,268	\$ 7,591,600	\$ 3,555,667	\$ 66,575,826

The District has restated prior year government-wide net assets in the amount of \$630,268 in order to correct for the exclusion of buildings in the prior year.

For the year ended June 30, 2012, depreciation expense in the amount of \$3,000,736 was unallocated to the functions of the governmental activities.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 7. Long-term Debt

During the year ended June 30, 2012, the following changes occurred in the liabilities reported in the government-wide Statement of Net Assets:

	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2012</u>	<u>Due Within One Year</u>
General Obligation Bonds					
Series 1999	\$ 475,000	\$ -	\$ 475,000	\$ -	\$ -
General Obligation Bonds					
Series 2006	4,175,000	-	500,000	3,675,000	850,000
Ed Tech Note					
Series 2008	1,655,000	-	1,000,000	655,000	655,000
General Obligation Bonds					
Series 2009	6,000,000	-	500,000	5,500,000	500,000
General Obligation Bonds					
Series 2010	4,000,000	-	750,000	3,250,000	750,000
General Obligation Bonds					
Series 2011	10,000,000	-	-	10,000,000	425,000
Ed Tech Note					
Series 2011B	-	1,330,000	-	1,330,000	125,000
General Obligation Bonds					
Series 2012	-	6,000,000	-	6,000,000	-
Total Bonds	26,305,000	7,330,000	3,225,000	30,410,000	3,305,000
Capital Lease					
Energy Efficient	615,979	-	154,333	461,646	162,411
Compensated Absences	227,771	95,228	141,205	181,794	141,205
Total Long-Term Debt	<u>\$ 27,148,750</u>	<u>\$ 7,425,228</u>	<u>\$ 3,520,538</u>	<u>\$ 31,053,440</u>	<u>\$ 3,608,616</u>

General obligation bonds and the capital lease are secured by and payable solely from the Debt Service Fund and the Ed Tech Debt Service Fund.

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2012 are for governmental activities.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the general obligation bonds and the capital lease outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 3,467,411	\$ 794,798	\$ 4,262,209
2014	3,493,363	741,884	4,235,247
2015	3,295,872	657,686	3,953,558
2016	2,950,000	577,411	3,527,411
2017	2,965,000	494,538	3,459,538
2018-2022	11,700,000	1,204,776	12,904,776
2023-2025	3,000,000	657,188	3,657,188
	<u>\$ 30,871,646</u>	<u>\$ 5,128,281</u>	<u>\$ 35,999,927</u>

The annual requirements to amortize the General Obligation School Building Bonds Series 2006 outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 850,000	\$ 125,912	\$ 975,912
2014	500,000	97,850	597,850
2015	500,000	77,850	577,850
2016	500,000	58,725	558,725
2017	500,000	40,350	540,350
2018-2019	825,000	27,900	852,900
	<u>\$ 3,675,000</u>	<u>\$ 428,587</u>	<u>\$ 4,103,587</u>

The annual requirements to amortize the Education Technology Notes Series 2008 outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 655,000	\$ 13,100	\$ 668,100
	<u>\$ 655,000</u>	<u>\$ 13,100</u>	<u>\$ 668,100</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the General Obligation School Building Bonds Series 2009 outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 500,000	\$ 180,500	\$ 680,500
2014	500,000	165,500	665,500
2015	650,000	148,250	798,250
2016	750,000	127,250	877,250
2017	800,000	102,000	902,000
2018-2021	<u>2,300,000</u>	<u>164,000</u>	<u>2,464,000</u>
	<u>\$ 5,500,000</u>	<u>\$ 887,500</u>	<u>\$ 6,387,500</u>

The annual requirements to amortize the General Obligation School Building Bonds Series 2010 outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 750,000	\$ 58,125	\$ 808,125
2014	1,000,000	40,624	1,040,624
2015	1,000,000	20,626	1,020,626
2016	<u>500,000</u>	<u>5,312</u>	<u>505,312</u>
	<u>\$ 3,250,000</u>	<u>\$ 124,687</u>	<u>\$ 3,374,687</u>

The annual requirements to amortize the General Obligation School Building Bonds Series 2011 outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 425,000	\$ 307,125	\$ 732,125
2014	700,000	295,875	995,875
2015	225,000	286,625	511,625
2016	850,000	273,749	1,123,749
2017	1,300,000	246,875	1,546,875
2018-2022	<u>6,500,000</u>	<u>567,188</u>	<u>7,067,188</u>
	<u>\$ 10,000,000</u>	<u>\$ 1,977,437</u>	<u>\$ 11,977,437</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the Education Technology Notes Series 2011B outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 125,000	\$ 22,546	\$ 147,546
2014	275,000	19,715	294,715
2015	440,000	14,270	454,270
2016	250,000	8,375	258,375
2017	240,000	3,000	243,000
	<u>\$ 1,330,000</u>	<u>\$ 67,906</u>	<u>\$ 1,397,906</u>

The annual requirements to amortize the General Obligation School Building Bonds Series 2012 outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ -	\$ 71,071	\$ 71,071
2014	350,000	112,625	462,625
2015	350,000	107,375	457,375
2016	100,000	104,000	204,000
2017	125,000	102,313	227,313
2018-2022	2,075,000	445,688	2,520,688
2023-2025	3,000,000	90,000	3,090,000
	<u>\$ 6,000,000</u>	<u>\$ 1,033,072</u>	<u>\$ 7,033,072</u>

General Obligation School Building Bonds Series 1999 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on December 15, 1998 with staggered maturity dates. The last maturity date is August 1, 2011. The principal payment ranges from \$475,000 to \$725,000 with annual payments due August 1. The interest rate ranges from 3.65% to 5.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2006 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on November 7, 2006 with staggered maturity dates. The last maturity date is August 1, 2018. The principal payment ranges from \$325,000 to \$850,000 with annual payments due August 1. The interest rate ranges from 3.65% to 4.25%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 7. Long-term Debt (continued)

Education Technology Notes Series 2008 – The District issued Education Technology Notes in the amount of \$3,680,000 on July 22, 2008 with staggered maturity dates. The last maturity date is August 1, 2012. The principal payment ranges from \$655,000 to \$1,250,000 with annual payments due August 1. The interest rate ranges from 2.65% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2009 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on April 21, 2009 with staggered maturity dates. The last maturity date is August 1, 2020. The principal payment ranges from \$500,000 to \$800,000 with annual payments due August 1. The interest rate ranges from 3.00% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2010 – The District issued General Obligation School Building Bonds in the amount of \$4,000,000 on February 23, 2010 with staggered maturity dates. The last maturity date is August 1, 2015. The principal payment ranges from \$500,000 to \$1,000,000 with annual payments due August 1. The interest rate ranges from 2.00% to 2.125%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2011 – The District issued General Obligation School Building Bonds in the amount of \$10,000,000 on December 14, 2010 with staggered maturity dates. The last maturity date is August 1, 2021. The principal payment ranges from \$225,000 to \$1,500,000 with annual payments due August 1. The interest rate ranges from 2.00% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

Education Technology Notes Series 2011B – The District issued Education Technology Notes in the amount of \$1,330,000 on July 20, 2011 with staggered maturity dates. The last maturity date is August 1, 2016. The principal payment ranges from \$125,000 to \$440,000 with annual payments due August 1. The interest rate ranges from 1.45% to 2.50%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2012 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on May 16, 2012 with staggered maturity dates. The last maturity date is August 1, 2024. The principal payment ranges from \$25,000 to \$1,000,000 with annual payments due August 1. The interest rate ranges from 1.50% to 2.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 7. Long-term Debt (continued)

The District has entered into a capital lease agreement with LaSalle Bank National Association for energy efficient equipment in the amount of \$1,445,876 on May 8, 2004 with quarterly payments due, including interest, with a rate of 4.11%. The last maturity date is February 26, 2015.

The annual requirements to amortize the Energy Efficient Capital Lease outstanding as of June 30, 2012, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 162,411	\$ 16,419	\$ 178,830
2014	168,363	9,695	178,058
2015	130,872	2,690	133,562
	<u>\$ 461,646</u>	<u>\$ 28,804</u>	<u>\$ 490,450</u>

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2012, compensated absences decreased \$45,977 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities. See Note 1 for more details.

NOTE 8. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error omissions; and natural disasters, for which the District is a member of the New Mexico Public School Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$15,000 deductible per occurrence with a maximum annual deductible of \$60,000. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$100,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2012, there have been no claims that have exceeded insurance coverage.

STATE OF NEW MEXICO
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Notes to Financial Statements
June 30, 2012

NOTE 9. Pension Plan – Educational Retirement Board

Plan Description. Substantially all of the District’s full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11 NMSA 1978.) The Educational Retirement Board (ERB) 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 (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB 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 ERB, P. O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB’s website at www.nmerb.org.

Funding Policy. Plan members earning \$20,000 or less annually are required by statute to contribute 7.9% of their gross salary. Plan members earning over \$20,000 annually were required to contribute 11.15% of their gross salary in fiscal year 2013. The District has been and is required to contribute 12.4% of gross covered salary for employees earning \$20,000 or less, in fiscal years 2012 and 2013. In fiscal year 2012 the District contributed 9.15% of gross covered salary of employees earning more than \$20,000 annually. In fiscal year 2013 the District will contribute 10.9% of gross covered salary of employees earning more than \$20,000 annually. The contribution requirements of plan members and the District are established to State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District’s contributions to ERB for the fiscal years ended June 30, 2012, 2011, and 2010, were \$2,977,858, \$3,580,231, and \$3,583,758 respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan

Plan Description. The District 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.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan (continued)

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.

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. During the fiscal year ended June 30, 2012, the statute required each participating employer to contribute 1.834% of each participating employee’s annual salary; each participating employee was required to contribute .917% of their salary. In the fiscal year ending June 30, 2013 the contribution rate for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan the contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY13	2.000%	1.000%

Also, employers joining the program after January 1, 1998 are required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature. The District’s contribution to the RHCA for the years ended June 30, 2012, 2011, and 2010 were \$569,619, \$530,099, and \$414,922, respectively, which equal the required contribution for each year.

NOTE 12. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District’s legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 13. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

A. Deficit fund balance of individual funds. The following fund reflected a deficit fund balance as of June 30, 2012:

Nonmajor Funds

Fresh Fruits & Vegetables Special Revenue Fund	\$	(424)
DOD Education Activity Special Revenue Fund		<u>(67,571)</u>
Total Governmental Funds	\$	<u><u>(67,995)</u></u>

B. Excess of expenditures over appropriations. The District was not aware of any funds with line item expenditures in excess of the budgeted appropriations for the year ended June 30, 2012.

C. Designated cash appropriations in excess of available balance. The following funds' budget deficit exceeded approved budgetary authority for the year ended June 30, 2012:

	<u>Designated Cash</u>	<u>Beginning Year Cash & AR Available</u>	<u>Cash Appropriation in excess of available</u>
General Fund - Instructional Materials Fund	\$ 179,072	\$ 175,072	\$ (4,000)
Energy Efficiency Act Capital Projects Fund	198,984	10	(198,974)

NOTE 14. Concentrations

The District depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the District is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State Appropriations.

The District depends on financial resources flowing from, or associated with, oil and gas tax revenues. Because of this dependency, the District is subject to changes in specific flows of revenues based on the production of oil and gas which is can be volatile.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2012

NOTE 15. Commitments

The District had multiple construction projects ongoing as of the year ended June 30, 2012 that are to continue into the following fiscal year. These projects are as follows:

<u>Project</u>	<u>Expected date of completion</u>	<u>Expected amount to complete</u>
Yucca Elementary Renovation	2013	\$ 156,323
New Elementary School	2013	452,000
Alamogordo High School Renovation	2013	1,174,599
North Elementary School Renovation	2013	760,884
Oregon Elementary School Renovation	2013	2,006,113
Total commitments		<u>\$ 4,549,919</u>

NOTE 16. Joint Powers Agreements

The City of Alamogordo and the District are in agreement for the water rates charged to the District and the usage of the practice fields, District's running track, Recreation Center Pool, Oregon Tennis Courts, Desert Lakes Golf Course, Academy Del Sol and Hawaii Complex gyms, City equipment for turf renovation, and Alameda Park Pavilion. The City and the District are both responsible parties. The beginning and ending dates of this agreement are 07-01-2010 to 06-30-2014.

The New Mexico State University at Alamogordo (NMSU-A) and the District are in agreement to sponsor the APS-NMSU-A Joint Community Education Program to meet the needs for life-long learning and personal enrichment within the Alamogordo community. The responsible party is the NM State University at Alamogordo. The beginning and ending dates of this agreement are 07-01-2011 to 06-30-2012. The District's budget for the fiscal year 2012 was \$20,000. The audit responsibility is with NMSU-A.

NOTE 17. Payroll Related Expenditures

The District's expenditures are budgeted on a cash basis, with the exception of those expenditures related to payroll. Payroll expenditures are budgeted on the accrual basis and the beginning fund balance and current year actual expenditures are budgeted on the budgetary comparisons in those funds that have accrued payroll for held checks at year end have been adjusted to account for this requirement. The following funds were affected by this requirement:

	<u>Fund</u>	<u>Amount</u>
IDEA-B Early Intervention Service Special Revenue Fund	24112	\$ 4,564
Title I - IASA Federal Stimulus Special Revenue Fund	24201	83
Entitlement IDEA-B Federal Stimulus Special Revenue Fund	24206	73

NOTE 18. Restricted Net Assets

The government-wide statement of net assets reports \$6,113,267 of restricted net assets, all of which is restricted by enabling legislation. For descriptions of the related restrictions for net assets restricted for special revenue, debt service and capital projects, see pages 35 and 64-67.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2012

NOTE 19. Subsequent Events

The date to which events occurring after June 30, 2012, the date of the most recent statement of net assets, have been evaluated for possible adjustment to the financial statements or disclosures is November 5, 2012 which is the date on which the financial statements were issued.

