



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**

**ANNUAL FINANCIAL REPORT**  
June 30, 2013

**De'Aun Willoughby CPA, PC**  
Certified Public Accountant  
Clovis, New Mexico



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
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 For the Year Ended June 30, 2013

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STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Official Roster  
June 30, 2013

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**BOARD OF EDUCATION**

Matt Ferguson	President
Toni Rosa	Vice-President
Henrietta Griego	Secretary
Steve Harkey	Member
John Paul Ventura	Member

**SCHOOL OFFICIALS**

Patti Nesbitt	Superintendent
Elizabeth Montoya	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101  
(855) 253-4313

Independent Auditor's Report

Mr. Hector Balderas  
State Auditor of the State of New Mexico  
Board Members of the Carrizozo Municipal Schools

Mr. Balderas and Members of the Board

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Carrizozo Municipal Schools (District), as of and for the year ended June 30, 2013, and the related notes to the financial statements 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, and the budgetary comparisons for the major capital project and debt service fund presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2013, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance 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 of the District as of June 30, 2013, and the respective changes in financial position, thereof and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management has omitted the Management's Discussion and Analysis which is required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the 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 this missing information.

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The schedule required by 2.2.2.NMAC is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule required by 2.2.2 NMAC is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the schedule required by 2.2.2 NMAC is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 21, 2013, 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 in considering the District's internal control over financial reporting and compliance.

*De'Ann Willoughby CPA PC*

Clovis, New Mexico  
October 21, 2013

## **FINANCIAL SECTION**



STATE OF NEW MEXICO  
**CARRIZOZO MUNICIPAL SCHOOLS**  
 Government-Wide Statement of Net Position  
 June 30, 2013

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Cash Equivalents	\$ 531,902
Due from Grantor	76,769
Total Current Assets	<u>608,671</u>
Noncurrent Assets	
Capital Assets	10,029,322
Less: Accumulated Depreciation	<u>(3,336,552)</u>
Total Noncurrent Assets	<u>6,692,770</u>
Total Assets	<u>7,301,441</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	7,515
Accrued Interest	20,266
Current Portion of Long-Term Debt	<u>230,000</u>
Total Current Liabilities	<u>257,781</u>
Noncurrent Liabilities	
Bonds and Notes, Net	<u>2,289,773</u>
Total Noncurrent Liabilities	<u>2,289,773</u>
Total Liabilities	<u>2,547,554</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	4,172,997
Restricted for:	
Capital Projects	115,962
Debt Service	36,009
Unrestricted	<u>428,919</u>
Total Net Position	<u>\$ 4,753,887</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Government-Wide Statement of Activities  
 For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
<b>Governmental Activities</b>					
Instruction	\$ 1,541,288	\$ 6,664	\$ 114,821	\$ 0	\$ (1,419,803)
<b>Support Services</b>					
Students	195,624	18,300	24,128	0	(153,196)
Instruction	86,756	0	35,198	0	(51,558)
General Administration	125,771	0	0	0	(125,771)
School Administration	94,536	0	0	0	(94,536)
Central Services	42,346	0	0	0	(42,346)
Operation of Plant	313,444	0	708	0	(312,736)
Other	334	0	0	0	(334)
Student Transportation	146,733	0	167,780	0	21,047
Food Services Operations	94,356	1,309	70,736	0	(22,311)
Interest on Long-Term Obligations	72,223	0	0	0	(72,223)
<b>Total Governmental Activities</b>	<b>\$ 2,713,411</b>	<b>\$ 26,273</b>	<b>\$ 413,371</b>	<b>\$ 0</b>	<b>(2,273,767)</b>
<b>General Revenues</b>					
<b>Taxes</b>					
Property Taxes, Levied for General Purposes					20,149
Property Taxes, Levied for Capital Projects					91,769
Property Taxes, Levied for Debt Service					290,051
Federal and State aid not restricted to specific purpose					
General					1,888,842
Capital					19,251
Miscellaneous					12,942
Subtotal, General Revenues					<u>2,323,004</u>
Change in Net Position					49,237
Net Position - Beginning					<u>4,704,650</u>
Net Position - ending					<u>\$ 4,753,887</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 GOVERNMENTAL FUNDS  
 Balance Sheet  
 June 30, 2013

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 55,031	\$ 33,703	\$ 4,184
Receivables			
Due From Grantor	0	0	0
Interfund Balances	57,518	0	0
Total Assets	<u>\$ 112,549</u>	<u>\$ 33,703</u>	<u>\$ 4,184</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 7,515	\$ 0	\$ 0
Interfund Balance	0	0	0
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Total Liabilities	<u>7,515</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>			
Restricted for, reported in			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Unassigned- General Fund	105,034	33,703	4,184
Total Fund Balances	<u>105,034</u>	<u>33,703</u>	<u>4,184</u>
Total Liabilities and Fund Balances	<u>\$ 112,549</u>	<u>\$ 33,703</u>	<u>\$ 4,184</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2013

	<u>Special</u>		
	<u>Revenue</u>	<u>Capital Projects</u>	
	Title I	Senate	Debt
	24101	Bill Nine	Service
	<u>31700</u>	<u>41000</u>	
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 96,711	\$ 291,421
Receivables			
Due From Grantor	41,675	19,251	0
Interfund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 41,675</u>	<u>\$ 115,962</u>	<u>\$ 291,421</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	41,675	0	0
Current Portion Due			
Principal	0	0	230,000
Interest	<u>0</u>	<u>0</u>	<u>25,412</u>
Total Liabilities	<u>41,675</u>	<u>0</u>	<u>255,412</u>
<b>Fund Balances</b>			
Restricted for, reported in			
Special Revenue Funds	0	0	0
Capital Projects	0	115,962	0
Debt Service	0	0	36,009
Assigned-Capital Projects	0	0	0
Unassigned- General Fund	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>115,962</u>	<u>36,009</u>
Total Liabilities and Fund Balances	<u>\$ 41,675</u>	<u>\$ 115,962</u>	<u>\$ 291,421</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2013

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	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 50,852	\$ 531,902
Receivables		
Due From Grantor	15,843	76,769
Interfund Balances	0	57,518
Total Assets	<u>\$ 66,695</u>	<u>\$ 666,189</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts Payable	\$ 0	\$ 7,515
Interfund Balance	15,843	57,518
Current Portion Due		
Principal	0	230,000
Interest	0	25,412
Total Liabilities	<u>15,843</u>	<u>320,445</u>
Fund Balances		
Restricted for, reported in		
Special Revenue Funds	12,958	12,958
Capital Projects	0	115,962
Debt Service	0	36,009
Assigned-Capital Projects	37,894	37,894
Unassigned- General Fund	0	142,921
Total Fund Balances	<u>50,852</u>	<u>345,744</u>
 Total Liabilities and Fund Balances	 <u>\$ 66,695</u>	 <u>\$ 666,189</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Reconciliation of the Governmental Funds  
 Balance Sheet to the Statement of Net Position  
 June 30, 2013

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Total Fund Balance - Governmental Funds \$ 345,744

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

The cost of capital assets	\$ 10,029,322	
Accumulated depreciation	<u>(3,336,552)</u>	6,692,770

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of :

Bonds payable	(2,390,000)	
Accrued Interest	5,146	
Issue Costs	149,450	
Accumulated Amortization	<u>(49,223)</u>	<u>(2,284,627)</u>

Total net position - governmental activities \$ 4,753,887

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
For the Year Ended June 30, 2013

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
<b>Revenues</b>			
Property Taxes	\$ 20,149	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	1,880,400	167,780	9,339
Federal Grants	8,442	0	0
Miscellaneous	12,935	0	0
<b>Total Revenues</b>	<u>1,921,926</u>	<u>167,780</u>	<u>9,339</u>
<b>Expenditures</b>			
Current			
Instruction	1,145,622	0	6,163
Support Services			
Students	148,427	0	0
Instruction	52,148	0	0
General Administration	121,953	0	0
School Administration	93,828	0	0
Central Services	42,346	0	0
Operation and Maintenance of Plant	279,454	0	0
Student Transportation	517	146,216	0
Food Services Operations	0	0	0
Other	334	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
<b>Total Expenditures</b>	<u>1,884,629</u>	<u>146,216</u>	<u>6,163</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>37,297</u>	<u>21,564</u>	<u>3,176</u>
Other Financing Sources (Uses)			
Transfer In (Out)	<u>(10,000)</u>	<u>0</u>	<u>0</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(10,000)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	27,297	21,564	3,176
Fund Balances at Beginning of Year	<u>77,737</u>	<u>12,139</u>	<u>1,008</u>
Fund Balance End of Year	<u>\$ 105,034</u>	<u>\$ 33,703</u>	<u>\$ 4,184</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
For the Year Ended June 30, 2013

