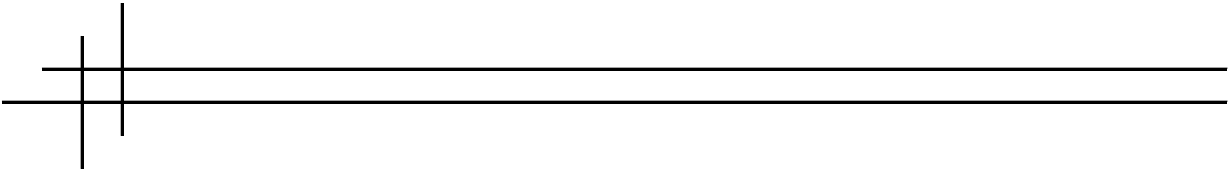


STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**

**ANNUAL FINANCIAL REPORT**  
June 30, 2013

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



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**ELIDA MUNICIPAL SCHOOL**  
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**ELIDA MUNICIPAL SCHOOL**  
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STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
Official Roster  
June 30, 2013

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**BOARD OF EDUCATION**

Emiliano Jasso Jr.	President
Scott Burton	Vice-President
Garland Creighton	Secretary
Jenny Clemmons	Member
Montie Nickels	Member

**SCHOOL OFFICIALS**

Jim Daugherty	Superintendent
Susan Lambirth	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 Elida Municipal School

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 Elida Municipal School (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 projects and debt service funds and all nonmajor funds 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 the major capital projects and debt service funds and 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 15, 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 15, 2013

## **FINANCIAL SECTION**



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

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Cash Equivalents	\$ 441,961
Investments	300
Receivables	
Property Taxes	1,928
Due From Grantor	17,996
Inventory	6,921
Total Current Assets	<u>469,106</u>
Noncurrent Assets	
Capital Assets	5,895,400
Less: Accumulated Depreciation	<u>(3,795,815)</u>
Total Noncurrent Assets	<u>2,099,585</u>
Total Assets	<u>2,568,691</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	15,574
Accrued Interest	2,100
Current Portion of Long-Term Debt	<u>77,054</u>
Total Current Liabilities	<u>94,728</u>
Total Liabilities	<u>94,728</u>
<b>NET POSITION</b>	
Invested in Net Capital Assets	2,022,531
Restricted for:	
Capital Projects	32,131
Debt Service	82,577
Unrestricted	336,724
Total Net Position	<u>\$ 2,473,963</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>					
Instruction	\$ 1,265,419	\$ 17,110	\$ 177,255	\$ 0	\$ (1,071,054)
Support Services-Students	50,807	0	233	0	(50,574)
General Administration	134,040	0	178	0	(133,862)
School Administration	88,874	0	4,346	0	(84,528)
Central Services	70,714	0	2,858	0	(67,856)
Operation of Plant	266,063	10,850	2,028	230,529	(22,656)
Transportation	218,297	0	219,698	0	1,401
Food Services	126,526	14,508	49,846	0	(62,172)
Interest on Long-Term Obligations	7,330	0	0	0	(7,330)
Total Governmental Activities	<u>\$ 2,228,070</u>	<u>\$ 42,468</u>	<u>\$ 456,442</u>	<u>\$ 230,529</u>	<u>(1,498,631)</u>
<b>General Revenues</b>					
Taxes					
Property Taxes, Levied for General Purposes					
Property Taxes, Levied for Capital Projects					
Property Taxes, Levied for Debt Service					
Federal and State aid not restricted to specific purpose					
General					
Capital					
Miscellaneous					
Subtotal, General Revenues					
Change in Net Position					
Net Position - beginning					
Net Position - ending					

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2013

	General Fund		
	Operational 11000	Teacherage 12000	Transportation 13000
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 52,546	\$ 31,058	\$ 10,235
Investments	300	0	0
Receivables			
Property Taxes	138	0	0
Due From Grantor	0	0	0
Interfund Balances	17,996	0	0
Inventory	0	0	0
Total Assets	<u>\$ 70,980</u>	<u>\$ 31,058</u>	<u>\$ 10,235</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 10,276	\$ 791	\$ 0
Interfund Balances	0	0	0
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Total Liabilities	<u>10,276</u>	<u>791</u>	<u>0</u>
<b>Fund Balances</b>			
Nonspendable-Inventory	0	0	0
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	60,704	30,267	10,235
Total Fund Balances	<u>60,704</u>	<u>30,267</u>	<u>10,235</u>
Total Liabilities and Fund Balances	<u>\$ 70,980</u>	<u>\$ 31,058</u>	<u>\$ 10,235</u>

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
 GOVERNMENTAL FUNDS  
 Balance Sheet  
 June 30, 2013

	<u>General Fund</u>			<u>Special Revenue Funds</u>		
	<u>Instructional</u>			<u>IDEA B</u>		
	<u>Materials</u>	<u>Title I</u>	<u>Entitlement</u>			
	<u>14000</u>	<u>24101</u>	<u>24106</u>			
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 8,408	\$ 0	\$ 0			
Investments	0	0	0			
Receivables						
Property Taxes	0	0	0			
Due From Grantor	0	10,504	5,619			
Interfund Balances	0	0	0			
Inventory	0	0	0			
<b>Total Assets</b>	<b>\$ 8,408</b>	<b>\$ 10,504</b>	<b>\$ 5,619</b>			
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 0	\$ 0	\$ 0			
Interfund Balances	0	10,504	5,619			
Current Portion Due						
Principal	0	0	0			
Interest	0	0	0			
<b>Total Liabilities</b>	<b>0</b>	<b>10,504</b>	<b>5,619</b>			
<b>Fund Balances</b>						
Nonspendable-Inventory	0	0	0			
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	8,408	0	0			
<b>Total Fund Balances</b>	<b>8,408</b>	<b>0</b>	<b>0</b>			
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,408</b>	<b>\$ 10,504</b>	<b>\$ 5,619</b>			

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2013

	Special Revenue Fund	Capital Outlay	
	Wind Farm Projects 29134	Senate Bill Nine 31700	Debt Service 41000
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 154,377	\$ 55,365	\$ 83,476
Investments	0	0	0
Receivables			
Property Taxes	0	589	1,201
Due From Grantor	0	0	0
Interfund Balances	0	0	0
Inventory	0	0	0
<b>Total Assets</b>	<b>\$ 154,377</b>	<b>\$ 55,954</b>	<b>\$ 84,677</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 1,214	\$ 3,293	\$ 0
Interfund Balances	0	0	0
Current Portion Due			
Principal	0	0	0
Interest	0	0	2,100
<b>Total Liabilities</b>	<b>1,214</b>	<b>3,293</b>	<b>2,100</b>
<b>Fund Balances</b>			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	153,163	0	0
Capital Projects	0	0	0
Debt Service	0	0	82,577
Assigned-Capital Projects	0	52,661	0
Unassigned- General Fund	0	0	0
<b>Total Fund Balances</b>	<b>153,163</b>	<b>52,661</b>	<b>82,577</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 154,377</b>	<b>\$ 55,954</b>	<b>\$ 84,677</b>