NOTE 20. Subsequent Pronouncements

In November 2010, GASB Statement No. 60 *Accounting and Financial Reporting for Service Concession Arrangements*, effective date: for financial statements for periods beginning after December 15, 2011. The provisions of this Statement generally are required to be applied retroactively for all periods presented. The standard is expected to have no effect on the District in upcoming years.

In November 2010, GASB Statement No. 61 *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, effective date: the provisions of this Statement are effective for financial statements for periods beginning after June 15, 2012. Earlier application is encouraged. The standard is expected to have no effect on the District in upcoming years.

In December 2010, GASB Statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective date: the requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged. The provisions of this Statement generally are required to be applied retroactively for all periods presented. The District will implement this standard during fiscal year June 30, 2013.

In June 2011, GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* effective date: the provisions of Statement 63 are effective for financial statements for periods beginning after December 15, 2011, with earlier application encouraged. The standard is expected to have no effect on the District in upcoming years.

In March 2012, Statement No. 65 *Items Previously Reported as Assets and Liabilities*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The standard will be implemented for year ending June 30, 2014.

In March 2012, Statement No. 66 *Technical Corrections-2012—an amendment of GASB Statements No. 10 and No.62*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The standard is expected to have no effect on the District in upcoming years.

In June 2012, Statement No. 67 *Financial Reporting for Pension Plans—an amendment of GASB Statements No. 25*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Earlier application is encouraged. The standard is expected to have no effect on the District in upcoming years.

In June 2012, Statement No. 68 *Accounting and Financial Reporting for Pensions—an amendment of GASB Statements No. 27*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Earlier application is encouraged. The standard is expected to have no effect on the District in upcoming years.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Nonmajor Governmental Fund Descriptions
June 30, 2012

Special Revenue Funds

ALL FEDERAL FUNDS – The Special Revenue Funds are used to account for grant funds received from the U.S. Department of Education through the New Mexico Public Education Department. These funds are to be used for purposes specified in the grant awards and may not be used for any other purpose.

Food Services (21000) – This fund is used to account for all financial transactions related to the food service operation. Authority for the creation of this fund is the National School Lunch Act, as amended, 42 U.S.C. 1751 1760, 1779.

Athletics (22000) – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

Discretionary IDEA-B (24107) – The purpose of this program is to provide administrators and program directors with information and strategies that will support licensed and waived teachers in the areas of special education with day-to-day functions of the classroom. Authority for creation of this fund is Individuals with Disabilities Education Act (IDEA), Part B, Sections 611-617, and Part D, Section 674 as amended, 20 U.S.C. 1411-1417 and 1420, Public Law 105-17.

Preschool IDEA-B (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all disabled children from ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is the Individuals with Disabilities Education Act (IDEA), Part B, Section 619, as amended, 20 U.S.C. 1419.

IDEA-B Early Intervention Services (24112) – To account for a sub-award from IDEA-B Basic grant (24106) to develop and implement coordinated early intervening educational services. The services are designed to directly benefit nondisabled children who need additional academic and behavioral support to succeed in the general education environment. Funding is by the New Mexico Public Education Department.

Education of Homeless (24113) – To provide tutoring and remedial academic services to homeless children and youth within the District. Funding is by the New Mexico Public Education Department.

IDEA-B Private School Share (24115) – Under 34 CFR § 300.132-300.133, an LEA must spend a proportionate amount of their IDEA-B Basic Entitlement and, if applicable, Preschool sub-grant funds for special education and related services (“equitable participation services”) to students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district served by the LEA. The private schools must be nonprofit institutions. Children aged three through five are considered to be parentally-placed private school children with disabilities, only if they are enrolled in a private school that meets the definition of elementary school in 34 CFR §300.13. New Mexico State law defines an elementary school as “a public school providing instruction for grades kindergarten through eight, unless there is a junior high school program approved by the state board [department], in which case it means a public school providing instruction for grades kindergarten through six” 22-1-3(A) NMSA 1978.

Fresh Fruits & Vegetables (24118) – To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

IDEA-B “Risk Pool” (24120) – Reallocation by PED based upon available amounts from Fund 24106 Entitlement IDEA-B. This fund accounts for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99457, 100-639, and 101-476, 20 U.S.C. 1411-1420.

Title I 1003g Grant (24124) – The objective of this grant is to provide in conjunction with Title I funds for school improvement reserved under section 1003(a) of the ESEA. School Improvement Grants under section 1003(g) of the ESEA are used to improve student achievement in Title I schools identified for improvement, corrective action, or restructuring so as to enable those schools to make adequate yearly progress (AYP) and exit improvement status. Funding is by the Elementary and Secondary Education Act of 1965, as amended, Title I, Part B, Subpart 1.

STATE OF NEW MEXICO
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Nonmajor Governmental Fund Descriptions
June 30, 2012

Special Revenue Funds (continued)

Teacher/Principal Training/Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is the Rehabilitation Act of 1973, as amended, Title III, Section 303(b)-(d). 20 U.S.C. 777a and 797a.

Safe & Drug Free Schools & Communities (24157) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources. The authority for creation of this fund is the Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

Carl D. Perkins (24174 – Carl D. Perkins Secondary Current) (24176 – Carl D. Perkins Secondary - Redistribution) – The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Public Education Department. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

Title I - IASA Federal Stimulus (24201) – Funded through the American Recovery and Reinvestment Act of 2009 (ARRA), the purpose of this fund is to provide assistance to local education agencies for schools that have high concentrations of students from families that live in poverty in order to help improve teaching and learning for students most at risk of failing to meet State standards. Federal revenues accounted for in this fund are allocated to the schools through the New Mexico Public Education Department. Local education agencies may use these Title I Stimulus funds consistent with Title I, Part A statutory and regulatory requirements. Authority for creation of this fund Title I of the Elementary and Secondary Education Act and the General Education Provisions Act (P.L. 103-382), Title I regulations in 34 CFR Part 200, EDGAR in 34 CFR Parts 76 (except for 76.650 - 76.662), 77,80,81,82 and 85.

Entitlement IDEA-B Federal Stimulus (24206) – Funded through the American Recovery and Reinvestment Act of 2009 (ARRA), for programs under Parts B and C of the Individuals with Disabilities Education Act (IDEA). Part B of the IDEA provides funds to state educational agencies and local educational agencies to help them ensure that children with disabilities, including children aged three through five, have access to a free appropriate public education to meet each child's unique needs and prepare him or her for further education, employment, and independent living. Authority for creation of the fund is Part B of the Individuals with Disabilities Education Act (IDEA).

Preschool IDEA-B Federal Stimulus (24209) – Funded through the American Recovery and Reinvestment Act of 2009 (ARRA) the objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all disabled children from ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is the Individuals with Disabilities Education Act (IDEA), Part B, Section 619, as amended, 20 U.S.C. 1419

Education of Homeless Federal Stimulus (24213) – The Funding under this award must be used as specified by the American Recovery and Reinvestment Act of 2009 to assist homeless children and youth in enrolling, attending, and succeeding in school. In particular, the funds may support any of the activities under section 723(d) of the McKinney-Vento Act (42 U.S.C. 11433(d)). Funding is by the New Mexico Public Education Department.

Enhancing Ed Thru Technology Federal Stimulus (24249) – Funded through the American Recovery and Reinvestment Act of 2009 (ARRA), the objective is to account for a federal grant designed to strengthen teacher learning in the field of technology. Authority for creation of this fund is the Elementary and Secondary Education Act of 1965, Title II, Part D, Subparts 1 and 2, as amended.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Nonmajor Governmental Fund Descriptions
June 30, 2012

Special Revenue Funds (continued)

Impact Aid Special Education (25145) – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b): where there is a significant decrease (Section 3(c) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

Title XIX Medicaid (25153) – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et seq., as amended; Public Law 92-223; Public Law 92-603; Public Law 93-66; Public Law 93-233; Public Law 96-499; Public Law 97-35; Public Law 97-248; Public Law 98-369; Public Law 99-272; Public Law 99-509; Public Law 100-93; Public Law 100-202; Public Law 100-203; Public Law 100-360; Public Law 100-436; Public Law 100-485; Public Law 100-647; Public Law 101-166; Public Law 101-234; Public Law 101-239; Public Law 101-508; Public Law 101-517; Public Law 102-234; Public Law 102-170; Public Law 102-394; Public Law 103-66; Public Law 103-112; Public Law 103-333; Public Law 104-91; Public Law 104-191; Public Law 104-193; Public Law 104-208, 104-134; Balanced Budget Act of 1997, Public Law 105-33; Public Law 106-113; Public Law 106-554; Public Law 108-27; Public Law 108-173; Public Law 109-91; Public Law 109-171; Public Law 109-432; Public Law 110-28.

ALAMO DOD (25179) – To provide assistance to schools with significant numbers of military dependent students. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Funding authorized by Public Law 111-84.

DOD Education Activity (25254) – To provide *Power Up* – 21st Century technology skills for Grades 5, 6, and 9. Mathematics and Reading Achievement for Grades 5, 6, and 9 and easing the challenges of military students for all grades. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Funding authorized by Section 574 (d) of Public Law 109-364, as amended.

Education Jobs Fund Federal Stimulus (25255) – Created under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds are to provide assistance to States to save or create education jobs for the 2010-2011 school year. Jobs funding under this program include those that provide educational and related services for early childhood, elementary, and secondary education. Authority for the creation of this fund is the New Mexico Public Education Department.

Reading is Fundamental (26137) – Funding received through the Reading is Fundamental Nonprofit to motivate children to read. Authority for the creation of this fund is the New Mexico Public Education Department.

Dual Credit Instructional Materials (27103) – SB943 (2007) and SB31 (2008) create a dual credit program that allows public high school students in school districts, charter schools and state-supported schools in the state to earn both high school and college credit for qualifying dual credit courses. Authority for the creation of this fund is the New Mexico Public Education Department.

Library GO Bonds 2009-2010 (27105) – The purpose of this fund is to be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Authority for the creation of this fund is the New Mexico Public Education Department.

2010 G.O. Bond Student Library Fund (27106) – This award allows schools to acquire library books, equipment and library resources for public school library resources for public school libraries statewide. The funding was made available through Senate Bill 1, Laws of 2010, 2nd Special Session B3. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Nonmajor Governmental Fund Descriptions
June 30, 2012

Special Revenue Funds (continued)

Technology for Education PED (27117) – The purpose of this grant is to assist the Schools to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

Incentives for School Improvement Act (27138) – The objective of this fund is to account for monies received from the Award for High Improving Schools provided by the State of New Mexico for the purpose of identifying special needs at awarded locations and to purchase items to improve those schools. Authority for the creation of this fund is the New Mexico Public Education Department.

Beginning Teacher Mentoring Program (27154) – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

Breakfast for Elementary Students (27155) – To account for Legislative Appropriation to implement Breakfast in the Classroom for elementary schools in need of improvement based on AYP designation. Authority for the creation of this fund is the New Mexico Public Education Department.

GRADS – Instruction (28190) – To assist in the cost for caps and gowns for students who are graduating. Authority for the creation of this fund is the New Mexico Public Education Department.

Private Direct Grants (Categorical) (29102) – To account for local grants awarded to provide additional funding for specific projects. Authority for the creation of this fund is the New Mexico Public Education Department.

Capital Projects Funds

Public School Capital Outlay (31200) – The purpose of this fund is to account for funds received from the local ad valorem tax levy for use in remodeling and equipping classroom facilities. Funding authority is the New Mexico Public Education Department.

Special Capital Outlay - Local (31300) – To account for resources received from revenue generated by local sources for the purpose of remodeling and improvements on existing structures. Authority for the creation of this fund is the New Mexico Public Education Department.

Capital Improvements SB-9 (31700) – To account for resources received through Senate Bill 9 and local tax levies obtained for the purpose of building, remodeling, and equipping classroom facilities. Authority for the creation of this fund is the New Mexico Public Education Department.

Energy Efficiency Act (31800) – To account for school projects designed to increase the efficiency of the District's buildings. The legislation allows the District to incur long-term contracts to complete these projects. Savings from the modifications made are used to fund the projects. This was approved by the Public Building Energy Efficiency Act (6-21-1 to 6-23-10, NMSA 1978)

Education Technology Equipment Act (31900) – To ensure that American children have skills they need to succeed in the information-intensive 21st century, the federal government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing information infrastructure; and encouraging the creation of excellent educational software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch. 288, 63 Stat 377, and the National Defense Authorization Act for the fiscal year 1996, Public Law 104-106.