	Special		
	Revenue	Capital Projects	
	Title I 24101	Senate Bill Nine 31700	Debt Service 41000
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 91,769	\$ 290,051
Fees	0	0	0
State & Local Grants	0	19,251	0
Federal Grants	87,733	0	0
Miscellaneous	0	6	0
Total Revenues	<u>87,733</u>	<u>111,026</u>	<u>290,051</u>
<b>Expenditures</b>			
Current			
Instruction	57,128	0	0
Support Services			
Students	0	0	0
Instruction	30,605	0	0
General Administration	0	918	2,900
School Administration	0	0	0
Central Services	0	0	0
Operation and Maintenance of Plant	0	33,990	0
Student Transportation	0	0	0
Food Services Operations	0	0	0
Other	0	0	0
Capital Outlay		0	0
Debt Service			
Principal	0	0	230,000
Interest	0	0	59,122
Total Expenditures	<u>87,733</u>	<u>34,908</u>	<u>292,022</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>76,118</u>	<u>(1,971)</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In (Out)	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	76,118	(1,971)
Fund Balances at Beginning of Year	<u>0</u>	<u>39,844</u>	<u>37,980</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 115,962</u>	<u>\$ 36,009</u>

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



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
For the Year Ended June 30, 2013

	Other Governmental Funds	Total Governmental Funds
Revenues		
Property Taxes	\$ 0	\$ 401,969
Fees	26,273	26,273
State & Local Grants	9,383	2,086,153
Federal Grants	139,136	235,311
Miscellaneous	0	12,941
Total Revenues	<u>174,792</u>	<u>2,762,647</u>
Expenditures		
Current		
Instruction	74,022	1,282,935
Support Services		
Students	37,649	186,076
Instruction	3,383	86,136
General Administration	0	125,771
School Administration	708	94,536
Central Services	0	42,346
Operation and Maintenance of Plant	0	313,444
Student Transportation	0	146,733
Food Services Operations	94,356	94,356
Other	0	334
Capital Outlay	191,202	191,202
Debt Service		
Principal	0	230,000
Interest	0	59,122
Total Expenditures	<u>401,320</u>	<u>2,852,991</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(226,528)</u>	<u>(90,344)</u>
Other Financing Sources (Uses)		
Transfer In (Out)	10,000	0
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>0</u>
Net Change in Fund Balance	(216,528)	(90,344)
Fund Balances at Beginning of Year	<u>267,380</u>	<u>436,088</u>
Fund Balance End of Year	<u>\$ 50,852</u>	<u>\$ 345,744</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Reconciliation of the Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 To the Statement of Activities  
 June 30, 2013

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Net Change in Fund Balance-Governmental Funds \$ (90,344)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.

Depreciation expense	\$ (268,521)	
Capital Outlays	<u>191,202</u>	(77,319)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal paid for bonds	230,000
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Bond issue costs are amortized in the Statement of Activities but are recorded as an expenditure in the year of issue on the Statement of Revenues, Expenditures and Changes in Fund Balances. The bond issue costs are amortized over the life of the bonds.

Amortization of Issue Cost this year	<u>(12,691)</u>	(12,691)
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Interest is accrued through year end but the Balance Sheet included interest payable within thirty day of year end. This is the difference in the accrued interest and the current amount due.

Difference on June 30, 2012	(5,556)	
Difference on June 30, 2013	<u>5,147</u>	<u>(409)</u>

Changes in Net Position of Governmental Activities	\$ <u><u>49,237</u></u>
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-OPERATIONAL-11000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 19,293	\$ 19,293	\$ 20,149	\$ 856
State Grants	1,873,132	1,873,132	1,880,400	7,268
Federal Grants	0	8,442	8,442	0
Miscellaneous	10,000	10,000	12,936	2,936
Total Revenues	<u>1,902,425</u>	<u>1,910,867</u>	<u>1,921,927</u>	<u>11,060</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	810,569	827,011	825,702	1,309
Employee Benefits	276,959	276,959	252,854	24,105
Professional & Tech Services	5,000	5,000	13,377	(8,377)
Purchased Property Services	156	156	52	104
Other Purchased Services	36,800	36,800	42,673	(5,873)
Supplies	6,150	6,150	10,786	(4,636)
Supply Assets	500	500	129	371
Total Instruction	<u>1,136,134</u>	<u>1,152,576</u>	<u>1,145,573</u>	<u>7,003</u>
<b>Support Services-Students</b>				
Personnel Services	41,159	41,159	41,159	0
Employee Benefits	15,551	15,551	15,285	266
Professional & Tech Services	56,087	46,087	49,199	(3,112)
Other Purchased Services	55,003	54,040	42,160	11,880
Supplies	2,200	2,200	624	1,576
Total Support Services-Students	<u>170,000</u>	<u>159,037</u>	<u>148,427</u>	<u>10,610</u>
<b>Support Services-Instruction</b>				
Personnel Services	37,336	37,336	37,335	1
Employee Benefits	14,897	14,897	10,581	4,316
Professional & Tech Services	4,000	4,000	4,091	(91)
Other Purchased Services	0	0	11	(11)
Supplies	300	300	130	170
Total Support Services-Instruction	<u>56,533</u>	<u>56,533</u>	<u>52,148</u>	<u>4,385</u>
<b>Support Services-General Administration</b>				
Personnel Services	70,732	70,732	69,295	1,437
Employee Benefits	28,254	28,254	22,598	5,656
Professional & Tech Services	37,270	37,270	20,136	17,134
Other Purchased Services	4,365	4,365	3,927	438
Supplies	6,500	6,500	5,956	544
Total Support Services-General Administration	<u>\$ 147,121</u>	<u>\$ 147,121</u>	<u>\$ 121,912</u>	<u>\$ 25,209</u>

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-OPERATIONAL-11000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Support Services-School Administration</b>				
Personnel Services	\$ 66,395	\$ 66,395	\$ 66,745	\$ (350)
Employee Benefits	32,703	29,367	26,323	3,044
Supplies	300	300	760	(460)
Total Support Services-School Administration	99,398	96,062	93,828	2,234
<b>Central Services</b>				
Personnel Services	26,400	26,400	26,400	0
Employee Benefits	5,769	5,769	5,738	31
Professional & Tech Services	5,470	8,470	8,080	390
Other Purchased Services	1,500	1,500	1,119	381
Supplies	1,000	1,000	1,009	(9)
Total Central Services	40,139	43,139	42,346	793
<b>Operation &amp; Maintenance of Plant</b>				
Personnel Services	56,248	56,248	57,818	(1,570)
Employee Benefits	70,967	70,967	33,204	37,763
Professional & Tech Services	0	0	0	0
Purchased Property Services	128,950	127,950	108,766	19,184
Other Purchased Services	57,185	57,185	55,301	1,884
Supplies	19,900	21,100	24,607	(3,507)
Total Operation & Maintenance of Plant	333,250	333,450	279,696	53,754
<b>Student Transportation</b>				
Other Purchased Services	900	900	517	383
Total Student Transportation	900	900	517	383
<b>Other Services</b>				
Miscellaneous	3,134	3,470	336	3,134
Total Other Services	3,134	3,470	336	3,134
<b>Food Services Operations</b>				
Personnel Services	1,000	1,000	0	1,000
Employee Benefits	222	222	0	222
Total Food Services Operation	0	1,222	0	1,222
Total Expenditures	1,986,609	1,993,510	1,884,783	108,727
Excess (Deficiency) of Revenues Over Expenditures	\$ (84,184)	\$ (82,643)	\$ 37,144	\$ 119,787

