

Accounting & Consulting Group, LLP

Certified Public Accountants

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2013



STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2013

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INTRODUCTORY SECTION

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Hatch Valley Public Schools
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June 30, 2013
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STATE OF NEW MEXICO
Hatch Valley Public Schools
Official Roster
June 30, 2013

<u>Name</u>		<u>Title</u>
	<u>Board of Education</u>	
Paul Dulin		President
Elva Garay		Vice President
David Franzoy		Member
Greg Mitchell		Member
Christopher Montez		Member
	<u>School Officials</u>	
Linda Hale		Superintendent
Julie Crespy		Business Manager

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor and
The Board of Education
Office of Management and Budget
Hatch Valley Public Schools
Hatch, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate fund information, and the budgetary comparisons for the General Fund and major special revenue fund of Hatch Valley Public Schools (the 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, the combining financial statements for the General Fund, and the budgetary comparisons for the major capital projects fund, debt service fund, 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 misstatement, 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 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 District'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 District'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 financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Hatch Valley Public Schools, as of June 30, 2013, and the respective changes in financial position thereof, 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 and the combining financial statements for General Fund of the District as of June 30, 2013, and the respective changes in financial position, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects, the respective budgetary basis of accounting as prescribed in the New Mexico Administrative Code, as more fully described in Note 2 to the financial statements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the *Management Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of 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.

Other 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 of Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations and Supporting Schedules I through IV required by 2.2.2 NMAC* are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The *Schedule of Expenditures of Federal Awards and Supporting Schedules I through IV required by 2.2.2 NMAC* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *Schedule of Expenditures of Federal Awards and Supporting Schedules I through IV required by 2.2.2 NMAC* are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 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.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
October 30, 2013

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
Hatch Valley Public Schools
Statement of Net Position
June 30, 2013

	<u>Governmental Activities</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 2,209,214
Property taxes receivable	151,121
Intergovernmental receivables	871,466
Inventory	<u>22,720</u>
Total current assets	<u>3,254,521</u>
Noncurrent assets	
Restricted cash and cash equivalents	832,246
Bond issuance costs, net of amortization of \$33,139	76,511
Capital assets, net of accumulated depreciation	<u>25,176,601</u>
Total noncurrent assets	<u>26,085,358</u>
Total assets	<u><u>\$ 29,339,879</u></u>

The accompanying notes are an integral part of these financial statements

	<u>Governmental Activities</u>
Liabilities	
Current liabilities	
Accounts payable	\$ 518,395
Accrued payroll	223,400
Due to New Mexico Public Education Department	109,581
Accrued compensated absences	45,037
Accrued interest	47,402
Current portion of bonds payable	<u>665,000</u>
Total current liabilities	<u>1,608,815</u>
Noncurrent liabilities	
Accrued compensated absences	36,800
Bond premiums, net of accumulated amortization of \$7,932	36,572
Bonds payable	<u>3,765,000</u>
Total noncurrent liabilities	<u>3,838,372</u>
Total liabilities	<u>5,447,187</u>
Net position	
Net investment in capital assets	20,173,274
Restricted for:	
Other purposes	417,166
Capital projects	962,025
Debt service	1,358,261
Unrestricted	<u>981,966</u>
Total net position	<u>23,892,692</u>
Total liabilities and net position	<u><u>\$ 29,339,879</u></u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Statement of Activities
For the Year Ended June 30, 2013

Functions/Programs	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
Primary government			
Governmental activities:			
Instruction	\$ 8,273,133	\$ 24,449	\$ 1,859,278
Support services - students	1,227,040	8,467	639,539
Support services - instruction	530,347	724	52,745
Support services - general administration	345,324	1,404	108,788
Support services - school administration	537,414	2,626	201,092
Central services	276,781	679	49,449
Operation and maintenance of plant	2,463,741	4,980	379,108
Other support services	17,927	-	-
Student transportation	856,957	1,902	528,133
Food services operations	1,019,101	14,281	940,954
Community services operations	-	45	6,593
Interest on long-term debt	100,773	-	-
	<u>\$ 15,648,538</u>	<u>\$ 59,557</u>	<u>\$ 4,765,680</u>

General Revenues:

State equalization guarantee

Taxes:

 Property taxes, levied for operating programs

 Property taxes, levied for debt services

 Property taxes, levied for capital projects

Interest and investment earnings

Gain (loss) on disposal of capital assets

Miscellaneous

General revenues

Changes in net position

Net position, beginning

Net position, restatement (Note 18)