Debt Service Funds

Ed Tech Debt Service (43000) – To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2012

	Special Revenue			
	Food Services	Athletics	Discretionary IDEA-B	Preschool IDEA-B
<i>Assets</i>				
Cash and cash equivalents	\$ 538,264	\$ 58,055	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	-	-	-	26,078
Inventory	45,278	-	-	-
<i>Total assets</i>	\$ 583,542	\$ 58,055	\$ -	\$ 26,078
<i>Liabilities</i>				
Accounts payable	\$ 6,788	\$ -	\$ -	\$ -
Accrued payroll	35,916	-	-	897
Deferred revenue:				
Property taxes	-	-	-	-
Other	-	-	-	-
Due to other funds	-	-	-	25,181
<i>Total liabilities</i>	42,704	-	-	26,078
<i>Fund balances</i>				
Nonspendable:				
Inventory	45,278	-	-	-
Spendable:				
Restricted for:				
Food services	495,560	-	-	-
Extracurricular activities	-	58,055	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	540,838	58,055	-	-
<i>Total liabilities and fund balances</i>	\$ 583,542	\$ 58,055	\$ -	\$ 26,078

The accompanying notes are an integral part of these financial statements

Special Revenue

IDEA-B Early Intervention Services	Education of Homeless	IDEA-B Private School Share	Fresh Fruits & Vegetables	IDEA-B "Risk Pool"
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	388	4,892	500	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 388</u>	<u>\$ 4,892</u>	<u>\$ 500</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	388	4,892	924	-
-	388	4,892	924	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	(424)	-
-	-	-	(424)	-
<u>\$ -</u>	<u>\$ 388</u>	<u>\$ 4,892</u>	<u>\$ 500</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2012

	Special Revenue			
	Title I 1003g Grant	Teacher/ Principal Training /Recruiting	Safe & Drug Free Schools & Community	Carl D. Perkins Secondary Current
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	254,340	95,401	-	33,990
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 254,340</u>	<u>\$ 95,401</u>	<u>\$ -</u>	<u>\$ 33,990</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	225	2,112	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Other	-	-	-	-
Due to other funds	254,115	93,289	-	33,990
<i>Total liabilities</i>	<u>254,340</u>	<u>95,401</u>	<u>-</u>	<u>33,990</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 254,340</u>	<u>\$ 95,401</u>	<u>\$ -</u>	<u>\$ 33,990</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Carl D. Perkins Secondary Redistribution	Title I IASA Federal Stimulus	Entitlement IDEA-B Federal Stimulus	Preschool IDEA-B Federal Stimulus	Education of Homeless Federal Stimulus
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
12,267	-	-	-	-
-	-	-	-	-
<u>\$ 12,267</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
12,267	-	-	-	-
<u>12,267</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 12,267</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2012

	Special Revenue			
	Enhancing Ed Thru Technology Federal Stimulus	Impact Aid Special Education	Title XIX Medicaid	ALAMO DOD
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ 139,818	\$ 575,727	\$ 158,785
Receivables:				
Property taxes	-	-	-	-
Due from other governments	-	-	51,694	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 139,818</u>	<u>\$ 627,421</u>	<u>\$ 158,785</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ 478	\$ -
Accrued payroll	-	-	1,484	666
Deferred revenue:				
Property taxes	-	-	-	-
Other	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>1,962</u>	<u>666</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	139,818	625,459	158,119
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>139,818</u>	<u>625,459</u>	<u>158,119</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 139,818</u>	<u>\$ 627,421</u>	<u>\$ 158,785</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

DOD Education Activity	Education Jobs Fund Federal Stimulus	Reading is Fundamental	Dual Credit Instructional Materials	Library GO Bonds 2009-2010
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
189,992	-	-	3,660	197
-	-	-	-	-
<u>\$ 189,992</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,660</u>	<u>\$ 197</u>
\$ -	\$ -	\$ -	\$ -	\$ -
135	-	-	-	-
-	-	-	-	-
67,571	-	-	-	-
189,857	-	-	3,660	197
<u>257,563</u>	<u>-</u>	<u>-</u>	<u>3,660</u>	<u>197</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(67,571)	-	-	-	-
<u>(67,571)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 189,992</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,660</u>	<u>\$ 197</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2012

	Special Revenue			
	2010 G.O. Bond Student Library Fund	Technology for Education PED	Incentives for School Improvement Act	Beginning Teacher Mentoring Program
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	17,894	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 17,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Other	-	-	-	-
Due to other funds	17,894	-	-	-
<i>Total liabilities</i>	<u>17,894</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 17,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue			Capital Projects	
Breakfast for Elementary Students	GRADS - Instruction	Private Direct Grants (Categorical)	Public School Capital Outlay	Special Capital Outlay - Local
\$ -	\$ 20,990	\$ 3,994	\$ -	\$ 5
-	-	-	-	-
1,089	-	-	79,279	-
-	-	-	-	-
<u>\$ 1,089</u>	<u>\$ 20,990</u>	<u>\$ 3,994</u>	<u>\$ 79,279</u>	<u>\$ 5</u>
\$ -	\$ -	\$ -	\$ 79,279	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,089	-	-	-	-
<u>1,089</u>	<u>-</u>	<u>-</u>	<u>79,279</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	20,990	3,994	-	-
-	-	-	-	5
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>20,990</u>	<u>3,994</u>	<u>-</u>	<u>5</u>
<u>\$ 1,089</u>	<u>\$ 20,990</u>	<u>\$ 3,994</u>	<u>\$ 79,279</u>	<u>\$ 5</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2012

	Capital Projects			Debt Service
	Capital Improvements SB-9	Energy Efficiency Act	Education Technology Equipment Act	Ed Tech Debt Service
<i>Assets</i>				
Cash and cash equivalents	\$ 820,800	\$ 10	\$ 441,115	\$ 906,092
Receivables:				
Property taxes	104,236	-	-	76,506
Due from other governments	386,252	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 1,311,288</u>	<u>\$ 10</u>	<u>\$ 441,115</u>	<u>\$ 982,598</u>
<i>Liabilities</i>				
Accounts payable	\$ 153,741	\$ -	\$ 122,937	\$ -
Accrued payroll	-	-	-	-
Deferred revenue:				
Property taxes	71,476	-	-	53,021
Other	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>225,217</u>	<u>-</u>	<u>122,937</u>	<u>53,021</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	1,086,071	10	318,178	-
Debt service	-	-	-	929,577
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>1,086,071</u>	<u>10</u>	<u>318,178</u>	<u>929,577</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,311,288</u>	<u>\$ 10</u>	<u>\$ 441,115</u>	<u>\$ 982,598</u>

The accompanying notes are an integral part of these financial statements

Total Nonmajor
Governmental
Funds

\$	3,663,655
	180,742
	1,157,913
	45,278
	<hr/>
\$	<u>5,047,588</u>
\$	363,223
	41,435
	124,497
	67,571
	637,743
	<hr/>
	1,234,469
	<hr/>
	45,278
	495,560
	58,055
	948,380
	1,404,264
	929,577
	(67,995)
	<hr/>
	3,813,119
	<hr/>
\$	<u>5,047,588</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2012

Special Revenue

	Food Services	Athletics	Discretionary IDEA-B	Preschool IDEA-B
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	2,025,885	-	-	70,121
Federal direct	-	-	-	-
Local sources	-	8,033	-	-
State flowthrough	-	-	-	-
State direct	62,451	-	-	-
Charges for services	722,679	94,024	-	-
Investment income	186	40	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>2,811,201</u>	<u>102,097</u>	<u>-</u>	<u>70,121</u>
<i>Expenditures</i>				
Current:				
Instruction	-	106,991	-	56,527
Support services - students	-	-	-	10,515
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	3,079
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	2,576,569	-	-	-
Capital outlay	22,074	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,598,643</u>	<u>106,991</u>	<u>-</u>	<u>70,121</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>212,558</u>	<u>(4,894)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	272	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>272</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	212,830	(4,894)	-	-
<i>Fund balances - beginning</i>	<u>328,008</u>	<u>62,949</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 540,838</u>	<u>\$ 58,055</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>IDEA-B Early Intervention Services</u>	<u>Education of Homeless</u>	<u>IDEA-B Private School Share</u>	<u>Fresh Fruits & Vegetables</u>	<u>IDEA-B "Risk Pool"</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	6,960	4,892	50,788	12,788
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>6,960</u>	<u>4,892</u>	<u>50,788</u>	<u>12,788</u>
-	5,585	4,892	-	12,788
-	-	-	-	-
-	-	-	-	-
-	-	-	206	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,375	-	-	-
-	-	-	51,006	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>6,960</u>	<u>4,892</u>	<u>51,212</u>	<u>12,788</u>
-	-	-	(424)	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(424)</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (424)</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2012

	Special Revenue			
	Title I 1003g Grant	Teacher/ Principal Training /Recruiting	Safe & Drug Free Schools & Community	Carl D. Perkins Secondary Current
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	504,911	277,331	-	55,865
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>504,911</u>	<u>277,331</u>	<u>-</u>	<u>55,865</u>
<i>Expenditures</i>				
Current:				
Instruction	129,682	69,632	-	53,209
Support services - students	365,313	884	-	-
Support services - instruction	-	183,970	-	-
Support services - general administration	-	16,442	-	2,656
Support services - school administration	9,916	4,622	-	-
Central services	-	14	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>504,911</u>	<u>275,564</u>	<u>-</u>	<u>55,865</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>1,767</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	(1,767)	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(1,767)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Carl D. Perkins Secondary Redistribution</u>	<u>Title I IASA Federal Stimulus</u>	<u>Entitlement IDEA-B Federal Stimulus</u>	<u>Preschool IDEA-B Federal Stimulus</u>	<u>Education of Homeless Federal Stimulus</u>
\$ -	\$ -	\$ -	\$ -	\$ -
22,268	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>22,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18,537	-	-	-	-
1,879	-	-	-	-
-	-	-	-	-
943	-	-	-	-
909	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>22,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2012

	Special Revenue			
	Enhancing Ed Thru Technology Federal Stimulus	Impact Aid Special Education	Title XIX Medicaid	ALAMO DOD
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	5,007	143,699	-	-
Federal direct	-	-	452,036	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>5,007</u>	<u>143,699</u>	<u>452,036</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	2,005	29,106	-	1,343
Support services - students	-	87,245	493,038	-
Support services - instruction	3,002	-	-	-
Support services - general administration	-	4,739	-	-
Support services - school administration	-	1,920	11,303	164,818
Central services	-	366	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	15,000	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>5,007</u>	<u>123,376</u>	<u>519,341</u>	<u>166,161</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>20,323</u>	<u>(67,305)</u>	<u>(166,161)</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	20,323	(67,305)	(166,161)
<i>Fund balances - beginning</i>	<u>-</u>	<u>119,495</u>	<u>692,764</u>	<u>324,280</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 139,818</u>	<u>\$ 625,459</u>	<u>\$ 158,119</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

DOD Education Activity	Education Jobs Fund Federal Stimulus	Reading is Fundamental	Dual Credit Instructional Materials	Library GO Bonds 2009-2010
\$ -	\$ -	\$ -	\$ -	\$ -
525,330	17,553	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	11,981	3,055
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
525,330	17,553	-	11,981	3,055
430,482	17,553	600	11,981	-
72,409	-	-	-	-
76,517	-	-	-	3,055
-	-	-	-	-
-	-	-	-	-
150	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
579,558	17,553	600	11,981	3,055
(54,228)	-	(600)	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(54,228)	-	(600)	-	-
(13,343)	-	600	-	-
\$ (67,571)	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2012

	Special Revenue			Beginning Teacher Mentoring Program
	2010 G.O. Bond Student Library Fund	Technology for Education PED	Incentives for School Improvement Act	
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	17,894	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>17,894</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	1,517	-
Support services - students	-	-	-	-
Support services - instruction	17,894	-	-	-
Support services - general administration	-	1,698	-	-
Support services - school administration	-	-	-	-
Central services	-	40,799	-	-
Operation and maintenance of plant	-	-	210	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>17,894</u>	<u>42,497</u>	<u>1,727</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(42,497)</u>	<u>(1,727)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	(102)
Bond premium	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(102)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>(42,497)</u>	<u>(1,727)</u>	<u>(102)</u>
<i>Fund balances - beginning</i>	<u>-</u>	<u>42,497</u>	<u>1,727</u>	<u>102</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue			Capital Projects	
Breakfast for Elementary Students	GRADS - Instruction	Private Direct Grants (Categorical)	Public School Capital Outlay	Special Capital Outlay - Local
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
9,423	-	-	-	-
-	53,775	6,996	79,279	-
-	-	-	-	-
-	-	-	-	5
-	-	-	-	-
<u>9,423</u>	<u>53,775</u>	<u>6,996</u>	<u>79,279</u>	<u>5</u>
-	27,715	-	-	-
-	5,070	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
9,423	-	6,979	-	-
-	-	-	79,279	116,527
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>9,423</u>	<u>32,785</u>	<u>6,979</u>	<u>79,279</u>	<u>116,527</u>
-	20,990	17	-	(116,522)
(67)	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(67)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(67)	20,990	17	-	(116,522)
<u>67</u>	<u>-</u>	<u>3,977</u>	<u>-</u>	<u>116,527</u>
<u>\$ -</u>	<u>\$ 20,990</u>	<u>\$ 3,994</u>	<u>\$ -</u>	<u>\$ 5</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2012

	Capital Projects			Debt Service
	Capital Improvements SB-9	Energy Efficiency Act	Education Technology Equipment Act	Ed Tech Debt Service
	<i>Revenues</i>			
Property taxes	\$ 1,286,457	\$ -	\$ -	\$ 868,826
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	386,252	198,984	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	1,088	-	1,656	983
Miscellaneous income	206,735	-	-	-
<i>Total revenues</i>	1,880,532	198,984	1,656	869,809
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	12,814	-	-	8,706
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	473,953	21,588	843,052	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	1,413,801	-	261,220	-
Debt Service:				
Principal	-	154,333	-	1,000,000
Interest	-	23,063	-	56,493
Bond issuance costs	-	-	37,823	-
<i>Total expenditures</i>	1,900,568	198,984	1,142,095	1,065,199
<i>Excess (deficiency) of revenues over expenditures</i>	(20,036)	-	(1,140,439)	(195,390)
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	3,125	-
Bond proceeds	-	-	1,330,000	-
<i>Total other financing sources (uses)</i>	-	-	1,333,125	-
<i>Net change in fund balances</i>	(20,036)	-	192,686	(195,390)
<i>Fund balances - beginning</i>	1,106,107	10	125,492	1,124,967
<i>Fund balances - end of year</i>	\$ 1,086,071	\$ 10	\$ 318,178	\$ 929,577

The accompanying notes are an integral part of these financial statements

Total Nonmajor
Governmental
Funds

\$ 2,155,283

3,723,398

452,036

8,033

627,589

202,501

816,703

3,958

206,735

8,196,236

980,145

1,036,353

284,438

51,283

193,488

41,329

1,338,803

16,375

2,643,977

1,892,901

1,154,333

79,556

37,823

9,750,804

(1,554,568)

(1,834)

272

(102)

3,125

1,330,000

1,331,461

(223,107)