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2013

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	Other Governmental Funds	Total Governmental Funds
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 46,496	\$ 441,961
Investments	0	300
Receivables		
Property Taxes	0	1,928
Due From Grantor	1,873	17,996
Interfund Balances	0	17,996
Inventory	6,921	6,921
Total Assets	<u>\$ 55,290</u>	<u>\$ 487,102</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 0	\$ 15,574
Interfund Balances	1,873	17,996
Current Portion Due		
Principal	0	0
Interest	0	2,100
Total Liabilities	<u>1,873</u>	<u>35,670</u>
<b>Fund Balances</b>		
Nonspendable-Inventory	6,921	6,921
Restricted for, reported in		
Special Revenue Funds	14,365	167,528
Capital Projects	32,131	32,131
Debt Service	0	82,577
Assigned-Capital Projects	0	52,661
Unassigned- General Fund	0	109,614
Total Fund Balances	<u>53,417</u>	<u>451,432</u>
Total Liabilities and Fund Balances	<u>\$ 55,290</u>	<u>\$ 487,102</u>

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
 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 \$ 451,432

Amounts reported for governmental activities in the Statement of Net Position 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	\$ 5,895,400	
Accumulated depreciation	<u>(3,795,815)</u>	2,099,585

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	(80,000)	
Bond Issue Costs	37,561	
Accumulated Amortization	<u>(34,615)</u>	<u>(77,054)</u>

Total Net Position - Governmental Activities \$ 2,473,963

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

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

	General Fund		
	Operational 11000	Teachergage 12000	Transportation 13000
<b>Revenues</b>			
Property Taxes	\$ 11,126	\$ 0	\$ 0
Fees	0	10,850	0
Federal Grants	0	0	0
State & Local Grants	1,541,936	0	219,698
Miscellaneous	22,046	42	0
<b>Total Revenues</b>	<b>1,575,108</b>	<b>10,892</b>	<b>219,698</b>
<b>Expenditures</b>			
Current			
Instruction	994,253	0	0
Support Service-Students	41,740	0	0
Support Services-General Administration	125,476	0	0
Support Services-School Administration	84,528	0	0
Central Services	64,753	0	0
Operation & Maintenance of Plant	227,181	5,756	0
Student Transportation	0	0	213,813
Food Services	46,737	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
<b>Total Expenditures</b>	<b>1,584,668</b>	<b>5,756</b>	<b>213,813</b>
Excess (Deficiency) of Revenues Over Expenditures	(9,560)	5,136	5,885
<b>Other Financing Sources (Uses)</b>			
Transfers	(13,000)	0	0
<b>Total Other Sources (Uses)</b>	<b>(13,000)</b>	<b>0</b>	<b>0</b>
Net change in Fund Balance	(22,560)	5,136	5,885
Fund Balances at Beginning of Year	83,264	25,131	4,350
Fund Balance End of Year	\$ 60,704	\$ 30,267	\$ 10,235

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



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

	General Fund	Special Revenue Funds	
	Instructional Materials 14000	Title I 24101	IDEA B Entitlement 24106
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Federal Grants	0	33,128	20,495
State & Local Grants	9,237	0	0
Miscellaneous	0	0	0
<b>Total Revenues</b>	<b>9,237</b>	<b>33,128</b>	<b>20,495</b>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	6,217	33,128	20,495
Support Service-Students	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
<b>Total Expenditures</b>	<b>6,217</b>	<b>33,128</b>	<b>20,495</b>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,020</u>	<u>0</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfers	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Other Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	3,020	0	0
Fund Balances at Beginning of Year	<u>5,388</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 8,408</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

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

	Special Revenue Fund	Capital Outlay	
	Wind Farm Projects 29134	Senate Bill Nine 31700	Debt Service 41000
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 45,340	\$ 89,028
Fees	0	0	0
Federal Grants	0	0	0
State & Local Grants	271,715	0	0
Miscellaneous	0	203	0
Total Revenues	<u>271,715</u>	<u>45,543</u>	<u>89,028</u>
<b>Expenditures</b>			
Current			
Instruction	84,785	0	0
Support Service-Students	233	0	0
Support Services-General Administration	178	448	1,383
Support Services-School Administration	4,346	0	0
Central Services	2,858	0	0
Operation & Maintenance of Plant	2,028	28,242	0
Student Transportation	0	0	0
Food Services	0	0	0
Capital Outlay	303,588	40,794	0
Debt Service			
Principal	0	0	80,000
Interest	0	0	4,200
Total Expenditures	<u>398,016</u>	<u>69,484</u>	<u>85,583</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(126,301)</u>	<u>(23,941)</u>	<u>3,445</u>
<b>Other Financing Sources (Uses)</b>			
Transfers	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	(126,301)	(23,941)	3,445
Fund Balances at Beginning of Year	<u>279,464</u>	<u>76,602</u>	<u>79,132</u>
Fund Balance End of Year	<u>\$ 153,163</u>	<u>\$ 52,661</u>	<u>\$ 82,577</u>

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

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

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	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>		
Property Taxes	\$ 0	\$ 145,494
Fees	31,618	42,468
Federal Grants	73,615	127,238
State & Local Grants	59,083	2,101,669
Miscellaneous	81	22,372
Total Revenues	<u>164,397</u>	<u>2,439,241</u>
<b>Expenditures</b>		
Current		
Instruction	58,676	1,197,554
Support Service-Students	0	41,973
Support Services-General Administration	0	127,485
Support Services-School Administration	0	88,874
Central Services	0	67,611
Operation & Maintenance of Plant	0	263,207
Student Transportation	0	213,813
Food Services	74,164	120,901
Capital Outlay	53,242	397,624
Debt Service		
Principal	0	80,000
Interest	0	4,200
Total Expenditures	<u>186,082</u>	<u>2,603,242</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(21,685)</u>	<u>(164,001)</u>
<b>Other Financing Sources (Uses)</b>		
Transfers	<u>13,000</u>	<u>0</u>
Total Other Sources (Uses)	<u>13,000</u>	<u>0</u>
Net change in Fund Balance	(8,685)	(164,001)
Fund Balances at Beginning of Year	<u>62,102</u>	<u>615,433</u>
Fund Balance End of Year	<u>\$ 53,417</u>	<u>\$ 451,432</u>

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

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

---

Net Change in Fund Balance-Governmental Funds \$ (164,001)

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	\$	(99,322)	
Capital Outlays		397,624	298,302

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 80,000

Bond issue costs are amortized in the Statement of Activities but are an expenditure in the governmental funds. (3,130)