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-OPERATIONAL-11000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Other Financing Sources				
Transfers In/(Out)	\$ 0	\$ 0	\$ (10,000)	\$ (10,000)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(10,000)</u>	<u>(10,000)</u>
Net Change in Cash Balance	(84,184)	(82,643)	27,144	109,787
Cash Balance Beginning of Year	<u>85,405</u>	<u>85,405</u>	<u>85,405</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,221</u>	<u>\$ 2,762</u>	<u>\$ 112,549</u>	<u>\$ 109,787</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 27,144	
Net change in Accounts Payables			<u>153</u>	
Net Change in Fund Balance			<u>\$ 27,297</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-TRANSPORTATION-13000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 171,453	\$ 171,453	\$ 167,780	\$ (3,673)
Total Revenues	<u>171,453</u>	<u>171,453</u>	<u>167,780</u>	<u>(3,673)</u>
<b>Expenditures</b>				
<b>Student Transportation</b>				
Personnel Services	32,467	32,467	25,674	6,793
Employee Benefits	7,223	7,223	5,938	1,285
Purchased Property Services	25,218	25,218	17,540	7,678
Other Purchased Services	89,845	95,914	89,495	6,419
Supplies	16,700	13,027	1,499	11,528
Returned to PED	0	0	6,070	(6,070)
Total Student Transportation	<u>171,453</u>	<u>173,849</u>	<u>146,216</u>	<u>27,633</u>
Total Expenditures	<u>171,453</u>	<u>173,849</u>	<u>146,216</u>	<u>27,633</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(2,396)	21,564	23,960
Cash Balance Beginning of Year	<u>12,139</u>	<u>12,139</u>	<u>12,139</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 12,139</u>	<u>\$ 9,743</u>	<u>\$ 33,703</u>	<u>\$ 23,960</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 21,564</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 21,564</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 9,339	\$ 9,339	\$ 9,339	\$ 0
Total Revenues	<u>9,339</u>	<u>9,339</u>	<u>9,339</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	9,844	9,844	6,163	3,681
Total Instruction	<u>9,844</u>	<u>9,844</u>	<u>6,163</u>	<u>3,681</u>
Total Expenditures	<u>9,844</u>	<u>9,844</u>	<u>6,163</u>	<u>3,681</u>
Excess (Deficiency) of Revenues Over Expenditures	(505)	(505)	3,176	3,681
Cash Balance Beginning of Year	<u>1,008</u>	<u>1,008</u>	<u>1,008</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 503</u>	<u>\$ 503</u>	<u>\$ 4,184</u>	<u>\$ 3,681</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>3,176</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u><u>3,176</u></u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TITLE I-24101  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 94,359	\$ 123,477	\$ 62,375	\$ (61,102)
Total Revenues	<u>94,359</u>	<u>123,477</u>	<u>62,375</u>	<u>(61,102)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	30,509	47,474	33,032	14,442
Employee Benefits	6,859	16,183	13,871	2,312
Professional & Tech Services	7,804	7,804	7,669	135
Other Purchased Services	0	0	0	0
Supplies	0	3,824	2,557	1,267
Total Instruction	<u>45,172</u>	<u>75,285</u>	<u>57,129</u>	<u>18,156</u>
<b>Support Services-Instruction</b>				
Personnel Services	23,125	23,125	23,125	0
Employee Benefits	8,371	8,376	7,480	896
Professional & Tech Services	375	375	0	375
Other Purchased Services	0	0	0	0
Support Services-Instruction	<u>31,871</u>	<u>31,876</u>	<u>30,605</u>	<u>1,271</u>
Total Expenditures	<u>77,043</u>	<u>107,161</u>	<u>87,734</u>	<u>19,427</u>
Excess (Deficiency) of Revenues Over Expenditures	17,316	16,316	(25,359)	(41,675)
Cash Balance Beginning of Year	<u>(16,316)</u>	<u>(16,316)</u>	<u>(16,316)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>1,000</u>	\$ <u>0</u>	\$ <u>(41,675)</u>	\$ <u>(41,675)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (25,359)	
Net Change in Due from Grantor			<u>25,359</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Statement of Fiduciary Assets and Liabilities-Agency Funds  
June 30, 2013

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	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 45,124
Total Assets	<u>\$ 45,124</u>
Liabilities	
Deposits Held for Others	\$ 45,124
Total Liabilities	<u>\$ 45,124</u>

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

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Carrizozo Municipal Schools (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 and financial reporting principles. The more significant of the District's accounting policies are described below.

**Financial Reporting Entity**

The District has been in existence since the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education - superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt.

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follows below:

***Governmental Funds***

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets and the servicing of general long-term debt.

General Fund-The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all resources for the acquisition of capital facilities by the District.

Debt Service Fund - The Debt Service Fund is used to account for the resources for, and the payment of, principal, interest and related costs.

***Fiduciary Fund Type***

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

The District reports the following major governmental funds:

**GENERAL FUND (11000)(13000)(14000)**

The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

**SPECIAL REVENUE FUND**

**Title I (24101).** To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the Elementary and Secondary Act of 1965, Chapter I of Title I, as amended, Public Laws 100-297, 20 U.S.C. 2701. The fund was created by the authority of federal grant provisions.

**CAPITAL PROJECTS FUND**

**Senate Bill Nine (31700).** The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

**DEBT SERVICE FUND (41000)**

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values. Expenditures are restricted to debt reduction.

**Measurement Focus and Basis of Accounting**  
***Government-Wide Financial Statements (GWFS)***

The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflow of resources, liabilities and deferred inflow of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflow of resources, liabilities and deferred inflow of resources resulting from nonexchange transactions are recognized in accordance with the requirement of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

#### Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, and including grants for transportation, instructional materials, food service, special revenue funds such as special education as well as others and federal and state programs 3) program specific capital grants and contributions.

### ***Fund Financial Statements (FFS)***

#### Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has been eliminated from the district-wide financial statements.

#### Revenues

Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.

*Entitlement and shared revenues* (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

*Other receipts* become measurable and available when cash is received by the District and are recognized as revenue at that time.

#### Expenditures

*Salaries* are recorded as paid. Salaries for nine-month employees are paid prior to the end of the fiscal year and therefore are not accrued. Salaries for the twelve month employees payroll are accrued.

#### Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Notes to the Financial Statements  
June 30, 2013

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Basis of Budgeting

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the School Budget and Finance Analysis Unit (SBFAU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. 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 SBFAU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBFAU.
7. Legal budget control for expenditures is by function.
8. 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 of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Cash and Cash Equivalents

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.

The District is authorized under the provisions of Chapter 6, Article 10, paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

Investments

All money not immediately necessary for the public uses of the District may be invested in :

- (a) bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or
- (b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.
- (c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Assets and Liabilities and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Notes to the Financial Statements  
June 30, 2013

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Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

If there are any construction projects funded by the NM Public School Facilities Authority they are included in the appropriate capital projects fund and in the capital assets.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3-15 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet.

Short -Term Debt

Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The District does not have any activity in short-term debt.

Long-Term Liabilities

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

Restricted Net Position

For the government-wide statement of net position, net positions are reported as restricted when constraints placed on net positions use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Nonspendable fund balance represents assets that are other than cash such as inventory.

Restricted fund balance indicates that portion of fund equity which has been segregated for specific purposes.

Assigned fund balance classification are intended to be used for specific purposes but do not meet the criteria to be classified as restricted or committed.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Notes to the Financial Statements  
June 30, 2013

Unassigned fund balance indicates that portion of fund equity which is available for budgeting in future periods.

Interfund Transfers

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Deferred Revenue

The District reports deferred revenues on its Statement of Net Position and Fund Balance Sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE B: DEPOSITS AND INVESTMENTS**

The District is required by New Mexico State Statute (Section 6-10-17) to be 50% collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

**Wells Fargo Bank**

<u>Name of Account</u>	Balance Per Bank 6/30/13	Reconciled Balance	<u>Type</u>
Operational	\$ 122,444	\$ 104,697	Non-Interest
Payroll Clearing	94,821	0	Non-Interest
Cafeteria	5,739	332	Non-Interest
Athletic	847	847	Non-Interest
Activity	47,384	45,124	Non-Interest
Building	37,894	37,894	Non-Interest
SB-9	96,711	96,711	Interest
Debt Service	291,421	291,421	Non-Interest
TOTAL Deposited	<u>697,261</u>	<u>\$ 577,026</u>	All accounts are checking accounts.
Less: FDIC Coverage	<u>(250,000)</u>		
Uninsured Amount	447,261		
50% collateral requirement	223,631		
Pledged securities	0		
Over (Under) requirement	<u>\$ (223,631)</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2013 \$223,631 of the District's bank balance of \$697,261 was exposed to custodial credit risk.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Notes to the Financial Statements  
June 30, 2013

**NOTE C: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances is as follows:

Receivable Fund	Payable Funds	
	Title I	Non Major
Operational Fund	\$ <u>41,675</u>	\$ <u>15,843</u>

The above interfund balances resulted from reimbursement grants. The shortfalls were covered by the above funds. All transactions will be repaid within one year.

Following is a schedule of the transfer among funds:

From	To	
Operational-11000	Food Service-21000	\$ <u>10,000</u>

The transfers were to cover shortfalls.