4,036,226

\$ 3,813,119

STATE OF NEW MEXICO

Statement B-1

Alamogordo Municipal School District No. 1
 Food Services Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,521,865	1,521,865	1,774,683	252,818
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	110,000	169,737	169,737	-
Charges for services	675,000	675,000	722,679	47,679
Investment income	-	-	186	186
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,306,865</u>	<u>2,366,602</u>	<u>2,667,285</u>	<u>300,683</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	2,493,865	2,636,619	2,443,200	193,419
Capital outlay	-	24,000	22,074	1,926
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,493,865</u>	<u>2,660,619</u>	<u>2,465,274</u>	<u>195,345</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(187,000)</u>	<u>(294,017)</u>	<u>202,011</u>	<u>496,028</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	187,000	294,017	-	(294,017)
Transfers in	-	-	272	272
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>187,000</u>	<u>294,017</u>	<u>272</u>	<u>(293,745)</u>
<i>Net change in fund balance</i>	-	-	202,283	202,283
<i>Fund balance - beginning of year</i>	-	-	335,981	335,981
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 538,264</u>	<u>\$ 538,264</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 202,283
Adjustments to revenues for commodities received				143,916
Adjustments to expenditures for food service operations				(133,369)
Net change in fund balance (GAAP Basis)				<u>\$ 212,830</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

Alamogordo Municipal School District No. 1
Athletics Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	8,033	8,033
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	80,000	80,000	94,024	14,024
Investment income	30	30	40	10
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>80,030</u>	<u>80,030</u>	<u>102,097</u>	<u>22,067</u>
<i>Expenditures</i>				
Current				
Instruction	128,586	143,248	107,260	35,988
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>128,586</u>	<u>143,248</u>	<u>107,260</u>	<u>35,988</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(48,556)</u>	<u>(63,218)</u>	<u>(5,163)</u>	<u>58,055</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	48,556	63,218	-	(63,218)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>48,556</u>	<u>63,218</u>	<u>-</u>	<u>(63,218)</u>
<i>Net change in fund balance</i>	-	-	(5,163)	(5,163)
<i>Fund balance - beginning of year</i>	-	-	63,218	63,218
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,055</u>	<u>\$ 58,055</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (5,163)
No adjustments to revenues				-
Adjustments to expenditures for travel expenses				269
Net change in fund balance (GAAP Basis)				<u>\$ (4,894)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-3

Alamogordo Municipal School District No. 1
 Discretionary IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	11,693	11,693
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>11,693</u>	<u>11,693</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>11,693</u>	<u>11,693</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	11,693	11,693
<i>Fund balance - beginning of year</i>	-	-	(11,693)	(11,693)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 11,693
Adjustments to revenues for federal grants				(11,693)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-4

Alamogordo Municipal School District No. 1
 Preschool IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	70,159	120,344	57,239	(63,105)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	70,159	120,344	57,239	(63,105)
<i>Expenditures</i>				
Current				
Instruction	60,747	83,492	56,527	26,965
Support services	9,412	36,852	13,594	23,258
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	70,159	120,344	70,121	50,223
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(12,882)	(12,882)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<i>Net change in fund balance</i>	-	-	(12,882)	(12,882)
<i>Fund balance - beginning of year</i>	-	-	(12,299)	(12,299)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (25,181)	\$ (25,181)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (12,882)
Adjustments to revenues for federal grants				12,882
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

Alamogordo Municipal School District No. 1
 IDEA-B Early Intervention Services Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	59,431	59,431
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	59,431	59,431
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	59,431	59,431
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	59,431	59,431
Fund balance - beginning of year	-	-	(59,431)	(59,431)
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 59,431
Adjustments to revenues for federal grants				(59,431)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-6

Alamogordo Municipal School District No. 1
 Education of Homeless Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	6,960	6,960	6,572	(388)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,960</u>	<u>6,960</u>	<u>6,572</u>	<u>(388)</u>
<i>Expenditures</i>				
Current				
Instruction	6,960	5,585	5,585	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	1,375	1,375	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,960</u>	<u>6,960</u>	<u>6,960</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(388)</u>	<u>(388)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(388)</u>	<u>(388)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (388)</u>	<u>\$ (388)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (388)
Adjustments to revenues for federal grants				388
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-7

Alamogordo Municipal School District No. 1
 IDEA-B Private School Share Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	11,543	-	(11,543)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,543</u>	<u>-</u>	<u>(11,543)</u>
<i>Expenditures</i>				
Current				
Instruction	-	11,543	4,892	6,651
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,543</u>	<u>4,892</u>	<u>6,651</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,892)</u>	<u>(4,892)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(4,892)	(4,892)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,892)</u>	<u>\$ (4,892)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (4,892)
Adjustments to revenues for federal grants				4,892
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

Alamogordo Municipal School District No. 1
 Fresh Fruits & Vegetables Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	60,528	50,288	(10,240)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>60,528</u>	<u>50,288</u>	<u>(10,240)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	206	206	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	60,322	51,006	9,316
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>60,528</u>	<u>51,212</u>	<u>9,316</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(924)</u>	<u>(924)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(924)	(924)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (924)</u>	<u>\$ (924)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (924)
Adjustments to revenues for federal grants				500
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (424)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-9

Alamogordo Municipal School District No. 1
 IDEA-B "Risk Pool" Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	12,788	13,044	256
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>12,788</u>	<u>13,044</u>	<u>256</u>
<i>Expenditures</i>				
Current				
Instruction	-	12,788	12,788	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>12,788</u>	<u>12,788</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>256</u>	<u>256</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	256	256
<i>Fund balance - beginning of year</i>	-	-	(256)	(256)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 256
Adjustments to revenues for federal grants				(256)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

Alamogordo Municipal School District No. 1
 Title I 1003g Grant Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	569,888	250,571	(319,317)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>569,888</u>	<u>250,571</u>	<u>(319,317)</u>
<i>Expenditures</i>				
Current				
Instruction	-	139,060	129,682	9,378
Support services	-	430,828	375,004	55,824
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>569,888</u>	<u>504,686</u>	<u>65,202</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(254,115)</u>	<u>(254,115)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(254,115)	(254,115)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (254,115)</u>	<u>\$ (254,115)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (254,115)
Adjustments to revenues for federal grants				254,340
Adjustments to expenditures for payroll expenditures				(225)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-11

Alamogordo Municipal School District No. 1
 Teacher/Principal Training/Recruiting Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	353,366	465,199	220,822	(244,377)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>353,366</u>	<u>465,199</u>	<u>220,822</u>	<u>(244,377)</u>
<i>Expenditures</i>				
Current				
Instruction	99,547	185,635	69,632	116,003
Support services	253,319	279,064	206,011	73,053
Central services	500	500	14	486
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>353,366</u>	<u>465,199</u>	<u>275,657</u>	<u>189,542</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(54,835)</u>	<u>(54,835)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Remittal of prior year fund balance	-	-	(1,767)	(1,767)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1,767)</u>	<u>(1,767)</u>
<i>Net change in fund balance</i>	-	-	(56,602)	(56,602)
<i>Fund balance - beginning of year</i>	-	-	(36,687)	(36,687)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (93,289)</u>	<u>\$ (93,289)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (56,602)
Adjustments to revenues for federal grants				56,509
Adjustments to expenditures for payroll expenditures				93
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

Alamogordo Municipal School District No. 1
 Safe & Drug Free Schools & Community Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	6,628	6,628
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	6,628	6,628
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	6,628	6,628
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	6,628	6,628
Fund balance - beginning of year	-	-	(6,628)	(6,628)
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 6,628
Adjustments to revenues for federal grants				(6,628)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary Current Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	57,068	56,192	52,025	(4,167)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>57,068</u>	<u>56,192</u>	<u>52,025</u>	<u>(4,167)</u>
<i>Expenditures</i>				
Current				
Instruction	54,350	53,474	53,209	265
Support services	2,718	2,718	2,656	62
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>57,068</u>	<u>56,192</u>	<u>55,865</u>	<u>327</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,840)</u>	<u>(3,840)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(3,840)	(3,840)
<i>Fund balance - beginning of year</i>	-	-	(30,150)	(30,150)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,990)</u>	<u>\$ (33,990)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (3,840)
Adjustments to revenues for federal grants				3,840
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary Redistribution Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	10,001	22,394	10,001	(12,393)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>10,001</u>	<u>22,394</u>	<u>10,001</u>	<u>(12,393)</u>
<i>Expenditures</i>				
Current				
Instruction	5,525	18,662	18,537	125
Support services	4,476	3,732	3,731	1
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,001</u>	<u>22,394</u>	<u>22,268</u>	<u>126</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,267)</u>	<u>(12,267)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(12,267)	(12,267)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,267)</u>	<u>\$ (12,267)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (12,267)
Adjustments to revenues for federal grants				12,267
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

Alamogordo Municipal School District No. 1
 Title I IASA Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	250,422	250,422
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>250,422</u>	<u>250,422</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>250,422</u>	<u>250,422</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	250,422	250,422
<i>Fund balance - beginning of year</i>	-	-	(250,422)	(250,422)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 250,422
Adjustments to revenues for federal grants				(250,422)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

Alamogordo Municipal School District No. 1
 Entitlement IDEA-B Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	71,856	71,856
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>71,856</u>	<u>71,856</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>71,856</u>	<u>71,856</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	71,856	71,856
<i>Fund balance - beginning of year</i>	-	-	(71,856)	(71,856)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 71,856
Adjustments to revenues for federal grants				(71,856)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

Alamogordo Municipal School District No. 1
 Preschool IDEA-B Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	1,644	1,644
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,644</u>	<u>1,644</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,644</u>	<u>1,644</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	1,644	1,644
<i>Fund balance - beginning of year</i>	-	-	(1,644)	(1,644)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 1,644
Adjustments to revenues for federal grants				(1,644)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

Alamogordo Municipal School District No. 1
 Education of Homeless Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	25	25
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>25</u>	<u>25</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>25</u>	<u>25</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	25	25
<i>Fund balance - beginning of year</i>	-	-	(25)	(25)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 25
Adjustments to revenues for federal grants				(25)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

Alamogordo Municipal School District No. 1
 Enhancing Ed Thru Technology Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	18,427	19,778	1,351
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>18,427</u>	<u>19,778</u>	<u>1,351</u>
<i>Expenditures</i>				
Current				
Instruction	-	11,339	2,005	9,334
Support services	-	7,088	3,002	4,086
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>18,427</u>	<u>5,007</u>	<u>13,420</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>14,771</u>	<u>14,771</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	14,771	14,771
<i>Fund balance - beginning of year</i>	-	-	(14,771)	(14,771)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 14,771
Adjustments to revenues for federal grants				(14,771)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

Alamogordo Municipal School District No. 1
Impact Aid Special Education Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	100,350	100,350	143,699	43,349
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>100,350</u>	<u>100,350</u>	<u>143,699</u>	<u>43,349</u>
<i>Expenditures</i>				
Current				
Instruction	29,588	61,875	29,106	32,769
Support services	127,190	157,570	93,904	63,666
Central services	-	400	366	34
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>156,778</u>	<u>219,845</u>	<u>123,376</u>	<u>96,469</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(56,428)</u>	<u>(119,495)</u>	<u>20,323</u>	<u>139,818</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	56,428	119,495	-	(119,495)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>56,428</u>	<u>119,495</u>	<u>-</u>	<u>(119,495)</u>
<i>Net change in fund balance</i>	-	-	20,323	20,323
<i>Fund balance - beginning of year</i>	-	-	119,495	119,495
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,818</u>	<u>\$ 139,818</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 20,323
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 20,323</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

Alamogordo Municipal School District No. 1
 Title XIX Medicaid Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	300,000	-	462,470	462,470
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>300,000</u>	<u>-</u>	<u>462,470</u>	<u>462,470</u>
<i>Expenditures</i>				
Current				
Instruction	10,000	-	-	-
Support services	829,107	618,189	507,802	110,387
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	15,000	15,000	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>839,107</u>	<u>633,189</u>	<u>522,802</u>	<u>110,387</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(539,107)</u>	<u>(633,189)</u>	<u>(60,332)</u>	<u>572,857</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	539,107	633,189	-	(633,189)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>539,107</u>	<u>633,189</u>	<u>-</u>	<u>(633,189)</u>
<i>Net change in fund balance</i>	-	-	(60,332)	(60,332)
<i>Fund balance - beginning of year</i>	-	-	636,059	636,059
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,727</u>	<u>\$ 575,727</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (60,332)
Adjustments to revenues for federal grants				(10,434)
Adjustments to expenditures for supplies and payroll expenditures				3,461
Net change in fund balance (GAAP Basis)				<u>\$ (67,305)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-22

Alamogordo Municipal School District No. 1
ALAMO DOD Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	123,612	215,179	215,179	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>123,612</u>	<u>215,179</u>	<u>215,179</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	54,630	135,685	1,343	134,342
Support services	188,595	188,595	165,348	23,247
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>243,225</u>	<u>324,280</u>	<u>166,691</u>	<u>157,589</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(119,613)</u>	<u>(109,101)</u>	<u>48,488</u>	<u>157,589</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	119,613	109,101	-	(109,101)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>119,613</u>	<u>109,101</u>	<u>-</u>	<u>(109,101)</u>
<i>Net change in fund balance</i>	-	-	48,488	48,488
<i>Fund balance - beginning of year</i>	-	-	110,297	110,297
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,785</u>	<u>\$ 158,785</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 48,488
Adjustments to revenues for federal grants				(215,179)
Adjustments to expenditures for payroll expenditures				530
Net change in fund balance (GAAP Basis)				<u>\$ (166,161)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

Alamogordo Municipal School District No. 1
DOD Education Activity Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	543,815	726,815	447,869	(278,946)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>543,815</u>	<u>726,815</u>	<u>447,869</u>	<u>(278,946)</u>
<i>Expenditures</i>				
Current				
Instruction	382,208	521,678	430,413	91,265
Support services	161,607	204,787	148,926	55,861
Central services	-	350	150	200
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>543,815</u>	<u>726,815</u>	<u>579,489</u>	<u>147,326</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(131,620)</u>	<u>(131,620)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(131,620)</u>	<u>(131,620)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(58,237)</u>	<u>(58,237)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (189,857)</u>	<u>\$ (189,857)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (131,620)
Adjustments to revenues for federal grants				77,461
Adjustments to expenditures for payroll expenditures				<u>(69)</u>
Net change in fund balance (GAAP Basis)				<u>\$ (54,228)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-24