Changes in Net Position of Governmental Activities \$ 211,171

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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	\$ 10,902	\$ 10,902	\$ 11,236	\$ 334
State & Local Grants	1,537,168	1,629,446	1,541,936	(87,510)
Miscellaneous	2,997	2,997	22,046	19,049
Total Revenues	<u>1,551,067</u>	<u>1,643,345</u>	<u>1,575,218</u>	<u>(68,127)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	763,089	818,079	757,004	61,075
Employee Benefits	222,230	221,930	219,563	2,367
Other Purchased Services	0	0	2,395	(2,395)
Supplies	21,924	23,924	15,018	8,906
Total Instruction	<u>1,007,243</u>	<u>1,063,933</u>	<u>993,980</u>	<u>69,953</u>
<b>Support Services-Students</b>				
Personnel Services	56,713	57,713	38,267	19,446
Employee Benefits	14,861	14,861	3,165	11,696
Professional & Tech Services	0	0	3	(3)
Other Purchased Services	0	0	100	(100)
Supplies	0	0	205	(205)
Total Support Services-Students	<u>71,574</u>	<u>72,574</u>	<u>41,740</u>	<u>30,834</u>
<b>Support Services-General Administration</b>				
Personnel Services	89,102	89,102	89,102	0
Employee Benefits	23,197	23,197	22,758	439
Professional & Tech Services	13,344	13,344	9,740	3,604
Other Purchased Services	650	650	1,284	(634)
Supplies	2,500	2,500	2,807	(307)
Total Support Services-General Administration	<u>128,793</u>	<u>128,793</u>	<u>125,691</u>	<u>3,102</u>
<b>Support Services-School Administration</b>				
Personnel Services	70,000	70,000	70,000	0
Employee Benefits	14,422	14,422	14,421	1
Supplies	0	0	107	(107)
Total Support Services-School Administration	<u>84,422</u>	<u>84,422</u>	<u>84,528</u>	<u>(106)</u>
<b>Central Services</b>				
Personnel Services	38,256	38,256	38,256	0
Employee Benefits	7,856	7,856	11,056	(3,200)
Other Purchased Services	10,587	10,587	6,520	4,067
Supplies	2,000	3,000	2,006	994
Total Central Service	<u>\$ 58,699</u>	<u>\$ 59,699</u>	<u>\$ 57,838</u>	<u>\$ 1,861</u>

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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		
Operation & Maintenance of Plant				
Personnel Services	\$ 65,888	\$ 67,888	\$ 65,928	\$ 1,960
Employee Benefits	26,644	26,644	25,656	988
Purchased Property Services	75,393	78,393	68,931	9,462
Other Purchased Services	42,791	42,791	38,580	4,211
Supplies	41,500	69,500	29,399	40,101
Total Operation & Maintenance of Plant	<u>252,216</u>	<u>285,216</u>	<u>228,494</u>	<u>56,722</u>
Other Support Services				
Other Purchased Services	1,794	1,794	0	1,794
Total Other Support Services	<u>1,794</u>	<u>1,794</u>	<u>0</u>	<u>1,794</u>
Food Service Operations				
Personnel Services	30,825	31,413	31,481	(68)
Employee Benefits	16,286	16,286	15,211	1,075
Other Purchased Services	0	0	45	(45)
Supplies	350	350	0	350
Total Food Service Operations	<u>47,461</u>	<u>48,049</u>	<u>46,737</u>	<u>1,312</u>
Total Expenditures	<u>1,652,202</u>	<u>1,744,480</u>	<u>1,579,008</u>	<u>165,472</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(101,135)</u>	<u>(101,135)</u>	<u>(3,790)</u>	<u>(233,599)</u>
Other Financing Sources (Uses)				
Transfer In/(Out)	<u>(13,000)</u>	<u>(13,000)</u>	<u>(13,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(13,000)</u>	<u>(13,000)</u>	<u>(13,000)</u>	<u>0</u>
Net Change in Cash Balance	(114,135)	(114,135)	(16,790)	(233,599)
Cash Balance Beginning of Year	<u>87,632</u>	<u>87,632</u>	<u>87,632</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (26,503)</u>	<u>\$ (26,503)</u>	<u>\$ 70,842</u>	<u>\$ (233,599)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (16,790)	
Net change in Receivables			(111)	
Net change in Account Payables			<u>(5,659)</u>	
Net Change in Fund Balance			<u>\$ (22,560)</u>	

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
GENERAL FUND-TEACHERAGE-12000  
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				
Rents	\$ 12,000	\$ 12,000	\$ 10,850	\$ (1,150)
Miscellaneous	0	0	43	43
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>10,893</u>	<u>(1,107)</u>
Expenditures				
Operation of Plant				
Purchased Property Services	24,548	24,548	0	24,548
Supplies	1,738	1,738	0	1,738
Supply Assets	8,268	8,268	5,154	3,114
Total Operation of Plant	<u>34,554</u>	<u>34,554</u>	<u>5,154</u>	<u>29,400</u>
Total Expenditures	<u>34,554</u>	<u>34,554</u>	<u>5,154</u>	<u>29,400</u>
Excess (Deficiency) of Revenues Over Expenditures	(22,554)	(22,554)	5,739	28,293
Cash Balance Beginning of Year	<u>25,319</u>	<u>25,319</u>	<u>25,319</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,765</u>	<u>\$ 2,765</u>	<u>\$ 31,058</u>	<u>\$ 28,293</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,739	
Net Change in Accounts Payable			<u>(603)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 5,136</u>	

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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	\$ 227,242	\$ 233,990	\$ 219,698	\$ (14,292)
Total Revenues	<u>227,242</u>	<u>233,990</u>	<u>219,698</u>	<u>(14,292)</u>
<b>Expenditures</b>				
<b>Student Transportation</b>				
Personnel Services	71,565	71,565	58,857	12,708
Employee Benefits	44,393	44,393	21,717	22,676
Professional & Tech Services	0	0	6	(6)
Purchased Property Services	20,693	20,693	17,114	3,579
Other Purchased Services	74,124	85,222	110,286	(25,064)
Supplies	16,467	16,467	5,833	10,634
Total Student Transportation	<u>227,242</u>	<u>238,340</u>	<u>213,813</u>	<u>24,527</u>
Total Expenditures	<u>227,242</u>	<u>238,340</u>	<u>213,813</u>	<u>24,527</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(4,350)	5,885	10,235
Cash Balance Beginning of Year	<u>4,350</u>	<u>4,350</u>	<u>4,350</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 4,350</u>	<u>\$ 0</u>	<u>\$ 10,235</u>	<u>\$ 10,235</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 5,885</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 5,885</u>	

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



STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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 Grant	\$ 9,237	\$ 9,237	\$ 9,237	\$ 0
Total Revenues	<u>9,237</u>	<u>9,237</u>	<u>9,237</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>9,237</u>	<u>9,237</u>	<u>6,217</u>	<u>3,020</u>
Total Instruction	<u>9,237</u>	<u>9,237</u>	<u>6,217</u>	<u>3,020</u>
Total Expenditures	<u>9,237</u>	<u>9,237</u>	<u>6,217</u>	<u>3,020</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	3,020	3,020
Cash Balance Beginning of Year	<u>5,388</u>	<u>5,388</u>	<u>5,388</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 5,388</u>	<u>\$ 5,388</u>	<u>\$ 8,408</u>	<u>\$ 3,020</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 3,020</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 3,020</u>	