**NOTE D: DUE FROM OTHER GOVERNMENT UNITS**

Amounts due from other agencies and units of government were as follows as of June 30, 2013:

State	\$ 25,251
Federal	<u>51,518</u>
Total	\$ <u>76,769</u>

**NOTE E: CAPITAL ASSETS**

Capital Assets Balances and Activity for the fiscal year is as follows:

	Beginning Balance 6/30/12	Increases	Decreases	Ending Balance 6/30/13
<b>Governmental Activities</b>				
Capital Assets not being depreciated				
Land	\$ 513,093	\$ 0	\$ 0	\$ 513,093
Construction in Progress	0	0	0	0
Total Capital Assets, not Being Depreciated	<u>513,093</u>	<u>0</u>	<u>0</u>	<u>513,093</u>
Other Capital Assets				
Buildings & Improvements	8,127,235	191,202	0	8,318,437
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	1,197,792	0	0	1,197,792
Total Capital Assets, not being depreciated	<u>9,325,027</u>	<u>191,202</u>	<u>0</u>	<u>9,516,229</u>
Total Capital Assets	<u>9,838,120</u>	<u>191,202</u>	<u>0</u>	<u>10,029,322</u>
<b>Less Accumulated Depreciation</b>				
Buildings & Improvement	1,950,944	211,916	0	2,162,860
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	1,117,087	56,605	0	1,173,692
Total Accumulated Depreciation	<u>3,068,031</u>	<u>268,521</u>	<u>0</u>	<u>3,336,552</u>
Capital Assets, net	\$ <u>6,770,089</u>	\$ <u>(77,319)</u>	\$ <u>0</u>	\$ <u>6,692,770</u>

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Notes to the Financial Statements  
June 30, 2013

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 258,353
School Administration	9,548
Food Service	620
Total depreciation expenses	<u>\$ 268,521</u>

**NOTE F: LONG TERM DEBT**

A summary of activity in the Long-Term Debt is as follows:

	Beginning Balance 6/30/12	Additions	Reductions	Ending Balance 6/30/13	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 2,830,000	\$ 0	\$ 210,000	\$ 2,620,000	\$ 230,000
Long-Term Liabilities	<u>\$ 2,830,000</u>	<u>\$ 0</u>	<u>\$ 210,000</u>	<u>\$ 2,620,000</u>	<u>\$ 230,000</u>

Payments on the general obligation bonds are made by the Debt Service Funds.

General Obligation Bonds.

The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

Series	Maturity Year Ending	Original Amount	Interest Rate	Balance
2002	2016	550,000	3.0-5.25%	\$ 300,000
2003	2015	300,000	4.6%-1.33%	120,000
2004	2015	150,000	2.50%	50,000
2008	2021	800,000	2.00%	750,000
2009	2022	515,000	2.27%	450,000
2010	2021	345,000	1.10%	300,000
2010A	2004	420,000	1.08%	420,000
2012	2024	230,000	0.00%	230,000
				<u>\$ 2,620,000</u>

The annual requirements to amortize all of the above bonds including interest is as follows:

	Principal	Interest	Total
2014	\$ 230,000	\$ 56,062	\$ 286,062
2015	250,000	49,046	299,046
2016	255,000	41,318	296,318
2017	235,000	34,888	269,888
2018	250,000	29,688	279,688
2019-2023	1,200,000	57,211	1,257,211
2024	200,000	0	200,000
	<u>\$ 2,620,000</u>	<u>\$ 268,213</u>	<u>\$ 2,888,213</u>

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Notes to the Financial Statements  
June 30, 2013

Reconciliation of Long-Term Debt disclosed in Note F to the Long-Term Debt reported in the Statement of Net Position.

Note F	\$ 2,620,000
Issue Costs	(149,450)
Accumulated Amortization	49,223
Statement of Net Position	<u>\$ 2,519,773</u>
Long-Term Per Government Wide Financial Statements	\$ 2,289,773
Current Portion	230,000
Statement of Net Position	<u>\$ 2,519,773</u>

**NOTE G: COMMITMENTS**

The District has no construction commitments.

**NOTE H: PENSION PLAN**

**Plan Description**

Substantially all of the District's full-time employees participate in a educational 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 some state agency employees) 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](http://www.nmerb.org).

**Funding Policy**

**Member Contributions**

Plan members whose annual salary is \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$20,000 are required to make the following contributions to the Plan: 9.40% of their gross salary in fiscal year 2013; 10.1% of their gross salary in fiscal year 2014; and 10.7% of their gross salary in fiscal year 2015 and thereafter.

**Employer Contributions**

In fiscal year 2013, the District was required to contribute 12.4% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 10.9% of the gross covered salary for employees whose annual salary is more than \$20,000.

In the future, the District will contribute the following percentages of the gross covered salary of employees: 13.15% of gross covered salary in fiscal year 2014; and 13.9% of gross covered salary in fiscal year 2015.

The contribution requirements of plan members and the District are established in 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 ending June 30, 2013, 2012, and 2011, were \$228,153, \$270,759, and \$317,456 respectively, which equal the amount of the required contributions for each fiscal year.

**NOTE I: POST-EMPLOYMENT BENEFITS**

**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 the 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.

**Funding Policy**

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

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

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

The District's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011 were \$33,688, \$36,626, and \$39,096 respectively, which equal the required contributions for each year.

**NOTE J: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS**

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds included on each Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

**NOTE K: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; and injuries to employees; and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

- Workers Compensation
- Property and Automobile Liability and Physical Damage
- Liability and Civil Rights and Personal Injury
- Contract School Bus Coverage; and
- Crime

**NOTE L: SURETY BOND**

The officials and certain employees of the District are covered by a surety bond as required by Section 12-6-7, NMSA, 1978 Compilation.

**NOTE M: JOINT POWERS AGREEMENT**

Carrizozo Municipal Schools entered into a joint powers agreement with the Region 9 Education Cooperative (REC). The purpose of the agreement is to allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the United States Department of Education under the Education of the Handicapped Act, Part B, PL 94142 among others.

There are seven schools that participate in the REC, they are Ruidoso, Capitan, Carrizozo, Cloudcroft, Corona, Hondo and Tularosa. The agreement became effective on July 1, 1995 and is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

The REC is its own fiscal agent and is responsible for its audit. The financial statements are available for inspection at the REC office located at 1400 Sudderth Dr. Ruidoso, New Mexico 88345.

**SUPPLEMENTAL INFORMATION RELATED TO  
MAJOR FUNDS**

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 CAPITAL PROJECT FUND-SENATE BILL NINE-31700  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 88,129	\$ 88,129	\$ 91,769	\$ 3,640
State Grant	0	5,053	0	(5,053)
Miscellaneous	0	0	5	5
Total Revenues	<u>88,129</u>	<u>93,182</u>	<u>91,774</u>	<u>(1,408)</u>
<b>Expenditures</b>				
Support Services-General Administration				
Professional & Tech Services	900	900	917	(17)
Total Support Services-General Administration	<u>900</u>	<u>900</u>	<u>917</u>	<u>(17)</u>
<b>Capital Outlay</b>				
Repairs & Maintenance	105,000	110,053	33,160	76,893
Supplies	8,000	8,000	830	7,170
Land Improvements	10,991	10,991	0	10,991
Fixed Assets	10,000	10,000	0	10,000
Supply Assets	10,000	10,000	0	10,000
Total Capital Outlay	<u>143,991</u>	<u>149,044</u>	<u>33,990</u>	<u>115,054</u>
Total Expenditures	<u>144,891</u>	<u>149,944</u>	<u>34,907</u>	<u>115,037</u>
Excess (Deficiency) of Revenues Over Expenditures	(56,762)	(56,762)	56,867	113,629
Cash Balance Beginning of Year	<u>39,844</u>	<u>39,844</u>	<u>39,844</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (16,918)</u>	<u>\$ (16,918)</u>	<u>\$ 96,711</u>	<u>\$ 113,629</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 56,867	
Net Change in Account Payables			<u>19,251</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 76,118</u>	

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



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**

DEBT SERVICE-41000

Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 270,928	\$ 270,928	\$ 290,050	\$ 19,122
Total Revenues	<u>270,928</u>	<u>270,928</u>	<u>290,050</u>	<u>19,122</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	2,909	2,909	2,900	9
Total Support Services-General Administration	<u>2,909</u>	<u>2,909</u>	<u>2,900</u>	<u>9</u>
Debt Service				
Principal	210,000	210,000	210,000	0
Interest	62,000	62,000	61,534	466
Total Debt Service	<u>272,000</u>	<u>272,000</u>	<u>271,534</u>	<u>466</u>
Total Expenditures	<u>274,909</u>	<u>274,909</u>	<u>274,434</u>	<u>475</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,981)	(3,981)	15,616	19,597
Cash Balance Beginning of Year	<u>275,805</u>	<u>275,805</u>	<u>275,805</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 271,824</u>	<u>\$ 271,824</u>	<u>\$ 291,421</u>	<u>\$ 19,597</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 15,616	
Net Change in Current Principal Due			(20,000)	
Net Change in Current Interest Due			2,413	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1,971)</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO  
NON MAJOR FUNDS**

**NONMAJOR SPECIAL REVENUE FUNDS**

**Food Services (21000).** To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

**Athletics (22000).** To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

**IDEA B Entitlement (24106).** To account 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 the Individuals with Disabilities Education Act, Part B, Sections 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 fund was created by the authority of federal grant provisions.