Alamogordo Municipal School District No. 1
 Education Jobs Fund Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	17,554	17,553	(1)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>17,554</u>	<u>17,553</u>	<u>(1)</u>
<i>Expenditures</i>				
Current				
Instruction	-	17,554	17,553	1
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>17,554</u>	<u>17,553</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

Alamogordo Municipal School District No. 1
 Reading is Fundamental Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	600	600	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>600</u>	<u>600</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(600)</u>	<u>(600)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	600	-	(600)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>600</u>	<u>-</u>	<u>(600)</u>
<i>Net change in fund balance</i>	-	-	(600)	(600)
<i>Fund balance - beginning of year</i>	-	-	600	600
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (600)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (600)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

Alamogordo Municipal School District No. 1
Dual Credit Instructional Materials Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	11,981	8,321	(3,660)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,981</u>	<u>8,321</u>	<u>(3,660)</u>
<i>Expenditures</i>				
Current				
Instruction	-	11,981	11,981	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,981</u>	<u>11,981</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,660)</u>	<u>(3,660)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(3,660)	(3,660)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,660)</u>	<u>\$ (3,660)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (3,660)
Adjustments to revenues for state grants				3,660
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

Alamogordo Municipal School District No. 1
 Library GO Bonds 2009-2010 Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	3,061	6,245	3,184
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	3,061	6,245	3,184
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	3,061	3,055	6
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	3,061	3,055	6
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	3,190	3,190
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	3,190	3,190
<i>Fund balance - beginning of year</i>	-	-	(3,387)	(3,387)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (197)	\$ (197)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 3,190
Adjustments to revenues for state grants				(3,190)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-28

Alamogordo Municipal School District No. 1
 2010 G.O. Bond Student Library Fund Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	37,553	37,553	-	(37,553)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>37,553</u>	<u>37,553</u>	<u>-</u>	<u>(37,553)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	37,553	37,553	17,894	19,659
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>37,553</u>	<u>37,553</u>	<u>17,894</u>	<u>19,659</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,894)</u>	<u>(17,894)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(17,894)</u>	<u>(17,894)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,894)</u>	<u>\$ (17,894)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (17,894)
Adjustments to revenues for state grants				17,894
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-29

Alamogordo Municipal School District No. 1
Technology for Education PED Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	1,606	1,698	1,698	-
Central services	38,594	40,799	40,799	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>40,200</u>	<u>42,497</u>	<u>42,497</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(40,200)</u>	<u>(42,497)</u>	<u>(42,497)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	40,200	42,497	-	(42,497)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>40,200</u>	<u>42,497</u>	<u>-</u>	<u>(42,497)</u>
<i>Net change in fund balance</i>	-	-	(42,497)	(42,497)
<i>Fund balance - beginning of year</i>	-	-	42,497	42,497
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (42,497)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (42,497)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-30

Alamogordo Municipal School District No. 1
 Incentives for School Improvement Act Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	1,517	1,517	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	210	210	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,727</u>	<u>1,727</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(1,727)</u>	<u>(1,727)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	1,727	-	(1,727)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,727</u>	<u>-</u>	<u>(1,727)</u>
<i>Net change in fund balance</i>	-	-	(1,727)	(1,727)
<i>Fund balance - beginning of year</i>	-	-	1,727	1,727
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (1,727)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (1,727)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

Alamogordo Municipal School District No. 1
 Beginning Teacher Mentoring Program Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	(102)	102
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(102)</u>	<u>102</u>
<i>Net change in fund balance</i>	-	-	(102)	102
<i>Fund balance - beginning of year</i>	-	-	102	102
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (102)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (102)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

Alamogordo Municipal School District No. 1
 Breakfast for Elementary Students Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	11,480	8,334	(3,146)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,480</u>	<u>8,334</u>	<u>(3,146)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	11,480	9,423	2,057
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,480</u>	<u>9,423</u>	<u>2,057</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,089)</u>	<u>(1,089)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Remittal of prior year fund balance	-	-	(67)	(67)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(67)</u>	<u>(67)</u>
<i>Net change in fund balance</i>	-	-	(1,156)	(1,156)
<i>Fund balance - beginning of year</i>	-	-	67	67
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,089)</u>	<u>\$ (1,089)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (1,156)
Adjustments to revenues for state grants				1,089
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (67)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

Alamogordo Municipal School District No. 1
 GRADS - Instruction Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	12,000	53,775	53,775	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>12,000</u>	<u>53,775</u>	<u>53,775</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	12,000	44,445	27,715	16,730
Support services	-	9,330	5,070	4,260
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,000</u>	<u>53,775</u>	<u>32,785</u>	<u>20,990</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>20,990</u>	<u>20,990</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>20,990</u>	<u>20,990</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,990</u>	<u>\$ 20,990</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 20,990
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 20,990</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-34

Alamogordo Municipal School District No. 1
Private Direct Grants (Categorical) Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	6,997	6,996	(1)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,997</u>	<u>6,996</u>	<u>(1)</u>
<i>Expenditures</i>				
Current				
Instruction	1,476	1,476	-	1,476
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	1,249	9,498	6,979	2,519
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,725</u>	<u>10,974</u>	<u>6,979</u>	<u>3,995</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,725)</u>	<u>(3,977)</u>	<u>17</u>	<u>3,994</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,725	3,977	-	(3,977)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,725</u>	<u>3,977</u>	<u>-</u>	<u>(3,977)</u>
<i>Net change in fund balance</i>	-	-	17	17
<i>Fund balance - beginning of year</i>	-	-	3,977	3,977
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,994</u>	<u>\$ 3,994</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 17
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 17</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-35

Alamogordo Municipal School District No. 1
 Bond Building Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	5,559	5,559
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>5,559</u>	<u>5,559</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	3,000	3,000	-	3,000
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	9,544,096	12,971,637	4,860,732	8,110,905
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,547,096</u>	<u>12,974,637</u>	<u>4,860,732</u>	<u>8,113,905</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(9,547,096)</u>	<u>(12,974,637)</u>	<u>(4,855,173)</u>	<u>8,119,464</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	14,247,096	6,974,637	-	(6,974,637)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	4,700,000	6,000,000	6,000,000	-
<i>Total other financing sources (uses)</i>	<u>18,947,096</u>	<u>12,974,637</u>	<u>6,000,000</u>	<u>(6,974,637)</u>
<i>Net change in fund balance</i>	9,400,000	-	1,144,827	1,144,827
<i>Fund balance - beginning of year</i>	-	-	6,974,637	6,974,637
<i>Fund balance - end of year</i>	<u>\$ 9,400,000</u>	<u>\$ -</u>	<u>\$ 8,119,464</u>	<u>\$ 8,119,464</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 1,144,827
Adjustments to revenues for transfers				30,205
Adjustments to expenditures for capital outlay expenditures				<u>(370,218)</u>
Net change in fund balance (GAAP Basis)				<u>\$ 804,814</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-36

Alamogordo Municipal School District No. 1
 Public School Capital Outlay Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	986,619	986,619	-	(986,619)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>986,619</u>	<u>986,619</u>	<u>-</u>	<u>(986,619)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	986,619	986,619	-	986,619
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>986,619</u>	<u>986,619</u>	<u>-</u>	<u>986,619</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
Adjustments to revenues for state grants				79,279
Adjustments to expenditures for capital outlay expenditures				(79,279)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-37

Alamogordo Municipal School District No. 1
 Special Capital Outlay - Local Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	5	5
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	130,000	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	116,527	116,527	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>130,000</u>	<u>116,527</u>	<u>116,527</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(130,000)</u>	<u>(116,527)</u>	<u>(116,522)</u>	<u>5</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	130,000	116,527	-	(116,527)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>130,000</u>	<u>116,527</u>	<u>-</u>	<u>(116,527)</u>
<i>Net change in fund balance</i>	-	-	(116,522)	(116,522)
<i>Fund balance - beginning of year</i>	-	-	116,527	116,527
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 5</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (116,522)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (116,522)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-38

Alamogordo Municipal School District No. 1
 Capital Improvements SB-9 Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 1,238,798	\$ 1,238,798	\$ 1,281,439	\$ 42,641
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	452,703	838,955	452,703	(386,252)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	1,088	1,088
Miscellaneous	-	206,735	206,735	-
<i>Total revenues</i>	<u>1,691,501</u>	<u>2,284,488</u>	<u>1,941,965</u>	<u>(342,523)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	12,388	13,388	12,814	574
Central services	-	-	-	-
Operation and maintenance of plant	1,192,781	1,100,556	492,171	608,385
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	1,150,000	1,814,810	1,260,446	554,364
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,355,169</u>	<u>2,928,754</u>	<u>1,765,431</u>	<u>1,163,323</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(663,668)</u>	<u>(644,266)</u>	<u>176,534</u>	<u>820,800</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	663,668	644,266	-	(644,266)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>663,668</u>	<u>644,266</u>	<u>-</u>	<u>(644,266)</u>
<i>Net change in fund balance</i>	-	-	176,534	176,534
<i>Fund balance - beginning of year</i>	-	-	644,266	644,266
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 820,800</u>	<u>\$ 820,800</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 176,534
Adjustments to revenues for property taxes and state grants				(61,433)
Adjustments to expenditures for capital outlay expenditures				(135,137)
Net change in fund balance (GAAP Basis)				<u>\$ (20,036)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-39

Alamogordo Municipal School District No. 1
 Energy Efficiency Act Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	198,984	198,984
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>198,984</u>	<u>198,984</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	198,984	198,984	198,984	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>198,984</u>	<u>198,984</u>	<u>198,984</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(198,984)</u>	<u>(198,984)</u>	<u>-</u>	<u>198,984</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	198,984	198,984	-	(198,984)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>198,984</u>	<u>198,984</u>	<u>-</u>	<u>(198,984)</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	10	10
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-40

Alamogordo Municipal School District No. 1
 Education Technology Equipment Act Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	1,656	1,656
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,656</u>	<u>1,656</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	1,401,739	1,115,790	754,813	360,977
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	50,000	339,702	261,220	78,482
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,451,739</u>	<u>1,455,492</u>	<u>1,016,033</u>	<u>439,459</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,451,739)</u>	<u>(1,455,492)</u>	<u>(1,014,377)</u>	<u>441,115</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	121,739	125,492	-	(125,492)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	1,330,000	1,330,000	1,330,000	-
<i>Total other financing sources (uses)</i>	<u>1,451,739</u>	<u>1,455,492</u>	<u>1,330,000</u>	<u>(125,492)</u>
<i>Net change in fund balance</i>	-	-	315,623	315,623
<i>Fund balance - beginning of year</i>	-	-	125,492	125,492
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 441,115</u>	<u>\$ 441,115</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 315,623
Adjustments to revenues for bond premium				3,125
Adjustments to expenditures for supplies and capital outlay expenditures				<u>(126,062)</u>
Net change in fund balance (GAAP Basis)				<u>\$ 192,686</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-41

Alamogordo Municipal School District No. 1

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 2,980,076	\$ 2,980,076	\$ 3,205,920	\$ 225,844
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	3,243	3,243
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,980,076</u>	<u>2,980,076</u>	<u>3,209,163</u>	<u>229,087</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	29,801	33,801	32,060	1,741
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	5,038,437	5,203,828	2,225,000	2,978,828
Interest	755,076	755,076	755,075	1
<i>Total expenditures</i>	<u>5,823,314</u>	<u>5,992,705</u>	<u>3,012,135</u>	<u>2,980,570</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,843,238)</u>	<u>(3,012,629)</u>	<u>197,028</u>	<u>3,209,657</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,843,238	3,012,629	-	(3,012,629)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	78,101	78,101
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,843,238</u>	<u>3,012,629</u>	<u>78,101</u>	<u>(2,934,528)</u>
<i>Net change in fund balance</i>	-	-	275,129	275,129
<i>Fund balance - beginning of year</i>	-	-	3,012,629	3,012,629
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,287,758</u>	<u>\$ 3,287,758</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 275,129
Adjustments to revenues for property taxes				47,086
Adjustments to expenditures for transfers				(30,205)
Net change in fund balance (GAAP Basis)				<u>\$ 292,010</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-42

Alamogordo Municipal School District No. 1

Ed Tech Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 1,057,260	\$ 1,057,260	\$ 870,530	\$ (186,730)
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	983	983
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,057,260</u>	<u>1,057,260</u>	<u>871,513</u>	<u>(185,747)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	10,573	14,573	8,706	5,867
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,073,232	2,085,205	1,000,000	1,085,205
Interest	57,260	57,260	56,493	767
<i>Total expenditures</i>	<u>2,141,065</u>	<u>2,157,038</u>	<u>1,065,199</u>	<u>1,091,839</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,083,805)</u>	<u>(1,099,778)</u>	<u>(193,686)</u>	<u>906,092</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,083,805	1,099,778	-	(1,099,778)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,083,805</u>	<u>1,099,778</u>	<u>-</u>	<u>(1,099,778)</u>
<i>Net change in fund balance</i>	-	-	(193,686)	(193,686)
<i>Fund balance - beginning of year</i>	-	-	1,099,778	1,099,778
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 906,092</u>	<u>\$ 906,092</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (193,686)
Adjustments to revenues for property taxes				(1,704)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (195,390)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 General Fund
 June 30, 2012

Statement C-1

	Operating	Pupil Transportation	Instructional Materials	Total
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 1,889,529	\$ -	\$ 257,606	\$ 2,147,135
Receivables:				
Property taxes	21,300	-	-	21,300
Other	40,440	-	-	40,440
Inventory	51,264	-	-	51,264
Due from other funds	1,938,505	-	-	1,938,505
 <i>Total assets</i>	 \$ 3,941,038	 \$ -	 \$ 257,606	 \$ 4,198,644
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities</i>				
Accounts payable	\$ 562,404	\$ -	\$ -	\$ 562,404
Accrued payroll	510,343	-	-	510,343
Accrued compensated absences	4,285	-	-	4,285
Deferred revenue:				
Property taxes	14,446	-	-	14,446
 <i>Total liabilities</i>	 1,091,478	 -	 -	 1,091,478
 <i>Fund Balances</i>				
Nonspendable:				
Inventory	51,264	-	-	51,264
Spendable:				
Restricted for:				
Instructional materials	-	-	257,606	257,606
Committed for:				
Subsequent year's expenditures	1,121,124	-	-	1,121,124
Unassigned	1,677,172	-	-	1,677,172
 <i>Total fund balances</i>	 2,849,560	 -	 257,606	 3,107,166
 <i>Total liabilities and fund balances</i>	 \$ 3,941,038	 \$ -	 \$ 257,606	 \$ 4,198,644