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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 Grant	\$ 23,798	\$ 52,568	\$ 26,077	\$ (26,491)
Total Revenues	<u>23,798</u>	<u>52,568</u>	<u>26,077</u>	<u>(26,491)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	15,848	44,618	15,498	29,120
Employee Benefits	4,497	4,497	2,699	1,798
Professional & Tech Services	0	0	660	(660)
Supplies	<u>0</u>	<u>0</u>	<u>14,271</u>	<u>(14,271)</u>
Total Instruction	<u>20,345</u>	<u>49,115</u>	<u>33,128</u>	<u>15,987</u>
Total Expenditures	<u>20,345</u>	<u>49,115</u>	<u>33,128</u>	<u>15,987</u>
Excess (Deficiency) of Revenues Over Expenditures	3,453	3,453	(7,051)	(10,504)
Cash Balance Beginning of Year	<u>(3,453)</u>	<u>(3,453)</u>	<u>(3,453)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (10,504)</u>	<u>\$ (10,504)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (7,051)	
Net Change in Due from Grantor			<u>7,051</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  
**ELIDA MUNICIPAL SCHOOL**  
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 Grant	\$ 30,351	\$ 30,351	\$ 16,858	\$ (13,493)
Total Revenues	<u>30,351</u>	<u>30,351</u>	<u>16,858</u>	<u>(13,493)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	27,770	27,770	17,410	10,360
Employee Benefits	598	598	3,084	(2,486)
Total Instruction	<u>28,368</u>	<u>28,368</u>	<u>20,494</u>	<u>7,874</u>
Total Expenditures	<u>28,368</u>	<u>28,368</u>	<u>20,494</u>	<u>7,874</u>
Excess (Deficiency) of Revenues Over Expenditures	1,983	1,983	(3,636)	(5,619)
Cash Balance Beginning of Year	<u>(1,983)</u>	<u>(1,983)</u>	<u>(1,983)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (5,619)</u>	<u>\$ (5,619)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,636)	
Net Change in Due from Grantor			<u>3,636</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  
**ELIDA MUNICIPAL SCHOOL**  
SPECIAL REVENUE FUND-WIND FARM PROJECTS-29134  
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>				
Local Sources	\$ 321,493	\$ 321,493	\$ 271,715	\$ (49,778)
Total Revenues	<u>321,493</u>	<u>321,493</u>	<u>271,715</u>	<u>(49,778)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	0	24,000	(24,000)
Employee Benefits	0	0	5,826	(5,826)
Supplies	80,000	80,000	64,690	15,310
Fixed Assets	357,589	357,589	303,588	54,001
Total Instruction	<u>437,589</u>	<u>437,589</u>	<u>398,104</u>	<u>39,485</u>
<b>Support Services-Students</b>				
Personnel Services	0	0	193	(193)
Employee Benefits	0	0	40	(40)
Total Support Services-Students	<u>0</u>	<u>0</u>	<u>233</u>	<u>(233)</u>
<b>Support Services-General Administration</b>				
Personnel Services	0	0	165	(165)
Employee Benefits	0	0	13	(13)
Total Support Services-General Administration	<u>0</u>	<u>0</u>	<u>178</u>	<u>(178)</u>
<b>Support Services-School Administration</b>				
Personnel Services	0	0	1,794	(1,794)
Employee Benefits	0	0	2,552	(2,552)
Total Support Services-School Administration	<u>0</u>	<u>0</u>	<u>4,346</u>	<u>(4,346)</u>
<b>Central Services</b>				
Personnel Services	0	0	2,182	(2,182)
Employee Benefits	0	0	676	(676)
Total Central Service	<u>0</u>	<u>0</u>	<u>2,858</u>	<u>(2,858)</u>
<b>Operation &amp; Maintenance of Plant</b>				
Personnel Services	0	0	1,792	(1,792)
Employee Benefits	0	0	236	(236)
Total Operation & Maintenance of Plant	<u>0</u>	<u>0</u>	<u>2,028</u>	<u>(2,028)</u>
Total Expenditures	\$ <u>437,589</u>	\$ <u>437,589</u>	\$ <u>407,747</u>	\$ <u>29,842</u>

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
SPECIAL REVENUE FUND-WIND FARM PROJECTS-29134  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2013

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	<u>Budgeted Amounts</u>		Actual	Variance
	<u>Original</u>	<u>Final</u>	(Budgetary Basis)	with Final Budget- Over (Under)
Excess (Deficiency) of Revenues Over Expenditures	\$ (116,096)	\$ (116,096)	\$ (136,032)	\$ (19,936)
Cash Balance Beginning of Year	<u>290,409</u>	<u>290,409</u>	<u>290,409</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 174,313</u>	<u>\$ 174,313</u>	<u>\$ 154,377</u>	<u>\$ (19,936)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (136,032)	
Net Change in Accounts Payable			<u>9,731</u>	
Net Change in Fund Balance			<u>\$ (126,301)</u>	

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
Statement of Fiduciary Assets and Liabilities-Agency Fund  
June 30, 2013

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	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 27,491
Total Assets	<u>\$ 27,491</u>
Liabilities	
Deposits Held for Others	\$ 27,491
Total Liabilities	<u>\$ 27,491</u>

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

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Elida Municipal School (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 is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.

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.

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

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

***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.

**Major Funds**

The District reports the following major governmental funds:

**General Fund (11000)(12000)(13000)(14000)**

The General Fund consist of four 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 second is the Teacherage fund of the District and accounts for rental properties that are rented to teachers and administrators that work at the school. 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.

**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.

**IDEA B Entitlement (24106).** To account for funds for free appropriate public education to all children with disabilities. The program id funded by Federal Government and pass through the State Department of Education under the individuals with Disabilities Education Act, Part B, Sections 611-617, and Part O, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

**Wind Farm Projects (29134).** To account for revenue from the wind farm in lieu of property taxes. The fund was created by definition.

**Capital Projects**

**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 (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.

**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, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows or resources, liabilities and deferred inflows or 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, Transportation, Food Service, Special Revenue Funds such as special education as well as others, and 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.

Basis of Budgeting

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

Budgets for the General, Special Revenue, Capital Projects and Debt Service 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 Net Position 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 Food Service 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.

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	30-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	5-30 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.

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 position are reported as restricted when constraints placed on net position 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.

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.

#### Compensated Absences

There are no compensated absences should an employee terminate. All paid time off is lost.

#### 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.

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
Notes to the Financial Statements  
June 30, 2013

**A. 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.

**Stone Community Bank**

<u>Name of Account</u>	Balance Per Bank 6/30/13	Reconciled Balance	<u>Type</u>
Elida Municipal School	\$ 456,756	\$ 213,631	Checking-Interest
Elida Municipal School-Activity	12,091	12,091	Checking-Interest
Elida Municipal School	28,173	27,491	Checking-Interest
TOTAL Deposited	<u>497,020</u>	<u>\$ 253,213</u>	
Less: FDIC Coverage	<u>(250,000)</u>		
Uninsured Amount	247,020		
50% collateral requirement	123,510		
Pledged securities	<u>200,000</u>		
Over (Under) requirement	<u>\$ 76,490</u>		

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

The following securities are pledged at Stone National Bank:

<u>Description</u>	<u>Number</u>	<u>Amount</u>	<u>Maturity Date</u>	<u>Place of Safe Keeping</u>
San Juan Cnty NM ISD	798359JC0	100,000	8/1/14	TIB Irving TX
Dona Ana Co	257584AF9	100,000	8/1/15	TIB Irving TX
		<u>\$ 200,000</u>		

**NM Bank & Trust**

<u>Name of Account</u>	Balance Per Bank 6/30/13	Reconciled Balance	<u>Type</u>
Elida Municipal School	\$ 79,010	\$ 79,010	Checking-Interest
TOTAL Deposited	<u>79,010</u>	<u>\$ 79,010</u>	
Less: FDIC Coverage	<u>(79,010)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

**Western Bank**

<u>Name of Account</u>	Balance Per Bank 6/30/13	Reconciled Balance	<u>Type</u>
Elida Municipal School	\$ 137,229	\$ 137,229	Checking-Interest
TOTAL Deposited	<u>137,229</u>	<u>\$ 137,229</u>	
Less: FDIC Coverage	<u>(137,229)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

**Custodial Credit Risk-Deposits**

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 466,239
Collateralized:	
Collateral held by the pledging bank in District's name	200,000
Uninsured and uncollateralized	47,020
Total Deposits	<u>\$ 713,259</u>

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 \$47,020 of the District's bank balance of \$713,258 was exposed to custodial credit risk.