**IDEA Preschool (24109).** To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, 101-476, and 102-119. The fund was created by the authority of federal grant provisions.

**21st Century (24119).** To provide expanded learning opportunities for participating children in a safe, drug-free and supervised environment. Funding is authorized under Title X, Part I, of the Elementary and Secondary Education Act of 1965.

**IDEA B Risk Pool (24120).** To account 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 the Individuals with Disabilities Education Act, Part B, Sections 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 fund was created by the authority of federal grant provisions.

**Improving Teacher Quality (24154).** To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

**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. The fund was created by the authority of federal grant provisions. (Title XIX Social Security Act).

**Rural Education Achievement Program (REAP) (25233).** To account for funds received from the Technology for Education Grant created by the 1994 State Legislation to establish funding of any costs associated with educational technology. Funding provided by the State of New Mexico. (NMSA 22-15A-1-10).

**Dual Credit Instructional Materials (27103).** To provide financial assistance to purchased instructional materials for the college classes offered to students who are taking them for dual credits. The fund was created by the authority of state grant provisions.

**GO Library Books (27105).** To provide funding for the purchase of library books. The fund was created by the authority of state grant provision.

**2010 GO Student Library (27106).** To provide funding for the purchase of library books. The fund was created by the authority of state grant provisions.

**Formative Assessments-Laws of 2012 (27111).** To account for revenue and expenditures required by PED for student testing. The fund was created by the authority of state grant provisions.

**Breakfast After the Bell (27155).** To account for revenues and expenditures from a state grant provided for breakfast for elementary students. The fund was created by state grant provisions.

**Science Instructional Materials K-12 (27176).** To account for proceeds used to purchase science kits. The fund was created by state grant provisions.

**NONMAJOR CAPITAL PROJECTS FUNDS**

**Bond Building (31100)**

The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	Food Service 21000	Athletics 22000	IDEA B Entitlement 24106
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 332	\$ 847	\$ 0
Receivables			
Due From Grantor	0	0	0
Total Assets	<u>\$ 332</u>	<u>\$ 847</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Restricted for, reported in			
Special Revenue Funds	332	847	0
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>332</u>	<u>847</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 332</u>	<u>\$ 847</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	IDEA Preschool 24109	21st Century 24119	IDEA B Risk Pool 24120
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	0	0	4,509
<b>Total Assets</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,509</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	4,509
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>4,509</u>
Fund Balance			
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	0
<b>Total Fund Balance</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,509</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	Improving Teacher Quality 24154	Medicaid 25153	REAP 25233
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 11,779	\$ 0
Receivables			
Due From Grantor	5,334	0	0
<b>Total Assets</b>	<b>\$ 5,334</b>	<b>\$ 11,779</b>	<b>\$ 0</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	5,334	0	0
<b>Total Liabilities</b>	<b>5,334</b>	<b>0</b>	<b>0</b>
Fund Balance			
Restricted for, reported in			
Special Revenue Funds	0	11,779	0
Assigned-Capital Projects	0	0	0
<b>Total Fund Balance</b>	<b>0</b>	<b>11,779</b>	<b>0</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 5,334</b>	<b>\$ 11,779</b>	<b>\$ 0</b>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	Dual Credit Instructional Materials 27103	GO Library Books 27105	2010 GO Student Library 27106
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	0	0	4,790
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,790</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	4,790
Total Liabilities	<u>0</u>	<u>0</u>	<u>4,790</u>
Fund Balance			
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,790</u>

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



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	Formative Assessments 27111	Breakfast after the Bell 27155	Science Materials 27176
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	0	1,210	0
<b>Total Assets</b>	<u>\$ 0</u>	<u>\$ 1,210</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	0	1,210	0
<b>Total Liabilities</b>	<u>0</u>	<u>1,210</u>	<u>0</u>
Fund Balance			
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	0
<b>Total Fund Balance</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 0</u>	<u>\$ 1,210</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	<u>Capital Projects</u>	
	<u>Bond Building 31100</u>	<u>Total</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 37,894	\$ 50,852
Receivables		
Due From Grantor	0	15,843
Total Assets	<u>\$ 37,894</u>	<u>\$ 66,695</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts Payables	\$ 0	\$ 0
Interfund Balance	0	15,843
Total Liabilities	<u>0</u>	<u>15,843</u>
Fund Balance		
Restricted for, reported in		
Special Revenue Funds	0	12,958
Assigned-Capital Projects	37,894	37,894
Total Fund Balance	<u>37,894</u>	<u>50,852</u>
Total Liabilities and Fund Balance	<u>\$ 37,894</u>	<u>\$ 66,695</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2013

	Special Revenue Funds		
	Food Service 21000	Athletics 22000	IDEA B Entitlement 24106
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	1,309	6,664	0
State & Local Grants	0	0	0
Federal Grants	70,736	0	36,271
Miscellaneous	0	0	0
Total Revenues	<u>72,045</u>	<u>6,664</u>	<u>36,271</u>
<b>Expenditures</b>			
Current			
Instruction	0	8,518	27,803
Support Services			
Student	0	0	8,468
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	93,146	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>93,146</u>	<u>8,518</u>	<u>36,271</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(21,101)</u>	<u>(1,854)</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In/(Out)	10,000	0	0
Total Other Sources (Uses)	<u>10,000</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	(11,101)	(1,854)	0
Fund Balances at Beginning of Year	<u>11,433</u>	<u>2,701</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 332</u>	<u>\$ 847</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2013

	Special Revenue Funds		
	IDEA Preschool 24109	21st Century 24119	IDEA B Risk Pool 24120
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	1,514	0	4,509
Miscellaneous	0	0	0
Total Revenues	<u>1,514</u>	<u>0</u>	<u>4,509</u>
<b>Expenditures</b>			
Current			
Instruction	0	0	0
Support Services			
Student	1,514	0	4,509
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>1,514</u>	<u>0</u>	<u>4,509</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2013

	Special Revenue Funds		
	Improving Teacher Quality 24154	Medicaid 25153	REAP 25233
	<u>24154</u>	<u>25153</u>	<u>25233</u>
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	18,300	0
State & Local Grants	0	0	0
Federal Grants	11,577	0	14,529
Miscellaneous	0	0	0
Total Revenues	<u>11,577</u>	<u>18,300</u>	<u>14,529</u>
<b>Expenditures</b>			
Current			
Instruction	6,022	0	14,529
Support Services			
Student	4,847	13,521	0
Instruction	0	0	0
General Administration	0	0	0
School Administration	708	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>11,577</u>	<u>13,521</u>	<u>14,529</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>4,779</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	4,779	0
Fund Balances at Beginning of Year	<u>0</u>	<u>7,000</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 11,779</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2013

	Special Revenue Funds		
	Dual Credit Instructional Materials 27103	GO Library Books 27105	2010 GO Student Library 27106
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	4,790
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>4,790</u>
<b>Expenditures</b>			
Current			
Instruction	0	0	0
Support Services			
Student	0	0	4,790
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>4,790</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2013

	Special Revenue Funds		
	Formative Assessments 27111	Breakfast after the Bell 27155	Science Materials 27176
	<u>27111</u>	<u>27155</u>	<u>27176</u>
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	1,040	1,210	2,343
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>1,040</u>	<u>1,210</u>	<u>2,343</u>
<b>Expenditures</b>			
Current			
Instruction	0	0	0
Support Services			
Student	0	0	0
Instruction	1,040	0	2,343
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	1,210	0
Capital Outlay	0	0	0
Total Expenditures	<u>1,040</u>	<u>1,210</u>	<u>2,343</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2013

	Capital Projects	
	Bond Building 31100	Total
Revenues		
Property Taxes	\$ 0	\$ 0
Fees	0	26,273
State & Local Grants	0	9,383
Federal Grants	0	139,136
Miscellaneous	0	0
Total Revenues	<u>0</u>	<u>174,792</u>
Expenditures		
Current		
Instruction	17,150	74,022
Support Services		
Student	0	37,649
Instruction	0	3,383
General Administration	0	0
School Administration	0	708
Operation & Maintenance of Plant	0	0
Food Services Operation	0	94,356
Capital Outlay	191,202	191,202
Total Expenditures	<u>208,352</u>	<u>401,320</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(208,352)</u>	<u>(226,528)</u>
Other Financing Sources (Uses)		
Transfer In/(Out)	0	10,000
Total Other Sources (Uses)	<u>0</u>	<u>10,000</u>
Net change in Fund Balance	(208,352)	(216,528)
Fund Balances at Beginning of Year	<u>246,246</u>	<u>267,380</u>
Fund Balance End of Year	<u>\$ 37,894</u>	<u>\$ 50,852</u>