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 General Fund
 For the Year Ended June 30, 2012

Statement C-2

	Operating	Pupil Transportation	Instructional Materials	Total
<i>Revenues:</i>				
Property taxes	\$ 253,474	\$ -	\$ -	\$ 253,474
Intergovernmental revenue:				
Federal flowthrough	167,862	-	-	167,862
Federal direct	1,246,094	-	-	1,246,094
State flowthrough	116,217	-	266,953	383,170
State direct	39,904,346	-	-	39,904,346
Transportation distribution	-	1,071,812	-	1,071,812
Charges for services	188,806	-	-	188,806
Miscellaneous	35,115	-	-	35,115
<i>Total revenues</i>	<u>41,911,914</u>	<u>1,071,812</u>	<u>266,953</u>	<u>43,250,679</u>
<i>Expenditures:</i>				
Current:				
Instruction	25,923,819	-	175,647	26,099,466
Support services - students	3,657,061	-	-	3,657,061
Support services - instruction	1,277,414	-	18,606	1,296,020
Support services - general administration	930,445	-	-	930,445
Support services - school administration	2,210,412	-	-	2,210,412
Central services	1,962,469	-	-	1,962,469
Operation and maintenance plant	6,014,100	-	-	6,014,100
Student transportation	324,642	1,071,812	-	1,396,454
Other support services	96,766	-	-	96,766
Food services operations	40,918	-	-	40,918
Capital Outlay	164,172	-	-	164,172
<i>Total expenditures</i>	<u>42,602,218</u>	<u>1,071,812</u>	<u>194,253</u>	<u>43,868,283</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(690,304)</u>	<u>-</u>	<u>72,700</u>	<u>(617,604)</u>
<i>Other financing sources (uses):</i>				
Transfers in	154,174	-	9,834	164,008
<i>Total other financing sources (uses)</i>	<u>154,174</u>	<u>-</u>	<u>9,834</u>	<u>164,008</u>
<i>Net change in fund balances</i>	(536,130)	-	82,534	(453,596)
<i>Fund balances - beginning of year</i>	<u>3,385,690</u>	<u>-</u>	<u>175,072</u>	<u>3,560,762</u>
<i>Fund balances - end of year</i>	<u>\$ 2,849,560</u>	<u>\$ -</u>	<u>\$ 257,606</u>	<u>\$ 3,107,166</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-3

Alamogordo Municipal School District No. 1

Operating Fund

Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ 243,824	\$ 243,824	\$ 252,345	\$ 8,521
Intergovernmental revenue:				
Federal flowthrough	200,000	200,000	167,862	(32,138)
Federal direct	1,152,725	1,152,725	1,246,094	93,369
State flowthrough	38,000	38,000	116,217	78,217
State direct	39,795,469	39,943,077	39,904,346	(38,731)
Transportation distribution	-	-	-	-
Charges for services	64,000	64,000	183,359	119,359
Investment income	35,000	35,000	-	(35,000)
Miscellaneous	-	-	122	122
<i>Total revenues</i>	<u>41,529,018</u>	<u>41,676,626</u>	<u>41,870,345</u>	<u>193,719</u>
<i>Expenditures:</i>				
Current:				
Instruction	27,649,310	26,699,035	25,949,414	749,621
Support services - students	3,591,102	3,901,812	3,654,243	247,569
Support services - instruction	753,493	1,279,091	958,906	320,185
Support services - general administration	816,601	962,472	859,404	103,068
Support services - school administration	2,100,863	2,231,443	2,210,412	21,031
Central services	1,914,558	2,005,519	1,988,360	17,159
Operation and maintenance of plant	6,455,649	6,115,438	5,975,028	140,410
Student transportation	295,000	337,276	324,642	12,634
Other support services	109,782	109,782	92,185	17,597
Food services operations	20,000	43,100	40,918	2,182
Capital Outlay	-	169,000	164,172	4,828
<i>Total expenditures</i>	<u>43,706,358</u>	<u>43,853,968</u>	<u>42,217,684</u>	<u>1,636,284</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,177,340)</u>	<u>(2,177,342)</u>	<u>(347,339)</u>	<u>1,830,003</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	2,177,340	2,177,342	-	(2,177,342)
Transfers in	-	-	154,174	154,174
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,177,340</u>	<u>2,177,342</u>	<u>154,174</u>	<u>(2,023,168)</u>
<i>Net change in fund balance</i>	-	-	(193,165)	(193,165)
<i>Fund balance - beginning of year</i>	-	-	4,021,199	4,021,199
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,828,034</u>	<u>\$ 3,828,034</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (193,165)
Adjustments to revenues for taxes, grant revenues, charges for services, and miscellaneous revenues				41,569
Adjustments to expenditures for supplies and payroll expenditures				(384,534)
Net change in fund balance (GAAP Basis)				<u>\$ (536,130)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-4

Alamogordo Municipal School District No. 1

Pupil Transportation Fund

Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Transportation distribution	1,096,591	1,071,813	1,071,812	(1)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,096,591</u>	<u>1,071,813</u>	<u>1,071,812</u>	<u>(1)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	1,096,591	1,071,813	1,071,812	1
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,096,591</u>	<u>1,071,813</u>	<u>1,071,812</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-5

Alamogordo Municipal School District No. 1

Instructional Materials Fund

Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	227,257	227,257	266,953	39,696
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>227,257</u>	<u>227,257</u>	<u>266,953</u>	<u>39,696</u>
<i>Expenditures:</i>				
Current:				
Instruction	327,257	386,615	175,647	210,968
Support services - students	-	-	-	-
Support services - instruction	19,282	19,714	18,606	1,108
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total expenditures</i>	<u>346,539</u>	<u>406,329</u>	<u>194,253</u>	<u>212,076</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(119,282)</u>	<u>(179,072)</u>	<u>72,700</u>	<u>251,772</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	119,282	179,072	-	(179,072)
Transfers in	-	-	9,834	9,834
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>119,282</u>	<u>179,072</u>	<u>9,834</u>	<u>(169,238)</u>
<i>Net change in fund balance</i>	-	-	82,534	82,534
<i>Fund balance - beginning of year</i>	-	-	175,072	175,072
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 257,606</u>	<u>\$ 257,606</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 82,534
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 82,534</u>

The accompanying notes are an integral part of these financial statements

SUPPORTING SCHEDULES

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Deposits
 June 30, 2012

Schedule I

<u>Bank Account Type/Name</u>	<u>First American Bank</u>	<u>First National Bank</u>	<u>Wells Fargo Bank</u>	<u>Total</u>
Capital Projects	\$ 1,706,133	\$ -	\$ -	\$ 1,706,133
Capital Projects	7,676,145	-	-	7,676,145
Debt Service	4,193,850	-	-	4,193,850
Nutrition Services	-	502,761	-	502,761
Athletics	-	58,150	-	58,150
Activity	-	834,683	-	834,683
Payroll	-	2,769,840	-	2,769,840
Operational	-	-	2,625,156	2,625,156
Total	13,576,128	4,165,434	2,625,156	20,366,718
Reconciling items	<u>569,974</u>	<u>(2,757,962)</u>	<u>(149,565)</u>	<u>(2,337,553)</u>
Reconciled balance June 30, 2012	<u><u>\$ 14,146,102</u></u>	<u><u>\$ 1,407,472</u></u>	<u><u>\$ 2,475,591</u></u>	<u>18,029,165</u>

Plus: Petty Cash	350
Less: restricted cash per Exhibit A-1	(4,193,850)
Less: agency cash per Exhibit D-1	<u>(811,503)</u>
Cash and cash equivalents per Exhibit A-1	<u><u>\$ 13,024,162</u></u>

See independent auditors' report

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Cash Reconciliation
 For the Year Ended June 30, 2012

	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
Audited Cash				
June 30, 2011	\$ 3,158,004	\$ -	\$ 175,072	\$ 335,981
Total cash June 30, 2011	<u>3,158,004</u>	<u>-</u>	<u>175,072</u>	<u>335,981</u>
Add:				
2011-2012 revenues	41,870,074	1,071,812	266,953	2,667,557
Repayment of prior year loans	863,195	-	-	-
Cash transfers	154,445	-	9,834	-
Loans from other funds	-	-	-	-
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
Total cash available	<u>46,045,718</u>	<u>1,071,812</u>	<u>451,859</u>	<u>3,003,538</u>
Less:				
2011-2012 expenditures	42,217,684	1,071,812	194,253	2,465,274
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans to other funds	1,938,505	-	-	-
Net cash and investments	<u>\$ 1,889,529</u>	<u>\$ -</u>	<u>\$ 257,606</u>	<u>\$ 538,264</u>
Less:				
Held checks	<u>(510,343)</u>	<u>-</u>	<u>-</u>	<u>(35,916)</u>
PED Cash, June 30, 2012	<u>\$ 1,379,186</u>	<u>\$ -</u>	<u>\$ 257,606</u>	<u>\$ 502,348</u>

See independent auditors' report

Athletics 22000	Non-Instructional Support 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
\$ 63,218	\$ 897,771	\$ -	\$ 865,851	\$ 600	\$ 44,393
63,218	897,771	-	865,851	600	44,393
102,097	915,212	3,810,487	1,286,770	-	22,900
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,725,808	189,857	-	22,840
-	-	-	-	-	-
-	-	-	-	-	-
165,315	1,812,983	5,536,295	2,342,478	600	90,133
107,260	837,302	4,734,724	1,409,911	600	86,577
-	-	801,571	58,237	-	3,387
-	164,178	-	-	-	169
-	-	-	-	-	-
\$ 58,055	\$ 811,503	\$ -	\$ 874,330	\$ -	\$ -
-	-	(56,127)	(2,285)	-	-
\$ 58,055	\$ 811,503	\$ (56,127)	\$ 872,045	\$ -	\$ -

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Cash Reconciliation
 For the Year Ended June 30, 2012

	State Direct 28000	Local/State 29000	Bond Building 31100	School Capital Outlay - Local 31300
Audited Cash				
June 30, 2011	\$ -	\$ 3,977	\$ 6,974,637	\$ 116,527
Total cash June 30, 2011	-	3,977	6,974,637	116,527
Add:				
2011-2012 revenues	53,775	6,996	5,559	5
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans from other funds	-	-	-	-
Bond proceeds	-	-	6,000,000	-
Bond premium	-	-	-	-
Total cash available	<u>53,775</u>	<u>10,973</u>	<u>12,980,196</u>	<u>116,532</u>
Less:				
2011-2012 expenditures	32,785	6,979	4,860,732	116,527
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans to other funds	-	-	-	-
Net cash and investments	<u>\$ 20,990</u>	<u>\$ 3,994</u>	<u>\$ 8,119,464</u>	<u>\$ 5</u>
Less:				
Held checks	-	-	-	-
PED Cash, June 30, 2012	<u>\$ 20,990</u>	<u>\$ 3,994</u>	<u>\$ 8,119,464</u>	<u>\$ 5</u>

See independent auditors' report

Capital Improvements SB-9 31700	Energy Efficiency Act 31800	Education Technology Equipment Act 31900	Debt Service 41000	Ed Tech Debt Service 43000	Total
\$ 644,266	\$ 10	\$ 125,492	\$ 3,012,629	\$ 1,099,778	\$ 17,518,206
644,266	10	125,492	3,012,629	1,099,778	17,518,206
1,941,965	198,984	1,656	3,209,163	871,513	58,303,478
-	-	-	-	-	863,195
-	-	-	-	-	164,279
-	-	-	-	-	1,938,505
-	-	1,330,000	-	-	7,330,000
-	-	-	78,101	-	78,101
2,586,231	198,994	1,457,148	6,299,893	1,971,291	86,195,764
1,765,431	198,984	1,016,033	3,012,135	1,065,199	65,200,202
-	-	-	-	-	863,195
-	-	-	-	-	164,347
-	-	-	-	-	1,938,505
\$ 820,800	\$ 10	\$ 441,115	\$ 3,287,758	\$ 906,092	\$ 18,029,515
-	-	-	-	-	(604,671)
\$ 820,800	\$ 10	\$ 441,115	\$ 3,287,758	\$ 906,092	\$ 17,424,844
Cash and cash equivalents balance above					18,029,515
Less: agency cash per Exhibit D-1					(811,503)
Cash and cash equivalents per Exhibit B-1					\$ 17,218,012

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2012

Schedule III

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2012</u>
First American Bank				
	FNMA 1 Time Call	3/10/2016	3136FPET0	\$ 2,089,280
	Luna County NM SD#1**	8/1/2016	550340CX9	500,000
	FNMA 1 Time Call	10/28/2016	3136FTEK1	303,747
	Los Lunas NM School District**	7/15/2019	545562NG1	250,000
	MBS GNMA I 20 Yr SF-61574	8/15/2023	36290SBP5	38,329
	MBS GNMA I Platinum	2/15/2024	36241KZU5	134,040
	MBS GNMA I 30 Yr SF	5/15/2033	36200KT49	<u>3,251,953</u>
	Total First American Bank			<u>6,567,349</u>
	Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, TX			
First National Bank				
	FNMA Pool #MA0023	4/1/2029	31417YAZ0	617,669
	FNMA Pool #MA0828	4/1/2029	31417Y4N4	1,499,074
	FNMA Pool #909295	1/1/2037	31411JGC4	1,179,729
	FNMA Pool #872827	6/1/2036	31409JVU1	<u>692,837</u>
	Total First National Bank			<u>3,989,309</u>
	Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, TX			
	Total Pledged Collateral			<u><u>\$ 10,556,658</u></u>

** As per NMSA 2.2.2.10 (N) (4), the value of collateral consisting of obligations of the State of New Mexico, its agencies, institutions, counties, municipalities or other subdivisions shall be par value.