**NM State Treasurer**

<u>Name of Account</u>	<u>Value 6/30/13</u>	<u>Type</u>
Elida Municipal School	\$ 300	Investment
Total Investments	<u>\$ 300</u>	

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, relates to how deposits and investments are reported in the annual financial statements of governmental entities. GASB Statement No. 40 disclosures inform financial statement users about deposit and investment risks that could affect a government's ability to provide services and meet its obligations as they become due. GASB Statement No. 40 requires governments to disclose deposit and investment risks related to credit risk (including custodial credit risk), concentration of credit risk, interest rate risk, and foreign currency risk. The State Treasurer's Office provides the following information regarding the LGIP:

1. With respect to credit risk, the LGIP, a government investment pool, is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.
2. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure. However, our portfolio is posted on the State Treasurer's website [www.stonm.org](http://www.stonm.org) and available for review by participants at any time.
3. GASB Statement No. 40 defines interest rate risk as the risk that interest rate variations may adversely affect the fair value of an investment. According to GASB Statement No. 40, an acceptable method for reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at [www.nmsto.org](http://www.nmsto.org). As of June 30, 2013, the LGIP WAM(R) is 59 days and WAM(F) is 90 days.
4. Finally, with respect to foreign currency risk, all investments in the LGIP are in U.S. dollar denominated assets. Therefore, the LGIP has no foreign currency risk.

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**B. Receivables**

Following is a schedule of receivables as of June 30, 2013:

	General Fund 11000	Title I 24101	IDEA Entitlement 24106	Senate Bill Nine 31700	Debt Service 41000
Property Taxes					
Available	\$ 138	\$ 0	\$ 0	\$ 589	\$ 1,201
Due From					
State	0	0	0	0	0
Federal	0	10,504	5,619	0	0
	<u>\$ 138</u>	<u>\$ 10,504</u>	<u>\$ 5,619</u>	<u>\$ 589</u>	<u>\$ 1,201</u>
				Total Governmental Funds	Total
Property Taxes					
Available				\$ 0	\$ 1,928
Due From					
State				468	468
Federal				1,405	17,528
				<u>\$ 1,873</u>	<u>\$ 19,924</u>

**C. Interfund Receivables, Payables and Transfers**

Interfund Balances during the year ending June 30, 2013 were as follows:

Due to General Fund from:

Major Funds	
Title I - 24101	\$ 10,504
IDEA B Entitlement-24106	5,619
Other Governmental Funds	1,873
Totals	<u>\$ 17,996</u>

**D. Capital Assets**

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

	Beginning Balance 6/30/12	Additions	Deletions	Ending Balance 6/30/13
<b>Governmental Activities</b>				
Capital Assets not being Depreciated				
Land	\$ 9,000	\$ 0	\$ 0	\$ 9,000
Total Capital Assets not being Depreciated	<u>\$ 9,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,000</u>



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Capital Assets, being Depreciated				
Buildings & Improvements	\$ 5,001,699	\$ 344,383	\$ 0	\$ 5,346,082
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>487,076</u>	<u>53,242</u>	<u>0</u>	<u>540,318</u>
Total Capital Assets being Depreciated	<u>5,488,775</u>	<u>397,625</u>	<u>0</u>	<u>5,886,400</u>
Total Capital Assets	<u>5,497,775</u>	<u>397,625</u>	<u>0</u>	<u>5,895,400</u>
<b>Less Accumulated Depreciation</b>				
Buildings & Improvements	3,388,208	79,451	0	3,467,659
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>308,285</u>	<u>19,871</u>	<u>0</u>	<u>328,156</u>
Total Accumulated Depreciation	<u>3,696,493</u>	<u>99,322</u>	<u>0</u>	<u>3,795,815</u>
Capital Assets, net	<u>\$ 1,801,282</u>	<u>\$ 298,303</u>	<u>\$ 0</u>	<u>\$ 2,099,585</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 67,865
Support Services-Students	8,834
Support Services-General Administration	6,555
Central Services	3,103
Operation & Maintenance of Plant	2,856
Transportation	4,485
Food Services	5,624
Total depreciation expenses	<u>\$ 99,322</u>

**E. 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	\$ 160,000	\$ 0	\$ 80,000	\$ 80,000	\$ 80,000
Total Bonds	<u>160,000</u>	<u>0</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
Total Long-Term Liabilities	<u>\$ 160,000</u>	<u>\$ 0</u>	<u>\$ 80,000</u>	<u>\$ 80,000</u>	<u>\$ 80,000</u>

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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.

<u>Series</u>	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance</u>
2001	04-01-01	770,000	4.9%-5.25%	\$ 80,000
				<u>\$ 80,000</u>

The annual requirements to amortize the 2001 Series general obligation bonds as of June 30, 2013, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 80,000	\$ 2,100	\$ 82,100
	<u>\$ 80,000</u>	<u>\$ 2,100</u>	<u>\$ 82,100</u>

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

Note E	
Bonds	\$ 80,000
Issue Costs/Premium/Discounts on Bond Issues	(37,561)
Accumulated Amortization	34,615
Statement of Net Position	<u>\$ 77,054</u>
Long-Term Per Government Wide Financial Statements	\$ 0
Current Portion	77,054
Statement of Net Position	<u>\$ 77,054</u>

**F. Commitments**

The District has no construction commitments on June 30, 2013.

**G. Retirement Plan**

**Plan Description**-Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at [www.nmerb.org](http://www.nmerb.org).

**Funding Policy**-As of July 1, 2012 plan members are required by statute to continue 7.9% of their gross salary if they earned \$20,000 or less annually. Plan members earning more than \$20,000 annually are required to contribute 9.4% of their gross salary. The District is required to contribute 12.4% of gross covered salaries for employees earning \$20,000 or less, and 10.9% of the gross covered salaries of employees earning more than \$20,000 annually. 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 \$120,034, \$106,067, and \$125,290 respectively, which equal the amount of the required contributions for each fiscal year.

#### **H. 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 is not a member of the enhanced retirement plan.

The District's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011 were \$22,167, \$18,844 and \$17,463 respectively, which equal the required contributions for each year.

**I. 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 are included on each Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

**J. 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

**K. 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.

**L. Joint Powers Agreements**

A joint powers agreement was entered into with the Regional Education Cooperative No. 6 (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 94-142 among others.

There are ten schools that participate in the REC, they are Dora, Elida, Floyd, Fort Sumner, Grady, House, Logan, Melrose, San Jon, and Texico. 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 financial statements for the REC were prepared by another IPA. The audit report is available at the REC located at 1500 South Ave K, Station 9, Portales, New Mexico 88130.