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



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-FOOD SERVICE-21000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Fees	\$ 6,155	\$ 6,155	\$ 1,309	\$ (4,846)
Federal Grants	93,170	93,170	67,461	(25,709)
Total Revenues	<u>99,325</u>	<u>99,325</u>	<u>68,770</u>	<u>(30,555)</u>
<b>Expenditures</b>				
<b>Food Services Operations</b>				
Professional & Tech Services	95,328	102,720	88,603	14,117
Other Purchased Services	600	600	0	600
Supplies	6,170	6,170	0	6,170
Total Food Services Operation	<u>102,098</u>	<u>109,490</u>	<u>88,603</u>	<u>20,887</u>
Total Expenditures	<u>102,098</u>	<u>109,490</u>	<u>88,603</u>	<u>20,887</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,773)</u>	<u>(10,165)</u>	<u>(19,833)</u>	<u>(9,668)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer In/(Out)	0	0	10,000	10,000
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>10,000</u>
Net Change in Cash Balance	(2,773)	(10,165)	(9,833)	332
Cash Balance Beginning of Year	<u>10,165</u>	<u>10,165</u>	<u>10,165</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 7,392</u>	<u>\$ 0</u>	<u>\$ 332</u>	<u>\$ 332</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Net Change in Cash Balance			\$ (9,833)	
Net Change in Inventory			(1,268)	
Net Change in Fund Balance			<u>\$ (11,101)</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-ATHLETICS-22000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 6,680	\$ 6,680	\$ 6,664	\$ (16)
Total Revenues	<u>6,680</u>	<u>6,680</u>	<u>6,664</u>	<u>(16)</u>
Expenditures				
Instruction				
Professional & Tech Services	250	250	550	(300)
Other Purchased Services	9,131	9,131	6,779	2,352
Supplies	<u>0</u>	<u>0</u>	<u>1,189</u>	<u>(1,189)</u>
Total Instruction	<u>9,381</u>	<u>9,381</u>	<u>8,518</u>	<u>863</u>
Total Expenditures	<u>9,381</u>	<u>9,381</u>	<u>8,518</u>	<u>863</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,701)	(2,701)	(1,854)	847
Cash Balance Beginning of Year	<u>2,701</u>	<u>2,701</u>	<u>2,701</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 847</u>	<u>\$ 847</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (1,854)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1,854)</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA B ENTITLEMENT-24106  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 46,855	\$ 57,972	\$ 42,544	\$ (15,428)
Total Revenues	<u>46,855</u>	<u>57,972</u>	<u>42,544</u>	<u>(15,428)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	27,597	34,374	20,910	13,464
Employee Benefits	3,916	6,634	6,019	615
Professional & Tech Services	0	500	175	325
Other Purchased Services	0	1,000	638	362
Supplies	0	0	0	0
Supply Assets	0	60	60	0
Total Instruction	<u>31,513</u>	<u>42,568</u>	<u>27,802</u>	<u>14,766</u>
<b>Support Services-Students</b>				
Personnel Services	5,000	5,000	5,000	0
Employee Benefits	1,028	1,090	428	662
Professional & Tech Services	0	0	0	0
Other Purchased Services	3,040	3,040	3,040	0
Supplies	0	0	0	0
Total Support Services-Students	<u>9,068</u>	<u>9,130</u>	<u>8,468</u>	<u>662</u>
Total Expenditures	<u>40,581</u>	<u>51,698</u>	<u>36,270</u>	<u>15,428</u>
Excess (Deficiency) of Revenues Over Expenditures	6,274	6,274	6,274	0
Cash Balance Beginning of Year	<u>(6,274)</u>	<u>(6,274)</u>	<u>(6,274)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,274	
Net Change in Due from Grantor			<u>(6,274)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA PRESCHOOL-24109  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 1,785	\$ 3,964	\$ 1,514	\$ (2,450)
Total Revenues	<u>1,785</u>	<u>3,964</u>	<u>1,514</u>	<u>(2,450)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Other Purchased Services	<u>1,785</u>	<u>2,450</u>	<u>0</u>	<u>2,450</u>
Total Instruction	<u>1,785</u>	<u>2,450</u>	<u>0</u>	<u>2,450</u>
<b>Support Services-Students</b>				
Professional & Tech Services	<u>0</u>	<u>1,514</u>	<u>1,514</u>	<u>0</u>
Total Support Services-Students	<u>0</u>	<u>1,514</u>	<u>1,514</u>	<u>0</u>
Total Expenditures	<u>1,785</u>	<u>3,964</u>	<u>1,514</u>	<u>2,450</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-21st CENTURY-24119  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 13,439	\$ 13,439	\$ 13,439	\$ 0
Total Revenues	<u>13,439</u>	<u>13,439</u>	<u>13,439</u>	<u>0</u>
Expenditures				
Instruction				
Other Purchased Services	0	0	0	0
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	13,439	13,439	13,439	0
Cash Balance Beginning of Year	<u>(13,439)</u>	<u>(13,439)</u>	<u>(13,439)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 13,439	
Net Change in Due from Grantor			<u>(13,439)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA B RISK POOL-24120  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 11,425	\$ 15,703	\$ 11,194	\$ (4,509)
Total Revenues	<u>11,425</u>	<u>15,703</u>	<u>11,194</u>	<u>(4,509)</u>
<b>Expenditures</b>				
<b>Support Services-Students</b>				
Professional & Tech Services	231	4,509	4,509	0
Total Support Services-Students	<u>231</u>	<u>4,509</u>	<u>4,509</u>	<u>0</u>
Total Expenditures	<u>231</u>	<u>4,509</u>	<u>4,509</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	11,194	11,194	6,685	(4,509)
Cash Balance Beginning of Year	<u>(11,194)</u>	<u>(11,194)</u>	<u>(11,194)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (4,509)</u>	<u>\$ (4,509)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,685	
Net Change in Due From Grantor			<u>(6,685)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IMPROVING TEACHER QUALITY-24154  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 21,537	\$ 38,827	\$ 17,626	\$ (21,201)
<b>Total Revenues</b>	<u>21,537</u>	<u>38,827</u>	<u>17,626</u>	<u>(21,201)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	1,500	13,490	3,660	9,830
Employee Benefits	155	1,455	269	1,186
Professional & Tech Services	3,400	3,400	1,079	2,321
Other Purchased Services	2,099	2,099	1,014	1,085
<b>Total Instruction</b>	<u>7,154</u>	<u>20,444</u>	<u>6,022</u>	<u>14,422</u>
<b>Support Services-Students</b>				
Professional & Tech Services	2,000	3,000	2,474	526
Other Purchased Services	500	3,200	2,373	827
<b>Total Support Services-Students</b>	<u>500</u>	<u>6,200</u>	<u>4,847</u>	<u>1,353</u>
<b>Support Services-School Administration</b>				
Professional & Tech Services	2,000	300	0	300
Other Purchased Services	500	500	708	(208)
<b>Total Support Services-School Administration</b>	<u>2,500</u>	<u>800</u>	<u>708</u>	<u>92</u>
<b>Total Expenditures</b>	<u>10,154</u>	<u>27,444</u>	<u>11,577</u>	<u>15,867</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	11,383	11,383	6,049	(5,334)
<b>Cash Balance Beginning of Year</b>	<u>(11,383)</u>	<u>(11,383)</u>	<u>(11,383)</u>	<u>0</u>
<b>Cash Balance End of Year</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (5,334)</u>	<u>\$ (5,334)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,049	
Net Change in Due From Grantor			(6,049)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-MEDICAID-25153  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Fees	\$ 8,000	\$ 8,000	\$ 18,300	\$ 10,300
Total Revenues	<u>8,000</u>	<u>8,000</u>	<u>18,300</u>	<u>10,300</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Professional & Tech Services	<u>7,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>7,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Support Services-Students</b>				
Other Purchased Services	<u>0</u>	<u>14,000</u>	<u>13,521</u>	<u>479</u>
Total Support Services-Students	<u>0</u>	<u>14,000</u>	<u>13,521</u>	<u>479</u>
Total Expenditures	<u>7,000</u>	<u>14,000</u>	<u>13,521</u>	<u>479</u>
Excess (Deficiency) of Revenues Over Expenditures	1,000	(6,000)	4,779	10,779
Cash Balance Beginning of Year	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 8,000</u>	<u>\$ 1,000</u>	<u>\$ 11,779</u>	<u>\$ 10,779</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>4,779</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>4,779</u>	