See independent auditor's report

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Changes in Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2012

Schedule IV

	July 1, 2011	Additions	Deletions	Transfers	June 30, 2012
Alamogordo High School	\$ 356,516	\$ 349,890	\$ 330,161	\$ (152,135)	\$ 224,110
Academy Del Sol	15,464	15,882	3,766	(700)	26,880
Chaparral Middle School	63,457	79,193	84,311	-	58,339
Mountain View Middle School	32,268	57,630	57,894	-	32,004
Holloman Middle School	10,104	31,569	26,764	-	14,909
Buena Vista	10,524	10,330	17,712	-	3,142
Heights	3,331	11,346	11,488	-	3,189
High Rolls	1,602	507	784	-	1,325
La Luz	2,761	5,692	6,724	-	1,729
North	2,019	10,834	9,880	-	2,973
Oregon	13,412	25,072	23,954	-	14,530
Sacramento	1,758	4,552	5,467	-	843
Sierra	15,326	19,129	19,398	-	15,057
Yucca	3,823	29,431	23,836	-	9,418
Holloman Primary	14,978	15,002	12,153	(2,444)	15,383
Holloman Intermediate	(2,259)	3,732	1,939	2,444	1,978
Elementary Music	46			-	46
DSE	7,039	3,305	1,722	-	8,622
Learning Resource Center	9,917	2,958	8,712	-	4,163
Nurses	1,441	402	350	-	1,493
Superintendents Office	4,671	154	4,879	5,000	4,946
Human Resources	4,957	4,251	4,521	-	4,687
Curriculum & Instruction	1,150	54		-	1,204
Athletics	63,877	122,329	133,239	-	52,967
Finance	238,072	98,007	24,544	(18,071)	293,464
Print Shop	19,653	13,553	20,927	-	12,279
Cafeteria	393	248	193	(272)	176
Operations	323	54	140	-	237
Technology Support Services	228	54		-	282
CTE/Student Personnel	-		1,846	2,000	154
Warehouse	920	54		-	974
Totals	\$ 897,771	\$ 915,214	\$ 837,304	\$ (164,178)	\$ 811,503

See independent auditor's report

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COMPLIANCE SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

**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***

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

We have audited the financial statements of the governmental activities, each major fund, the budgetary comparisons for the General Fund and major special revenue funds, and the aggregate remaining fund information of Alamogordo Municipal School District No. 1 (the District) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 5, 2012. We have also audited the financial statements of each of the District's nonmajor governmental funds, the combining financial statements for the General Fund, and the respective budgetary comparisons for the major capital projects fund, the major debt service fund, and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012 as listed in the table of contents. We conducted our 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.

Internal Control Over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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 questions costs as items FS 11-01, FS 11-02, FS 11-06, and FA 11-04 to be material weaknesses.

A *significant deficiency* is a deficiency, or 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 11-04 and FS 12-01 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted a certain matter that is required to be reported pursuant to *Government Auditing Standards* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which is described in the accompanying schedule of findings and questioned costs as item FS 11-05.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the audit committee, management, others within the organization, the Board of Education, the Office of the State Auditor, the New Mexico Public Education Department, the New Mexico Legislature and its committees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
November 5, 2012

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FEDERAL FINANCIAL ASSISTANCE



**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

Compliance

We have audited Alamogordo Municipal School District No. 1's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular *A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2012. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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 the District'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. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the 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, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items FA 11-02, FA 11-03, and FA 11-04.

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 the District's internal control over compliance.

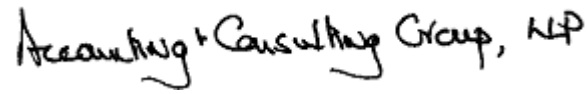
Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses and therefore, can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness and other deficiencies that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs at item FA 11-04 to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items FA 11-02 and FA 11-03 to be significant deficiencies.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the audit committee, management, others within the organization, the Board of Education, the Office of the State Auditor, the New Mexico Public Education Department, the New Mexico Legislature and its committees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Accounting & Consulting Group, LLP
Albuquerque, NM
November 5, 2012

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2012

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number		Expenditures
U.S. Department of Agriculture				
<i>Passthrough - State of NM Public Education Department</i>				
Forest Reserve	11000	10.672	*	\$ 300,657
Fresh Fruits and Vegetables	24118	10.582		51,212
Nutrition Program				
Food Distribution	21000	10.553 & 10.555	(1)*	143,916
National School Lunch Act	21000	10.553 & 10.555	(1)*	<u>1,881,969</u>
Total U.S. Department of Agriculture Passthrough				<u>2,377,754</u>
U.S. Department of Defense				
<i>Passthrough - State of NM Public Education Department</i>				
Alamo DOD	25179	12.558		166,161
ARRA - DOD Education Activity	25254	12.557	*	<u>579,558</u>
Total U.S. Department of Defense Passthrough				<u>745,719</u>
U.S. Department of Education				
<i>Passthrough - State of NM Public Education Department</i>				
Impact Aid - General Fund	11000	84.041	(2)*	940,698
Impact Aid Special Education	25145	84.041	(2)*	123,376
Title I IASA	24101	84.010	*	1,773,271
IDEA-B Entitlement	24106	84.027	(3)*	1,795,847
IDEA-B Preschool	24109	84.173	(3)*	70,121
IDEA-B Private School Share	24115	84.027	(3)*	4,892
IDEA-B "Risk Pool"	24120	84.027	(3)*	12,788
Education of Homeless	24113	84.196		6,960
Title I 1003g Grant	24124	84.377	*	504,911
Improving Teacher Quality	24154	84.367A		275,564
Carl D Perkins Secondary	24174	84.048O	(4)	55,865
Carl D Perkins - Redistribution	24176	84.048O	(4)	22,268
ARRA - Enhancing Education Through Technology	24249	84.318X		5,007
ARRA - Education Jobs	25255	84.410		<u>17,553</u>
Total U.S. Department of Education Passthrough				<u>5,609,121</u>
Total Federal Financial Assistance				<u>\$ 8,732,594</u>

* Major program

() Denotes cluster

See independent auditors' report

Notes to Schedule of Expenditures of Federal AwardsBasis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Alamogordo Municipal School District No. 1, (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

Subrecipients

The District did not provide any federal awards to subrecipients during the year.

Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2012 was \$143,916 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.553.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 8,732,594
Total expenditures funded by other sources	<u>56,698,696</u>
Total expenditures	<u><u>\$ 65,431,290</u></u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Findings and Questioned Costs
 June 30, 2012

A. SUMMARY OF AUDIT RESULTS

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors' report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | |
|---|-------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 2. Type of auditors' report issued on compliance for major programs | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
10.672	Forest Reserve
10.553 & 10.555	National School Lunch Program
12.557	ARRA - DOD Education Activity
84.041	Impact Aid Cluster
84.010	Title I IASA
84.027 & 84.173	IDEA-B Cluster
84.377	Title I 1003g Grant

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee? | No |

B. FINDINGS-FINANCIAL STATEMENT AUDIT

FS 11-01 – Lack of Entity-Wide Controls (Repeated/Modified) – Material Weakness

Condition: During our process of understanding the District and its environment, we noted instances where elements of the District's internal control framework were nonexistent or deficient. The District's monitoring element was not documented, sufficiently designed, or implemented as we noted the following:

- During the first portion of the year, there was inadequate review of checks prior to printing and mailing. The Accounts Payable Clerk prepares, prints, and mails checks without management review of printed checks. The District's checks are printed with electronic signatures that are printed on checks when the Accounts Payable Clerk runs checks. During the first portion of the year, management was not reviewing the checks prior to being prepared or mailed, the only approvals were at the Purchase Order level and then at the monthly Board Meeting.
- Lack of review of vendor master file. The Procurement Specialist and the Director of Finance are the only employees that have access to the vendor master file to make changes, however the District does not review any changes made and changes could be made without the approval or knowledge of management.
- Design deficiency over items purchased on open Purchase Orders. The Accounts Payable Clerk can pay up to 30% over the original Purchase Order amount without additional management approval.
- Lack of segregation of duties over the Purchase Order process. The Accounts Payable Clerk can re-open purchase orders after the Purchase Orders have been closed without additional management approval.
- Lack of controls over receipt numbers. The District does not have a standard procedure for generating receipt numbers. The District is unable to account for a sequential range of receipt numbers for review purposes.
- Lack of proper access restriction over the Employee Database Master File and review of changes made. The Employee Database Master File is accessible by Payroll personnel and the Finance Director and no review of changes made are being done to ensure the file is accurate and complete and a change could be made without the approval or knowledge of management.
- Lack of review by management to ensure payroll runs are accurate and valid. The only review of payroll expenditures is performed by the payroll clerk who will also investigate any discrepancies.
- Lack of General Ledger posting review. The District incorrectly posted School Nutrition Revenue between the Adult Fees and the Student Fees in the amount of \$9,681.

Criteria: The COSO Internal Control Integrated Framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication and monitoring. With these elements in place, the District can maximize its potential for achieving its performance targets and reduce the risk of loss of resources.

Effect: Without all of the five elements of the COSO Internal Control Integrated Framework present, the District is exposing itself to the risk of misappropriation of assets and does not have set processes in place to maximize the resources of the District to achieve the goals set forth by the District.

Cause: With the changes in management positions during the year, the District has not had the opportunity to update, implement, or change internal controls and processes to address all financial reporting aspects of the District.

Auditors' Recommendation: We recommend that the District incorporate all five elements of the COSO Internal Control Integrated Framework in their organization. In particular, there should be a mechanism in place to document the monitoring of the internal controls in place. We recommend that internal controls be addressed at both the entity level and activity level. We recommend that key management personnel attend a training class on internal control procedures, internal control implementation, and internal control monitoring.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-01 – Lack of Entity-Wide Controls (Repeated/Modified) – Material Weakness (continued)

Agency's Response: Management is aware of the need for improved internal controls and is striving to continually improve its processes. Management has been able to resolve many of these issues with the hiring of a Comptroller to assist the Director of Business and Finance in implementing improved internal controls. Unfortunately, because of the severe loss of funding the District is experiencing, we will more than likely lose additional positions in all departments. Therefore, the District will not have the staff or the resources to fully implement a thorough and complete internal control system of checks and balances. Management anticipates that this audit finding will continue as long as the District continues to lose funding.

Management will and has already implemented many internal controls to address the issues listed. Management has requested that each site complete a questionnaire on internal controls and submit it to the Director of Business and Finance. Management will visit each site and review the internal control procedures and make suggestions or changes as needed.

Management will and has provided additional training and professional development to the necessary staff members to reiterate the importance of internal control and a separation of duties.

FS 11-02 – Internal Controls Over Non-Standard Journal Entries (Repeated/Modified) – Material Weakness

Condition: During the beginning of the year, the District did not have adequate internal controls or segregation of duties over non-standard journal entries entered into its accounting. During that time, the District did not have internal controls to ensure supporting documentation and documented reasons for the journal entries were included for each non-standard journal entry made. The District did not have a process for ensuring all non-standard journal entries were reviewed by management. The District's accounting software had not been changed to limit access to making non-standard journal entries as well as limit the ability to backdate or change the date of the non-standard journal entry. The Budget Specialist was preparing and posting the journal entries and preparing the bank reconciliations without adequate review.

Criteria: State Board of Education Title 6, section 6.20.2.11 states that Policies and Procedures document administrative and accounting controls. Sound business practice recommends review and approval of all non-standard journal entries.

Effect: The lack of proper internal controls over journal entries may result in errors or irregularities going undetected and cause financial statements to be misstated. The District may be at risk for fraudulent activity without a proper review process over journal entries.

Cause: With the changes in management positions during the year, the District has not had the opportunity to update, implement, or change internal controls and processes to address the journal entry system.

Auditors' Recommendations: The District should update their policies and procedures manual regarding the review and approval of journal entries and implement a procedure to insure non-standard journal entries are reviewed, approved and supported.

Agency's Response: Management has addressed this issue with the hiring of a Director of Business and Finance (Director) in July 2011 and a Comptroller in March 2012. The Comptroller will submit to the Director a written non-standard journal entry with all supporting documentation for written approval prior to processing the journal entry electronically. If the Director needs to process a non-standard journal entry, the Comptroller will approve the journal entry prior to electronic processing. In addition, Management reviews the trial balance along with the monthly cash reconciliation report. Any non-standard journal entry will appear on those reports.

Management believes that the process currently in place is the most effective for a District of our size.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-04 – Preparation of and Maintenance of Capital Assets (Repeated/Modified) – Significant Deficiency

Condition: The District is maintaining a capital assets listing, however, during our testwork we noted the district has not allocated depreciation expense by function.

Criteria: Per NMAC 6.20.2.22, capital assets shall be acquired and accounted for through the development and implementation of a complete property control system to include capital asset depreciation by function.

Effect: The users of the financial statement may not be provided with accurate capital assets information.

Cause: The District has not properly implemented a capital asset policy to allocate depreciate depreciation by function.

Auditors' Recommendation: We also recommend that the capital asset listing is properly set up as to the function of each capital asset to ensure the District is able to properly classify the depreciation expense by function.

Agency's Response: Management believed from experiences in previous districts that the functions used in the uniform chart of accounts were sufficient for the use in Governmental Accounting Standards Board (GASB) functions for depreciation purposes. Management was not aware that the 4000 function for capital outlay was not an appropriate function for GASB. Management will work with the Property Control Manager to correct the functions for GASB depreciation.

FS 11-05 – Cash Appropriations in Excess of Available Cash Balances (Repeated/Modified) – Other Matter

Condition: The District rebudgeted “cash balances” in excess of available balances in the following funds:

	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in excess of available
General Fund - Instructional Materials Fund	\$ 179,072	\$ 175,072	\$ (4,000)
Energy Efficiency Act Capital Projects Fund	198,984	10	(198,974)

Criteria: Section 2.2.2.10. (P) (1), NMAC, requires all School District funds, with the exception of agency funds, to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances rebudgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

Effect: The effect of a budget with inadequate designated cash available to cover the excess of budgeted expenditures over budgeted revenue could result in the District incurring debt to pay for current year budgeted expenditures, which would result in noncompliance with the Bateman Act.