**SUPPLEMENTAL INFORMATION RELATED TO  
MAJOR FUNDS**

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
 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	\$ 44,422	\$ 44,422	\$ 45,754	\$ 1,332
Interest Income	215	215	203	(12)
State Grant	32,323	32,323	0	(32,323)
Total Revenues	<u>76,960</u>	<u>76,960</u>	<u>45,957</u>	<u>(31,003)</u>
<b>Expenditures</b>				
Support Services-General Administration				
Professional & Tech Services	423	423	448	(25)
Total Support Services-General Administration	<u>423</u>	<u>423</u>	<u>448</u>	<u>(25)</u>
<b>Capital Outlay</b>				
Maintenance	74,066	74,066	59,079	14,987
Supplies	65,033	65,033	6,663	58,370
Total Capital Outlay	<u>139,099</u>	<u>139,099</u>	<u>65,742</u>	<u>73,357</u>
Total Expenditures	<u>139,522</u>	<u>139,522</u>	<u>66,190</u>	<u>73,332</u>
Excess (Deficiency) of Revenues Over Expenditures	(62,562)	(62,562)	(20,233)	42,329
Cash Balance Beginning of Year	<u>75,598</u>	<u>75,598</u>	<u>75,598</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 13,036</u>	<u>\$ 13,036</u>	<u>\$ 55,365</u>	<u>\$ 42,329</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Net Change in Cash Balance			\$ (20,233)	
Net Change in Receivables			(415)	
Net Change in Accounts Payable			(3,293)	
Net Change in Fund Balance			<u>\$ (23,941)</u>	

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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				
Property Taxes	\$ 91,475	\$ 91,475	\$ 90,060	\$ (1,415)
Total Revenues	<u>91,475</u>	<u>91,475</u>	<u>90,060</u>	<u>(1,415)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>1,382</u>	<u>1,467</u>	<u>1,382</u>	<u>85</u>
Total Support Services-General Administration	<u>1,382</u>	<u>1,467</u>	<u>1,382</u>	<u>85</u>
Debt Service				
Principal	80,000	80,000	80,000	0
Interest	<u>6,240</u>	<u>8,340</u>	<u>6,240</u>	<u>2,100</u>
Total Debt Service	<u>86,240</u>	<u>88,340</u>	<u>86,240</u>	<u>2,100</u>
Total Expenditures	<u>87,622</u>	<u>89,807</u>	<u>87,622</u>	<u>2,185</u>
Excess (Deficiency) of Revenues Over Expenditures	3,853	1,668	2,438	770
Cash Balance Beginning of Year	<u>81,038</u>	<u>81,038</u>	<u>81,038</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 84,891</u>	<u>\$ 82,706</u>	<u>\$ 83,476</u>	<u>\$ 770</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,438	
Net Change in Receivables			(1,033)	
Net Change in Current Portion Interest			<u>2,040</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 3,445</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).

**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).

**Rural Education Achievement Program (25233).** To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

**Dual Credit Instructional Materials (27103).** To provide funding to the District to purchase college books for students attending college classes and obtaining dual credits. The fund was created by 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 Library Books (27106).** To provide funding for the purchase of library books. The fund was created by the authority of state grant provision.

**Formative Assessments-(27111)** To account for the revenues and expenditures to purchase testing materials for the achievement tests required by NMPED. The fund was created by the authority of state grant provision.

**2010 GOB Instructional Materials (27171).** To account for revenues and expenditures from a state grant to provide for public school instructional materials. The fund was created by the authority of state grant provision.

**School Bus (27172).** To account for revenues and expenditures from a state grant to provide for the purchase of a school bus. The fund was created by the authority of state grant provision.

**NONMAJOR CAPITAL OUTLAY**

**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  
**ELIDA MUNICIPAL SCHOOL**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	Food Service 21000	Athletics 22000	Improving Teacher Quality 24154
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 13,347	\$ 1,018	\$ 0
Due from Grantor	0	0	468
Inventory	6,921	0	0
Total Assets	<u>\$ 20,268</u>	<u>\$ 1,018</u>	<u>\$ 468</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	468
Total Liabilities	<u>0</u>	<u>0</u>	<u>468</u>
Fund Balance			
Nonspendable-Inventory	6,921	0	0
Restricted for, reported in			
Special Revenue Funds	13,347	1,018	0
Capital Projects	0	0	0
Total Fund Balance	<u>20,268</u>	<u>1,018</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 20,268</u>	<u>\$ 1,018</u>	<u>\$ 468</u>

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	Rural Education Achievement Program 25233	Dual Credit Instructional Materials 27103	GO Library 27105
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Due from Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
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>\$ 0</u>

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	Special Revenue Funds		
	2010 GO Library Books 27106	Formative Assessments 27111	2010 GOB Instructional Materials 27171
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Due from Grantor	1,405	0	0
Inventory	0	0	0
Total Assets	<u>\$ 1,405</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	1,405	0	0
Total Liabilities	<u>1,405</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 1,405</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2013

	<u>Special Revenue</u>	<u>Capital Project</u>	
	<u>School Bus 27172</u>	<u>Bond Building 31100</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 32,131	\$ 46,496
Due from Grantor	0	0	1,873
Inventory	0	0	6,921
Total Assets	<u>\$ 0</u>	<u>\$ 32,131</u>	<u>\$ 55,290</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	1,873
Total Liabilities	<u>0</u>	<u>0</u>	<u>1,873</u>
Fund Balance			
Nonspendable-Inventory	0	0	6,921
Restricted for, reported in			
Special Revenue Funds	0	0	14,365
Capital Projects	0	32,131	32,131
Total Fund Balance	<u>0</u>	<u>32,131</u>	<u>53,417</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 32,131</u>	<u>\$ 55,290</u>

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
NONMAJOR SPECIAL REVENUE 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	Improving Teacher Quality 24154
Revenues			
Fees	\$ 14,508	\$ 17,110	\$ 0
Federal Grants	49,846	0	468
State & Local Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>64,354</u>	<u>17,110</u>	<u>468</u>
Expenditures			
Current			
Instruction	0	29,066	468
Food Services Operations	74,164	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>74,164</u>	<u>29,066</u>	<u>468</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,810)</u>	<u>(11,956)</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	13,000	0
Loss on Investments	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>13,000</u>	<u>0</u>
Net Change in Fund Balance	(9,810)	1,044	0
Fund Balances at Beginning of Year	<u>30,078</u>	<u>(26)</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 20,268</u>	<u>\$ 1,018</u>	<u>\$ 0</u>

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

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

	Special Revenue Funds		
	Rural Education Achievement Program 25233	Dual Credit Instructional Materials 27103	GO Library 27105
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Federal Grants	23,301	0	0
State & Local Grants	0	448	0
Miscellaneous	0	0	0
Total Revenues	<u>23,301</u>	<u>448</u>	<u>0</u>
Expenditures			
Current			
Instruction	23,301	448	0
Food Services Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>23,301</u>	<u>448</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Loss on Investments	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>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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



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

	Special Revenue Funds		
	2010 GO Library Books 27106	Formative Assessments 27111	2010 GOB Instructional Materials 27171
Revenues			
Fees	\$ 0	\$ 0	\$ 0
Federal Grants	0	0	0
State & Local Grants	3,617	1,051	725
Miscellaneous	0	0	0
Total Revenues	<u>3,617</u>	<u>1,051</u>	<u>725</u>
Expenditures			
Current			
Instruction	3,617	1,051	725
Food Services Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>3,617</u>	<u>1,051</u>	<u>725</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Loss on Investments	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>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

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

	Special Revenue	Capital Project	
	School Bus 27172	Bond Building 31100	Total
<b>Revenues</b>			
Fees	\$ 0	\$ 0	\$ 31,618
Federal Grants	0	0	73,615
State & Local Grants	53,242	0	59,083
Miscellaneous	0	81	81
<b>Total Revenues</b>	<u>53,242</u>	<u>81</u>	<u>164,316</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	0	0	58,676
Food Services Operations	0	0	74,164
Capital Outlay	53,242	0	53,242
<b>Total Expenditures</b>	<u>53,242</u>	<u>0</u>	<u>186,082</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>81</u>	<u>(21,685)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers		0	13,000
Loss on Investments	0		0
<b>Total Other Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>13,000</u>
Net Change in Fund Balance	0	81	(8,685)
Fund Balances at Beginning of Year	<u>0</u>	<u>32,050</u>	<u>62,102</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 32,131</u>	<u>\$ 53,417</u>