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



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-RURAL EDUCATION ACHIEVEMENT PROGRAM-25233  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 20,626	\$ 20,626	\$ 17,301	\$ (3,325)
Total Revenues	<u>20,626</u>	<u>20,626</u>	<u>17,301</u>	<u>(3,325)</u>
Expenditures				
Instruction				
Supply Assets	17,854	17,854	14,529	3,325
Total Instruction	<u>17,854</u>	<u>17,854</u>	<u>14,529</u>	<u>3,325</u>
Total Expenditures	<u>17,854</u>	<u>17,854</u>	<u>14,529</u>	<u>3,325</u>
Excess (Deficiency) of Revenues Over Expenditures	2,772	2,772	2,772	0
Cash Balance Beginning of Year	<u>(2,772)</u>	<u>(2,772)</u>	<u>(2,772)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,772	
Net Change in Deferred Revenue			<u>(2,772)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-DUAL CREDIT INSTRUCTIONAL MATERIALS-27103  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 688	\$ 318	\$ 318	\$ 0
Total Revenues	<u>688</u>	<u>318</u>	<u>318</u>	<u>0</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	370	0	0	0
Total Instruction	<u>370</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>370</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	318	318	318	0
Cash Balance Beginning of Year	<u>(318)</u>	<u>(318)</u>	<u>(318)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 318	
Net Change in Due from Grantor			<u>(318)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-GO LIBRARY BOOKS-27105  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 3,817	\$ 3,817	\$ 3,817	\$ 0
Total Revenues	<u>3,817</u>	<u>3,817</u>	<u>3,817</u>	<u>0</u>
<b>Expenditures</b>				
<b>Support Services-Instruction</b>				
Supplies	0	0	0	0
Total Support Services- Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	3,817	3,817	3,817	0
Cash Balance Beginning of Year	<u>(3,817)</u>	<u>(3,817)</u>	<u>(3,817)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,817	
Net Change in Due from Grantor			<u>(3,817)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-2010 GO STUDENT LIBRARY-27106  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 6,099	\$ 3,099	\$ 457	\$ (2,642)
Total Revenues	<u>6,099</u>	<u>3,099</u>	<u>457</u>	<u>(2,642)</u>
<b>Expenditures</b>				
Support Services-Instruction				
Supplies	5,642	5,642	4,790	852
Total Support Services- Instruction	<u>5,642</u>	<u>5,642</u>	<u>4,790</u>	<u>852</u>
Total Expenditures	<u>5,642</u>	<u>5,642</u>	<u>4,790</u>	<u>852</u>
Excess (Deficiency) of Revenues Over Expenditures	457	(2,543)	(4,333)	(1,790)
Cash Balance Beginning of Year	<u>(457)</u>	<u>(457)</u>	<u>(457)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ (3,000)</u>	<u>\$ (4,790)</u>	<u>\$ (1,790)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,333)	
Net Change in Due from Grantor			<u>4,333</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-FORMATIVE ASSESSMENTS-LAWS OF 2012-27111  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 15,000	\$ 15,000	\$ 1,040	\$ (13,960)
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>1,040</u>	<u>(13,960)</u>
<b>Expenditures</b>				
<b>Support Services-Instruction</b>				
Professional & Tech Services	1,105	1,105	1,040	65
Total Support Services-Instruction	<u>1,105</u>	<u>1,105</u>	<u>1,040</u>	<u>65</u>
Total Expenditures	<u>1,105</u>	<u>1,105</u>	<u>1,040</u>	<u>65</u>
Excess (Deficiency) of Revenues Over Expenditures	13,895	13,895	0	(13,895)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 13,895</u>	<u>\$ 13,895</u>	<u>\$ 0</u>	<u>\$ (13,895)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Net Change in Due from Grantor			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-BREAKFAST AFTER THE BELL-27155  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 2,321	\$ 2,430	\$ 997	\$ (1,433)
Total Revenues	<u>2,321</u>	<u>2,430</u>	<u>997</u>	<u>(1,433)</u>
Expenditures				
Food Services Operations				
Supplies	1,324	1,433	1,210	223
Total Food Services Operation	<u>1,324</u>	<u>1,433</u>	<u>1,210</u>	<u>223</u>
Total Expenditures	<u>1,324</u>	<u>1,433</u>	<u>1,210</u>	<u>223</u>
Excess (Deficiency) of Revenues Over Expenditures	997	997	(213)	(1,210)
Cash Balance Beginning of Year	<u>(997)</u>	<u>(997)</u>	<u>(997)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,210)</u>	<u>\$ (1,210)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (213)	
Net Change in Due from Grantor			<u>213</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-SCIENCE INSTRUCTIONAL MATERIALS K-12-27176  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 2,508	\$ 2,508	\$ 2,343	\$ (165)
Total Revenues	<u>2,508</u>	<u>2,508</u>	<u>2,343</u>	<u>(165)</u>
Expenditures				
Support Services-Instruction				
Supplies	2,508	2,508	2,343	165
Total Support Services-Instruction	<u>2,508</u>	<u>2,508</u>	<u>2,343</u>	<u>165</u>
Total Expenditures	<u>2,508</u>	<u>2,508</u>	<u>2,343</u>	<u>165</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 CAPITAL PROJECTS FUND-BOND BUILDING-31100  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Professional & Tech Services	19,989	19,989	18,198	1,791
Building Improvement	107,457	100,000	173,004	(73,004)
Land Improvements	60,000	60,000	0	60,000
Fixed Assets	28,800	28,800	0	28,800
Supply Assets	30,000	30,000	17,150	12,850
Total Capital Outlay	<u>246,246</u>	<u>238,789</u>	<u>208,352</u>	<u>30,437</u>
Total Expenditures	<u>246,246</u>	<u>238,789</u>	<u>208,352</u>	<u>30,437</u>
Excess (Deficiency) of Revenues Over Expenditures	(246,246)	(238,789)	(208,352)	30,437
Cash Balance Beginning of Year	<u>246,246</u>	<u>246,246</u>	<u>246,246</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 7,457</u>	<u>\$ 37,894</u>	<u>\$ 30,437</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (208,352)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (208,352)</u>	

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



**OTHER SUPPLEMENTAL INFORMATION**

**FIDUCIARY FUND**

**Activity Trust Fund**

To account for funds of various student groups that are custodial in nature.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 AGENCY FUNDS  
 Statement of Fiduciary Net Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2013

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	Beginning Balance <u>6/30/12</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>6/30/13</u>
<b>ASSETS</b>				
Cash in Bank	\$ 56,796	\$ 87,128	\$ 98,800	\$ 45,124
Total Assets	<u>\$ 56,796</u>	<u>\$ 87,128</u>	<u>\$ 98,800</u>	<u>\$ 45,124</u>
<b>LIABILITIES</b>				
Deposits Held for Others	\$ 56,796	\$ 87,128	\$ 98,800	\$ 45,124
Total Liabilities	<u>\$ 56,796</u>	<u>\$ 87,128</u>	<u>\$ 98,800</u>	<u>\$ 45,124</u>

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 AGENCY FUNDS - ACTIVITY  
 Schedule of Fiduciary Net Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2013

	Beginning Balance 6/30/12	Additions	Deletions	Ending Balance 6/30/13
<b>ASSETS</b>				
23100 Administration General	\$ 8,547	\$ 641	\$ 7,012	\$ 2,176
23500 Daniel G Santiago Endowment	3,211	0	3,171	40
23501 Grizzly Club	1,645	525	1,969	201
23502 Cafeteria Activity	593	0	0	593
23503 PFK	3,623	12,261	9,516	6,368
23504 6th Grade	31	0	31	(0)
23505 "C" Club	2,598	6,967	8,261	1,304
23506 Carrizozo Opportunity	209	1,464	1,445	228
23507 Class of 2014	1,547	2,228	3,117	658
23508 FFA	9,688	27,766	21,445	16,009
23509 FFA Alumni	1,990	0	1,990	0
23511 Music/Drama	244	0	85	159
23512 Library Activity	1,458	985	988	1,455
23513 Student Council	1,785	1,493	3,072	206
23514 National Honor Society	91	287	246	132
23517 FFA SAE	1,747	0	1,747	0
23518 Home Economic	440	3,339	1,479	2,300
23519 Athletic Playoffs	2,958	54	2,776	236
23520 Girls Volleyball	563	4,274	4,474	363
23521 Yearbook Activity	1,633	2,727	2,080	2,280
23522 Class of 2010	100	0	100	0
23523 Sunshine Account	586	0	0	586
23524 Athletic Concession	386	13,497	12,918	965
23525 Elementary Activity	1,359	516	973	902
23526 Knowledge Bowl	975	0	0	975
23527 Cross Country	15	0	15	(0)
23528 Online Learning	247	0	105	142
23536 Student Activity	734	1,416	1,609	541
23543 Mid School Activity	1,362	0	1,362	(0)
23545 Class of 2013	213	0	163	50
23546 Class of 2015	809	189	720	278
23547 Class of 2012	83	576	0	659
23548 Grizzlies Garden	1,551	3,452	2,459	2,544
23549 Crime Stoppers	690	200	146	744
23550 NM Mesa	739	223	962	(0)
23551 Miscellaneous	53	0	53	(0)
23552 The Garden	1,136	0	162	974
23553 NMABA	723	1,048	1,000	771
23555 District 7A-Track	434	1,000	1,146	288
Total Assets	\$ 56,796	\$ 87,128	\$ 98,800	\$ 45,124
<b>LIABILITIES</b>				
Deposits Held for Others	\$ 56,796	\$ 87,128	\$ 98,800	\$ 45,124
Total Liabilities	\$ 56,796	\$ 87,128	\$ 98,800	\$ 45,124