Cause: The District incorrectly budgeted for \$4,000 in the Instructional Materials Fund and budgeted for a restricted cash line item instead of the revenue line item.

Auditors' Recommendation: Greater attention should be given throughout the year to the cash balances actually available to cover budgeted expenditures in excess of budgeted revenues, which include proper monitoring of year-end cash balances.

Agency's Response: Management will ensure that all revenues and cash balances are budgeted to the correct object codes prior to expending funds and prior to the fiscal year end.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-06 – Preparation of Financial Statements (Repeated/Modified) – Material Weakness

Condition: The Body charged with governance does not exercise effective oversight, as defined by Statement on Auditing Standards No. 115, of the internal control and financial reporting processes. The financial statements and related disclosures are not being prepared by the District's management and contained the following errors:

- The District did not include 2 items in the amount of \$58,717.93 as accounts receivable at year end.
- On the accounts payable listing that was provided by the District, they inaccurately included 13 items in the amount of \$113,250.78 at June 30, 2012 as accounts payable. The 13 items were not received or performed prior to June 30, 2012.
- The District did not include 4 items in the amount of \$106,626 as an accounts payable at year end.

Criteria: According to the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 115, a system of internal control over financial reporting does not stop at the general ledger. Well designed systems include controls over financial statement preparation, including footnote disclosures. The Body charged with governance must provide effective oversight of the controls over the financial reporting process.

Effect: When sufficient controls over the preparation of financial statements and related disclosures are not designed, implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

Cause: With the changes in management positions during the year, the District has not had the opportunity to update, implement, or change internal controls and processes to address all financial reporting aspects including preparation, review and understanding of the financial statements and related footnote disclosures.

Auditors' Recommendation: We recommend that District management and personnel receive training on understanding the requirements of external financial reporting.

The training should include, but not be limited to:

- Selection of appropriate accounting policies:
 - Governmental Accounting Standards Board (GASB)
 - Generally Accepted Accounting Principles (specifically as applied to governmental units)
 - Financial Accounting Standards Board (FASB)
- Understanding the financial reporting entity
- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Required supplementary information
 - Management's discussion and analysis
- Supplementary information required by the Office of the State Auditor

In addition, we recommend that the District management should periodically present a reporting package to the body charged with governance for review. The governing board's review of the reporting package should be documented in the minutes. The reporting package could include items such as budget variances and analyses, a review of internal control processes over a significant transaction class like payroll or cash receipts, and other reports or processes that management uses for the internal control and financial reporting processes. The Body charged with governance should gain an understanding of internal control processes and the financial reporting process.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-06 – Preparation of Financial Statements (Repeated/Modified) – Material Weakness (continued)

Agency's Response: The Director has received training on reading financial statements; however, has not had enough training or experience to prepare the financial statements. Management will seek additional training to be able to provide a periodic reporting package to the governing body.

Management has provided training to both the Accounts Payable staff and the Comptroller regarding proper reporting of payables and receivables at year end for modified accrual purposes. Management will also train staff on the differences between reporting on a cash basis of accounting and on a modified accrual basis of accounting. Management will work with the staff at year end to ensure that reports are accurate.

FS 12-01 - Internal Controls over Receipting – Significant Deficiency

Condition: During our testwork of cash receipts we noted the following:

- In 4 of the 5 receipts tested, no indication was made that separate individuals receipted and deposited the receipted money.
- In 1 of the 5 receipts tested, no indication was made that the deposit ticket had been reviewed in accordance with the internal control policy.
- In 1 of the 5 receipts tested, the receipt was never received by the Comptroller, so the money could not be identified as to what the money was for.

Criteria: Per Section 6.20.2.11 of NMAC, the District must establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss. The District shall develop, establish, and maintain a structure of internal accounting controls and written policies to provide for segregation of duties, a system of authorization and recorded procedures, and sound accounting practices in performance of duties and functions.

Effect: Because the internal control structure is not being followed adequately or documented the District is not following procedures and processes to properly safeguard assets. Adequate controls are not in place to safeguard assets and prevent or detect intentional or unintentional misstatements of accounting information.

Cause: The District is not properly monitoring that all receipts are being protected, recorded and deposited according to District policy.

Auditors' Recommendation: Management should follow and ensure that all staff follows the District's documented internal control procedures. The body charged with governance should provide effective oversight of the internal control and financial reporting processes. The body charged with governance should emphasize the importance of protecting the Districts assets.

Agency's Response: Management has requested that each site complete a questionnaire on internal controls and submit it to the Director of Business and Finance. Management will visit each site and review the internal control procedures and make suggestions or changes as needed.

Procedures have been given to the various sites on the importance of turning in receipts and deposit slips to the Comptroller on a timely basis. Management will implement a process by where the receipts are verified against the deposits for accuracy.

Management will and has provided additional training and professional development to the necessary staff members to reiterate the importance of internal control and a separation of duties.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Findings and Questioned Costs
 June 30, 2012

C. FEDERAL AWARD FINDINGS

FA 11-02 – Indirect Costs (Repeated/Modified) – Significant Deficiency

Federal Program Information:

Funding Agency: U.S. Department of Education
 Title: Title I IASA
 CFDA Number: 84.041

Funding Agency: U.S. Department of Education
 Title: IDEA-B Cluster
 CFDA Number: 84.027 & 84.173

Condition: During our evaluation we noted that indirect cost rates were not being correctly applied. This resulted in overcharged indirect costs in the following programs:

<u>Program</u>	<u>Indirect Cost Rate per PED</u>	<u>Indirect Cost Rate Charged</u>	<u>Amount Over/(Under) Charged</u>
Title I IASA	4.16%	4.26%	\$ 1,762
Preschool IDEA-B	4.16%	4.59%	290
Total Amount Over Charged			\$ 2,052

Criteria: The New Mexico Public Education Department (NMPED) mandates the indirect cost rate for Alamogordo Municipal School District No. 1 each fiscal year. For the fiscal year 2012 the rate to be used by the District was 4.16%. Furthermore, OMB Circular No. A-87, Cost Principles for State, Local, and Indian Tribal Governments, requires that indirect costs be consistent with policies, regulations, and procedures that apply to Federal awards.

Questioned Costs: None

Effect: The District has made indirect cost charges that are incorrect. Programs that have overcharged indirect costs could be subject to penalties and remittal of the overcharged indirect costs back to the NMPED.

Cause: The employee who was responsible for the determination was incorrectly running reports with indirect costs included. Indirect cost charged to the program is to be excluded when running the expense reports.

Auditors' Recommendations: We recommend that the District ensure that the indirect cost rate used corresponds to the rate dictated by the NMPED. Additionally, the District should ensure that the indirect cost rate is applied consistently to all applicable federal programs. Furthermore, the District should follow the following methodology in calculating the indirect cost rate, ensuring that indirect costs and amounts to be charged to indirect cost are in agreement:

Total Expenditures
Less: Indirect Costs
Less: Equipment Purchases
<hr/>
Expenditures subject to Indirect Cost Rate
Multiply by Indirect Cost Rate per PED
<hr/>
<u>Amount to be charged as Indirect Cost</u>

Agency's Response: Management has corrected the reports utilized in computing indirect costs and will ensure that the correct indirect cost are charged in the future.

C. FEDERAL AWARD FINDINGS (continued)

FA 11-03 – Participation of Private School Children (Repeated/Modified) – Significant Deficiency

Federal program information:

Funding Agency: U.S. Department of Education
Title: Title I IASA
CFDA Number: 84.041

Condition: During our review of special tests and provisions related to the Title I IASA, it was noted the District did not notify all private schools in the surrounding area of potential funds available for the Title I IASA funding.

Criteria: The OMB A-133 Compliance Supplement Part 3-Compliance Requirements N- Special Tests and Provision, stipulates that, after timely and meaningful consultation with private school officials, the district must provide equitable services to eligible private school children, their teachers, and their families.

Questioned Costs: None

Effect: The lack of notification of possible additional educational assistance available to children of private schools could potentially hurt the growth of childhood development. As well as the District is in noncompliance of the Title I IASA requirements.

Cause: The District was not aware of the private school in the District.

Auditors' Recommendation: We recommend that the District implement a process to review the compliance requirements of the federal grants they receive in order to verify that they are in compliance with any requirements including the notification of all private schools in the surrounding area of federal grants that could be available to them.

Agency's Response: Management has had discussions with the Director of Federal Programs to ensure that Private Schools are contacted in the future. Management will work with all Program directors to review the possibility of using advertising to reach private schools that the District is unaware of.

C. FEDERAL AWARD FINDINGS (continued)

FA 11-04 – Internal Controls over Reimbursement Basis Grants/Appropriations (Repeated/Modified) – Material Weakness

Federal program information:

Funding Agency: U.S. Department of Education
Title: Title I IASA
CFDA Number: 84.041

Funding agency: U.S. Department of Agriculture
Title: National School Lunch Program
CFDA number: 10.553 & 10.555

Funding agency: U.S. Department of Education
Title: Title I 1003g Grant
CFDA number: 84.377

Condition: During our field work, we noted that the District had incorrectly posted grant reimbursement requests. The District posted \$107,286 in Federal National School Lunch Program grant money as State Revenue. The District also posted \$85,080 of Title I IASA grant reimbursement money with Title I 1003g Grant revenue.

Criteria: Good cash management practices require that the District monitor the funding source of all reimbursement requests as they are requested and when the money is received. The District failed to monitor that reimbursement requests were being correctly categorized for accounting purposes.

Questioned Costs: None

Effect: The District runs the risk of incorrectly reporting Federal Awards on the Schedule of Expenditures of Federal Awards as well as on the financial statements.

Cause: The District has not placed appropriate oversight on the internal controls in place to monitor federal grant reimbursement requests.

Auditors' Recommendation: We recommend that in the future the District monitors the source of funding being received. We also recommend that the District monitors reimbursement requests and the accounting records for the revenue received to verify that they correlate.

Agency's Response: Management will provide training to the personnel responsible for posting revenues to ensure that the appropriate accounting codes are used. Management will also provide training and a review process to ensure that requests for reimbursement are received and posted in an accurate and timely manner.

D. PRIOR YEAR AUDIT FINDINGS

FS 10-01 – Expenditures in Excess of Budget – Other Matters – Resolved

FS 11-01 – Lack of Entity-Wide Controls – Material Weakness – Repeated/Modified

FS 11-02 – Internal Controls Over Non-Standard Journal Entries – Material Weakness – Repeated/Modified

FS 11-03 – Preparation of Bank Reconciliations – Material Weakness – Resolved

FS 11-04 – Preparation of and Maintenance of Capital Assets – Material Weakness – Repeated/Modified

FS 11-05 – Cash Appropriations in Excess of Available Cash Balances – Other Matters – Repeated/Modified

FS 11-06 – Preparation of Financial Statements – Material Weakness – Repeated/Modified

FS 11-07 – Internal Controls over Disbursements – Significant Deficiency – Resolved

FS 11-08 – Procurement Code – Bids – Other Matters – Resolved

FS 11-09 – Late Filing of Audit Report – Other Matters – Resolved

FA 11-01 – Excluded Parties List – Significant Deficiency – Resolved

FA 11-02 – Indirect Costs – Significant Deficiency – Repeated/Modified

FA 11-03 – Participation of Private School Children – Significant Deficiency – Repeated/Modified

FA 11-04 – Internal Controls over Reimbursement Basis Grants/Appropriations – Material Weakness – Repeated/Modified

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Other Disclosures
June 30, 2012

OTHER DISCLOSURES

Exit Conference

An exit conference was held on November 7, 2012. In attendance were the following:

Representing Alamogordo Municipal School District No. 1:

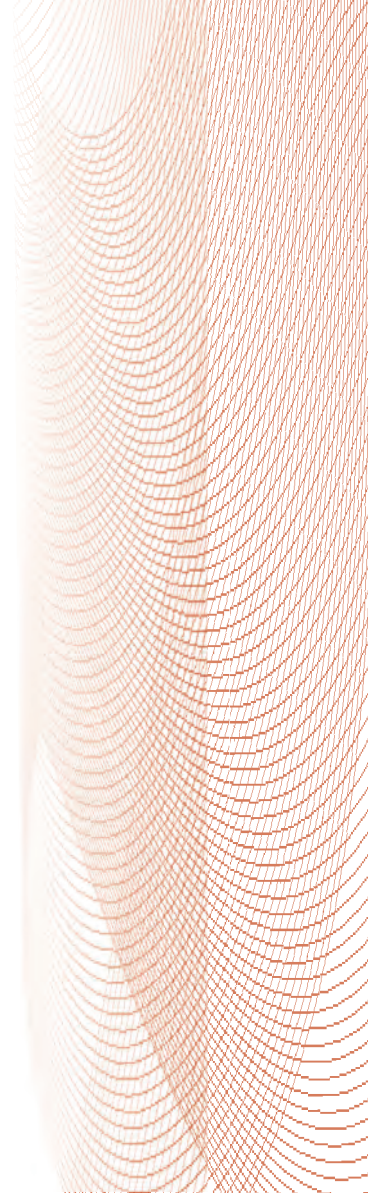
Dr. George Straface, Superintendent (Ex-Officio Member)
Carol Genest, Director of Business and Finance (Ex-Officio Member)
Adrienne Salas, Executive Director of Schools
Tom Bregler, Comptroller (Ex-Officio Member)
Dr. Allan Rickman, Board of Education Vice President
David Borunda, Board of Education Member
Russel Virden, Audit Committee
Tommy Fuller, Audit Committee
Carol Teweleit, NEA Representative
Lonna Devora, NEA Representative-Back up

Representing Accounting & Consulting Group, LLP:

Ray Roberts, Partner

Auditor Prepared Financial Statements

Accounting and Consulting Group, LLP prepared the GAAP-basis financial statements and footnotes of Alamogordo Municipal School District No. 1 from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.



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