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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	\$ 11,266	\$ 11,266	\$ 14,508	\$ 3,242
Federal Grant	44,000	44,000	43,180	(820)
Total Revenues	<u>55,266</u>	<u>55,266</u>	<u>57,688</u>	<u>2,422</u>
<b>Expenditures</b>				
<b>Food Service Operations</b>				
Other Purchased Services	0	0	514	(514)
Supplies	64,116	64,116	65,561	(1,445)
Supply Assets	5,000	5,000	0	5,000
Total Food Service Operations	<u>69,116</u>	<u>69,116</u>	<u>66,075</u>	<u>3,041</u>
Total Expenditures	<u>69,116</u>	<u>69,116</u>	<u>66,075</u>	<u>3,041</u>
Excess (Deficiency) of Revenues Over Expenditures	(13,850)	(13,850)	(8,387)	5,463
Cash Balance Beginning of Year	<u>21,734</u>	<u>21,734</u>	<u>21,734</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 7,884</u>	<u>\$ 7,884</u>	<u>\$ 13,347</u>	<u>\$ 5,463</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (8,387)	
Net change in Inventory			(1,448)	
Net change in Accounts Payable			25	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (9,810)</u>	

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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	\$ 14,725	\$ 27,725	\$ 17,110	\$ (10,615)
Total Revenues	<u>14,725</u>	<u>27,725</u>	<u>17,110</u>	<u>(10,615)</u>
Expenditures				
Instruction				
Student Travel	9,250	9,250	12,585	(3,335)
Supplies	<u>7,532</u>	<u>20,532</u>	<u>16,481</u>	<u>4,051</u>
Total Instruction	<u>16,782</u>	<u>29,782</u>	<u>29,066</u>	<u>716</u>
Total Expenditures	<u>16,782</u>	<u>29,782</u>	<u>29,066</u>	<u>716</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,057)</u>	<u>(2,057)</u>	<u>(11,956)</u>	<u>(9,899)</u>
Other Financing Sources (Uses)				
Transfer In/(Out)	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>0</u>
Net Change in Cash Balance	10,943	10,943	1,044	(9,899)
Cash Balance Beginning of Year	<u>(26)</u>	<u>(26)</u>	<u>(26)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 10,917</u>	<u>\$ 10,917</u>	<u>\$ 1,018</u>	<u>\$ (9,899)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 1,044	
Net Change in Fund Balance			<u>\$ 1,044</u>	

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

STATE OF NEW MEXICO  
**ELIDA MUNICIPAL SCHOOL**  
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 Grant	\$ 5,099	\$ 11,044	\$ 0	\$ (11,044)
Total Revenues	<u>5,099</u>	<u>11,044</u>	<u>0</u>	<u>(11,044)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Professional & Tech Services	4,616	9,913	468	9,445
Total Instruction	<u>4,616</u>	<u>9,913</u>	<u>468</u>	<u>9,445</u>
Total Expenditures	<u>4,616</u>	<u>9,913</u>	<u>468</u>	<u>9,445</u>
Excess (Deficiency) of Revenues Over Expenditures	483	1,131	(468)	(1,599)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 483</u>	<u>\$ 1,131</u>	<u>\$ (468)</u>	<u>\$ (1,599)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (468)	
Net Change in Deferred Revenue			<u>468</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  
**ELIDA MUNICIPAL SCHOOL**  
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 Grant	\$ 17,718	\$ 36,393	\$ 23,301	\$ (13,092)
Total Revenues	<u>17,718</u>	<u>36,393</u>	<u>23,301</u>	<u>(13,092)</u>
Expenditures				
Instruction				
Supplies	17,718	36,393	23,301	13,092
Total Instruction	<u>17,718</u>	<u>36,393</u>	<u>23,301</u>	<u>13,092</u>
Total Expenditures	<u>17,718</u>	<u>36,393</u>	<u>23,301</u>	<u>13,092</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  
**ELIDA MUNICIPAL SCHOOL**  
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		
Revenues				
State Grant	\$ 17,718	\$ 36,393	\$ 23,301	\$ (13,092)
Total Revenues	<u>17,718</u>	<u>36,393</u>	<u>23,301</u>	<u>(13,092)</u>
Expenditures				
Instruction				
Supplies	17,718	36,393	23,301	13,092
Total Instruction	<u>17,718</u>	<u>36,393</u>	<u>23,301</u>	<u>13,092</u>
Total Expenditures	<u>17,718</u>	<u>36,393</u>	<u>23,301</u>	<u>13,092</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  
**ELIDA MUNICIPAL SCHOOL**  
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 Grant	\$ 1,061	\$ 1,061	\$ 1,061	\$ 0
Total Revenues	<u>1,061</u>	<u>1,061</u>	<u>1,061</u>	<u>0</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	0	0	0	0
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	1,061	1,061	1,061	0
Cash Balance Beginning of Year	<u>(1,061)</u>	<u>(1,061)</u>	<u>(1,061)</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			\$ 1,061	
Net Change in Due from Grantor			<u>(1,061)</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  
**ELIDA MUNICIPAL SCHOOL**  
SPECIAL REVENUE FUND-2010 GO LIBRARY BOOKS-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		
Revenues				
State Grant	\$ 3,617	\$ 3,917	\$ 2,212	\$ (1,705)
Total Revenues	<u>3,617</u>	<u>3,917</u>	<u>2,212</u>	<u>(1,705)</u>
Expenditures				
Instruction				
Supplies	<u>3,617</u>	<u>3,617</u>	<u>3,617</u>	<u>0</u>
Total Instruction	<u>3,617</u>	<u>3,617</u>	<u>3,617</u>	<u>0</u>
Total Expenditures	<u>3,617</u>	<u>3,617</u>	<u>3,617</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	300	(1,405)	(1,705)
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>\$ 300</u>	<u>\$ (1,405)</u>	<u>\$ (1,705)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,405)	
Net Change in Due from Grantor			<u>1,405</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  
**ELIDA MUNICIPAL SCHOOL**  
SPECIAL REVENUE FUND-FORMATIVE ASSESSMENTS-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 Grant	\$ 0	\$ 1,051	\$ 1,051	\$ 0
Total Revenues	<u>0</u>	<u>1,051</u>	<u>1,051</u>	<u>0</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	0	1,051	1,051	0
Total Instruction	<u>0</u>	<u>1,051</u>	<u>1,051</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>1,051</u>	<u>1,051</u>	<u>0</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			\$ 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  
**ELIDA MUNICIPAL SCHOOL**  
SPECIAL REVENUE FUND-2010-GOB-INSTRUCTIONAL MATERIALS-27171  
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	\$ 0	\$ 3,782	\$ 725	\$ (3,057)
Total Revenues	<u>0</u>	<u>3,782</u>	<u>725</u>	<u>(3,057)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	0	3,782	725	3,057
Total Instruction	<u>0</u>	<u>3,782</u>	<u>725</u>	<u>3,057</u>
Total Expenditures	<u>0</u>	<u>3,782</u>	<u>725</u>	<u>3,057</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			\$ 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  
**ELIDA MUNICIPAL SCHOOL**  
SPECIAL REVENUE FUND-SCHOOL BUS-27172  
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	\$ 0	\$ 53,242	\$ 53,242	\$ 0
Total Revenues	<u>0</u>	<u>53,242</u>	<u>53,242</u>	<u>0</u>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Capital Outlay	0	53,242	53,242	0
Total Capital	<u>0</u>	<u>53,242</u>	<u>53,242</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>53,242</u>	<u>53,242</u>	<u>0</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			\$ 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  
**ELIDA MUNICIPAL SCHOOL**  
 CAPITAL PROJECT 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		
Revenues				
Interest Income	\$ 0	\$ 0	\$ 81	\$ 81
Total Revenues	<u>0</u>	<u>0</u>	<u>81</u>	<u>81</u>
Expenditures				
Capital Outlay				
Professional & Tech Services	0	0	0	0
Total Capital Outlay	<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	0	0	81	81
Cash Balance Beginning of Year	<u>32,050</u>	<u>32,050</u>	<u>32,050</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 32,050</u>	<u>\$ 32,050</u>	<u>\$ 32,131</u>	<u>\$ 81</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 81	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 81</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  
**ELIDA MUNICIPAL SCHOOL**  
 AGENCY FUNDS - ACTIVITY  
 Statement of Fiduciary Assets and Liabilities-Agency Fund  
 For the Year Ended June 30, 2013