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

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Cash Reconciliations - All Funds  
For the Year Ended June 30, 2013

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		Beginning Cash Balance 6/30/12	Revenue	Expenditures	Ending Cash Balance 6/30/13
Operational	11000	\$ 85,405	\$ 1,921,927	\$ 1,894,783	\$ 112,549
Transportation	13000	12,139	167,780	146,216	33,703
Instructional Materials	14000	1,008	9,339	6,163	4,184
Food Service	21000	10,165	78,770	88,603	332
Athletics	22000	2,701	6,664	8,518	847
Activities	23000	56,796	87,128	98,800	45,124
Federal Flowthrough	24000	(58,607)	148,692	141,603	(51,518)
Federal Direct	25000	4,228	35,601	28,050	11,779
State Grants	27000	(5,590)	8,972	9,383	(6,001)
Bond Building	31100	246,247	0	208,351	37,896
Senate Bill Nine	31700	39,845	91,774	34,908	96,711
Debt Service	41000	275,805	290,050	274,435	291,420
Totals		\$ <u>670,142</u>	\$ <u>2,846,697</u>	\$ <u>2,939,813</u>	\$ <u>577,026</u>

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

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101

(855) 253-4313

Report on Internal Control Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed  
In Accordance with *Government Auditing Standards*

Independent Auditor's Report

Mr. Hector Balderas  
State Auditor of the State of New Mexico  
Board Members of the Carrizozo Municipal Schools

Mr. Balderas and Members of the Board

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, of Carrizozo Municipal Schools (District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplemental information, and have issued our report thereon dated October 21, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit, of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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 District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that are less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control described in the accompanying Schedule of Findings and Responses, that we consider to be significant deficiencies. 12-1, 13-2, 13-4


#### 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 disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses; 11-2, 12-1, 13-1, 13-2, 13-3, 13-4

#### The District's Responses to Findings

The District's responses to the findings identified in our audit as described in the accompanying Schedule of Findings and Responses. We did not audit the District's responses and, accordingly, we express no opinion on them.

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

 De'Ann Willoughby CPA PC

Clovis, New Mexico

October 21, 2013

<b>Prior Year Audit Findings</b>	<u><b>Status</b></u>
10-3 PED Cash Report	Resolved
10-5 Payroll Clearing Account	Resolved
11-2 Personnel Files	Repeated & Modified
11-3 Transfers to Grants to Cover Uncollectible Reimbursements	Resolved
12-1 Expenditure Issues	Repeated & Modified

**Current Year Audit Findings**

**11-2 Payroll-Compliance-Other Matter  
 Condition**

During our test of 12 personnel file, we noted the following:

- one I-9 incomplete
- two instances of no licensures in personal file

**Criteria**

NMAC 6.20.2.18 states the local board shall establish written policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School district shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, direct deposit authorizations, pay or position change notices and ERA plan application.

**Cause**

The incomplete I-9 and missing licensures were an oversight.

**Effect**

Missing payroll documentation could result in penalties and possibly paying an employee the incorrect amount.

**Recommendation**

We recommend all personnel files be reviewed for complete I-9s and licenses.

**Response**

We will review all I-9s and will include the licensure in each personnel file.

**12-1 Expenditure Issues - Compliance and Internal Control-Significant Deficiency  
 Condition**

Of a sample size of 168 revealed the following:

- One bill package was for a credit card to home depot that had a \$20.00 late fee.
- Two were not paid timely totaling \$2,770.76.
- One activity check was mailed to a vendor with an incomplete mailing address, twice.

**Criteria**

In accordance with 6.20.2.17 Purchasing each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq, NMSA 1978.

**Cause**

The late paid invoices were caused by a lack of due diligence by the employee responsible for paying the bills. The incorrect address was also the results of poor work performance.



**Effect**

Without proper documentation and following the procurement act, there are not adequate controls over expenditures. Results could be over spending, late fees, difficulty with vendors because of slow pay.

**Recommendation**

The bill paying clerk needs additional training and supervision.

**Response**

The employee has been put on a growth plan.

**13-1 Expenditures Over Budget-Compliance and Internal Control-Other Matter**

**Condition**

The District has maintained expenditures at the function level in which actual expenditures exceeded budgetary authority in the following fund:

MAJOR FUND

Capital Improvements SB-9-31700

Support Services-General Administration (\$18)

**Criteria**

Sound financial management and state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978, require that budgets not be exceeded at the legal level of control. For School District's, the expenditure function is the legal level of control.

**Cause**

The District did not make the appropriate budgetary adjustments requests and transfers to the funds mentioned in the condition, which would alleviate over-expenditure within the functions prior to the year end.

**Effect**

As a result, the district is in non compliance with New Mexico law, and the control established by the use of budgets has been compromised. Continued over-expenditure of budgeted balances may result in unnecessary usage of operating funds to absorb over-expenditure of budgeted balances may result in unnecessary usage of operating funds to absorb over-expenditures.

**Recommendation**

The District must establish a policy of budgetary review at year-end, and make the necessary budget adjustments.

**Response**

We will be more diligent to amend our budget to avoid a budget violation.

**13-2 Comp Time Offered Instead of Paying Overtime-Compliance-Significant Deficiency**

**Condition**

Employees who worked more than 40 hours in a week were given comp time instead of paying overtime as required.

**Criteria**

An employer must pay each employee overtime in the amount of 1 1/2 times the employee's regular pay rate for hours worked in excess of 40 per workweek. Fair Labor Standards Act 207 (o)(2).

**Cause**

The District's management was not aware overtime must be paid rather than allow comp time.

**Effect**

The District is not in compliance with New Mexico state law. Employees are not paid the amount owed to them.

**Recommendation**

The District should pay the employees for the overtime. The amount paid to employees when they were not at work should be deducted for the amount owed to them.

**Response**

We will discontinue offering comp time and pay any amount due the employees.

**13-3 Late Audit Contract-Other Matter**

**Condition**

The audit contract was not received by the Office of the State Auditor by the required due date of April 15, 2013.

**Criteria**

Paragraph (6) or Subsection G of 2.2.2.8 NMAC requires the contract be received by the Office of the State Auditor by April 15, 2013.

**Cause**

The auditor was not on the approved audit list until after that date.

**Effect**

Paragraph (6) or Subsection G of 2.2.2.8 NMAC was violated.

**Recommendation**

The auditors will make every effort to be on the approved auditors' list timely in the future.

**Agency Response**

We will contract with an approved auditor timely.

**13-4 Pledged Securities-Compliance and Internal Control-Significant Deficiency**

**Condition**

The audit revealed that the District was under pledged with the public monies deposited at Wells Fargo. The bank did not secure the deposit by pledging the required amount by law, putting the District at a risk for loss if the bank becomes insolvent.

**Criteria**

6-10-17 NMSA 1978, requires banks and savings and loan associations to pledge collateral for deposits in an aggregate amount equal to no less than one half of the amount of public money in each account. If a bank or saving and loans association does not maintain qualifying securities as collateral for deposits of public money under the control of the Board of Education as required by law, the Board shall request the depository to substitute or provide additional qualifying securities to meet requirement within ten calendar days. If the depository does not comply with the request the Board shall withdraw from the depository within the next ten calendar days all deposits of public money without penalty to the depositor.

**Cause**

The District requested pledge securities and did not receive them. As required, the District changed banks.

**Effect**

The law has been violated and the District's public funds are at risk.

**Recommendation**

Additional securities should be pledged or the public funds removed from the bank.

**Response**

We moved the money to another bank willing to secure our public funds.

**Financial Statement Preparation**

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

**Exit Conference**

An exit conference was held on October 21, 2013. Those present were Antoinette Rossi-Board President, Steve Harkey-Board Member, Rick Lindblad-Superintendent, Elizabeth Montoya -Business Manager, and De'Aun Willoughby-CPA.