	Beginning Balance 6/30/12	Additions	Deletions	Ending Balance 6/30/13
<b>ASSETS</b>				
Annual	\$ 4,094	\$ 6,136	\$ 7,762	\$ 2,468
Art	50	0	0	50
Baseball	2,828	2,900	1,789	3,939
Cheerleaders	701	3,241	2,939	1,003
Elementary Computers	772	493	25	1,240
FCCLA	2,122	3,306	3,404	2,024
FFA	1,365	16,382	12,081	5,666
Greenhouse	1,170	20	0	1,190
Miscellaneous	399	307	312	394
National Honor Society	1,170	956	797	1,329
Student Council	549	1,753	1,150	1,152
A+ Energy Grant	2,000	0	1,063	937
Zune	204	0	0	204
Football	1,478	0	0	1,478
Robotics	875	0	273	602
Class of 2013	156	0	155	1
Class of 2014	539	7,137	5,225	2,451
Class of 2015	101	1,588	845	844
Class of 2016	153	20	0	173
Class of 2017	88	259	0	347
Total Assets	<u>\$ 20,813</u>	<u>\$ 44,498</u>	<u>\$ 37,820</u>	<u>\$ 27,491</u>
<b>LIABILITIES</b>				
Deposits Held for Others	<u>\$ 20,813</u>	<u>\$ 44,498</u>	<u>\$ 37,820</u>	<u>\$ 27,491</u>
Total Liabilities	<u>\$ 20,813</u>	<u>\$ 44,498</u>	<u>\$ 37,820</u>	<u>\$ 27,491</u>

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



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

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		Beginning Cash Balance 6/30/12	Revenue	Expenditures	Adjustments/ Transfers/ Loans	Ending Cash Balance 6/30/13
Operational	11000	\$ 87,632	\$ 1,575,219	\$ 1,579,008	\$ (13,000)	\$ 70,843
Teacherage	12000	25,319	10,892	5,154	0	31,057
Transportation	13000	4,350	219,698	213,814	0	10,234
Instructional Materials	14000	5,388	9,237	6,217	0	8,408
Food Service	21000	21,734	57,688	66,075	0	13,347
Athletics	22000	(26)	17,110	29,066	13,000	1,018
Agency Funds	23000	20,812	44,498	37,820	0	27,490
Federal Flowthrough	24000	(5,437)	42,939	54,091	0	(16,589)
Federal Direct	25000	0	23,301	23,301	0	0
State Flowthrough	27000	(1,333)	59,011	59,083	0	(1,405)
Local Grants	29000	290,409	271,715	407,747	0	154,377
Bond Building	31100	32,050	81	0	0	32,131
Senate Bill Nine	31700	75,598	45,957	66,190	0	55,365
Debt Service	41000	81,038	90,060	87,622	0	83,476
Total		\$ <u>637,534</u>	\$ <u>2,467,406</u>	\$ <u>2,635,188</u>	\$ <u>0</u>	\$ <u>469,752</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 Elida Municipal School

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 Elida Municipal School (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 15, 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. 11-3, 11-7


#### 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; 11-3, 11-7, 13-1

#### 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. The District's response was not subject to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

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 15, 2013

**FINANCIAL STATEMENT FINDINGS**

**Prior Year Audit Findings**

		<u>Status</u>
<b>11-3</b>	<b>Payroll</b>	Repeated & Modified
<b>11-5</b>	<b>Capital Assets</b>	Resolved
<b>11-6</b>	<b>Expenditures</b>	Resolved
<b>11-7</b>	<b>PED Cash Report</b>	Repeated & Modified
<b>11-8</b>	<b>SAS 115 Compliance</b>	Resolved

**Current Year Audit Findings**

**11-3 Payroll - Compliance and Internal Control-Significant Deficiency Condition**

Of a sample size of 17 employees we noted the following:

(1) One I-9 was missing.

(2) One employee was paying into ERB but not RHCA. Total wages for this employee were \$17,177.54 causing the employee to owe RHCA \$171.78 and the District to owe \$343.55 for a total of \$515.33.

**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.

**Cause**

The missing I-9 was misplaced. The software was not set up correctly for the one employee.

**Effect**

The District could incur penalties and fines and RHCA has been underfunded which makes resources unavailable to fund benefits to retirees.

**Recommendation**

The I-9 should be located or another completed. Files should be reviewed to assure no other required documents are missing. The payroll setup should be reviewed for errors and reports should be compared to assure required deductions are correct.

**Response**

We will review the payroll files for missing documents and compare reports to assure deductions and remittances are correct.

**11-7 PED Cash Reports -Compliance and Internal Control-Significant Deficiency Condition**

The District's PED Cash Report at year end did not properly reflect the June 30, 2013 audited cash balances.

**Criteria**

6.20.2.11 (B) (6) NMAC and Regulation SBE-6 the reports sent to the New Mexico Public Education Department (PED) must agree to the District's general ledger and must be submitted quarterly and annually by July 31.

**Cause**

Our reconciled balances did not agree with the District's PED cash report balances. Expenditures were disallowed by PED for grant reimbursements. Expenditures were not moved to the operational fund as they should have been.

**Effect**

The District is not in compliance with NMAC 6.20.2.11 (b) (6) and Regulation SBE-6. Noncompliance may result in poor decision making by the District's governing board.

**Recommendation**

We recommend that the District move disallowed expenditures to the operational fund to correctly reflect cash balances in each fund.

**Response**

We will move the disallowed expenditures as they occur and correctly reflect the cash balances in each fund.

**13-1 Late Audit Contract-Compliance, 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 auditors' list until after that date.

**Effect**

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

**Recommendation**

The District will make every effort to contract with an approved auditor in a timely manner.

**Agency Response**

We will contract with an approved auditor timely.

**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 15, 2013 with Jim Daugherty-Superintendent, Jenny Clemmons-Board Member, Susan Lambirth-Business Manager and De'Aun Willoughby, CPA.