Net position, beginning as restated

Net position, ending

The accompanying notes are an integral part of these financial statements

<u>Program Revenues</u>		<u>Net (Expenses) Revenue and Changes in Net Position</u>	
<u>Capital Grants and Contributions</u>		<u>Governmental Activities</u>	
\$	17,235	\$	(6,372,171)
	3,418		(575,616)
	434		(476,443)
	869		(234,264)
	1,796		(331,900)
	463		(226,190)
	2,462		(2,077,190)
	-		(17,927)
	1,361		(325,561)
	927		(62,939)
	-		6,638
	-		(100,773)
<u>\$</u>	<u>28,966</u>		<u>(10,794,335)</u>
			9,192,836
			30,313
			739,532
			133,964
			1,184
			(59,543)
			<u>98,627</u>
			<u>10,136,913</u>
			(657,422)
			26,854,293
			<u>(2,304,179)</u>
			<u>24,550,114</u>
			<u>\$ 23,892,692</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Title I- IASA	Bond Building
Assets			
Cash and cash equivalents	\$ 886,831	\$ -	\$ 626,423
Property taxes receivable	10,498	-	-
Intergovernmental receivables	-	396,761	-
Inventory	-	-	-
Due from general fund	-	-	-
Due from other funds	729,285	-	-
	<u>1,626,614</u>	<u>396,761</u>	<u>626,423</u>
<i>Total assets</i>	<u>\$ 1,626,614</u>	<u>\$ 396,761</u>	<u>\$ 626,423</u>
Liabilities and fund balances			
<i>Liabilities</i>			
Accounts payable	\$ 321,329	\$ 52,261	\$ 53,096
Accrued payroll	162,934	25,656	-
Due to NM Public Education Department	-	27,596	-
Deferred revenue	3,434	-	-
Due to special revenue funds	175,785	-	-
Due to other funds	-	291,248	-
	<u>663,482</u>	<u>396,761</u>	<u>53,096</u>
<i>Total liabilities</i>	<u>663,482</u>	<u>396,761</u>	<u>53,096</u>
<i>Fund balances</i>			
Nonspendable			
Inventory	-	-	-
Spendable			
Restricted for:			
Educational purposes	67,638	-	-
Food service program	-	-	-
Capital acquisitions and improvements	-	-	573,327
Debt service	-	-	-
Extracurricular activities	-	-	-
Committed for:			
Subsequent year expenditures	886,831	-	-
Unassigned	8,663	-	-
	<u>963,132</u>	<u>-</u>	<u>573,327</u>
<i>Total fund balances</i>	<u>963,132</u>	<u>-</u>	<u>573,327</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,626,614</u>	<u>\$ 396,761</u>	<u>\$ 626,423</u>

The accompanying notes are an integral part of these financial statements

Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 832,246	\$ 695,960	\$ 3,041,460
119,012	21,611	151,121
-	474,705	871,466
-	22,720	22,720
-	175,785	175,785
-	-	729,285
<u>\$ 951,258</u>	<u>\$ 1,390,781</u>	<u>\$ 4,991,837</u>
\$ -	\$ 91,709	\$ 518,395
-	34,810	223,400
-	81,985	109,581
95,196	17,150	115,780
-	-	175,785
-	438,037	729,285
<u>95,196</u>	<u>663,691</u>	<u>1,872,226</u>
-	22,720	22,720
-	151,972	219,610
-	253,600	253,600
-	309,924	883,251
856,062	-	856,062
-	2,819	2,819
-	-	886,831
-	(13,945)	(5,282)
<u>856,062</u>	<u>727,090</u>	<u>3,119,611</u>
<u>\$ 951,258</u>	<u>\$ 1,390,781</u>	<u>\$ 4,991,837</u>

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STATE OF NEW MEXICO

Hatch Valley Public Schools

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2013

Exhibit B-1

Page 2 of 2

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

Fund balances - total governmental funds	\$ 3,119,611
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	25,176,601
Other noncurrent assets are not available to pay for current period expenditures and therefore, are deferred in the funds:	
Bond issuance costs, net of amortization	76,511
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	115,780
Certain liabilities, including bonds payable, and current and long-term portions of accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bond premiums	(36,572)
Accrued interest	(47,402)
Current portion of compensated absences	(45,037)
Bonds payable	(4,430,000)
Noncurrent portion of compensated absences	<u>(36,800)</u>
Total Net Position - governmental funds	<u>\$ 23,892,692</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	<u>General Fund</u>	<u>Title I- IASA</u>	<u>Bond Building</u>
<i>Revenues</i>			
Property taxes	\$ 30,546	\$ -	\$ -
Intergovernmental revenue:			
Federal flowthrough	69,621	1,194,167	-
State flowthrough	40,901	-	-
State direct	9,281,491	-	-
Local grants	85,947	-	-
Transportation distribution	528,133	-	-
Charges for services	12,698	-	-
Investment income	784	-	294
Miscellaneous	98,627	-	-
<i>Total revenues</i>	<u>10,148,748</u>	<u>1,194,167</u>	<u>294</u>
<i>Expenditures</i>			
Current:			
Instruction	5,661,981	1,053,195	-
Support services - students	882,803	51,630	-
Support services - instruction	349,522	26,141	-
Support services - general administration	227,352	63,201	-
Support services - school administration	532,023	-	-
Central services	276,678	-	-
Operation and maintenance of plant	1,597,539	-	164,083
Student transportation	569,914	-	-
Other support services	17,927	-	-
Food services operations	-	-	-
Capital outlay	-	-	578,882
Debt service:			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	61,624
<i>Total expenditures</i>	<u>10,115,739</u>	<u>1,194,167</u>	<u>804,589</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>33,009</u>	<u>-</u>	<u>(804,295)</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	1,550,000
Bond premiums	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>1,550,000</u>
<i>Net change in fund balances</i>	33,009	-	745,705
<i>Fund balances - beginning</i>	<u>930,123</u>	<u>-</u>	<u>(172,378)</u>
<i>Fund balances - ending</i>	<u>\$ 963,132</u>	<u>\$ -</u>	<u>\$ 573,327</u>

The accompanying notes are an integral part of these financial statements

Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 740,387	\$ 134,345	\$ 905,278
-	1,954,029	3,217,817
-	556,049	596,950
-	277,144	9,558,635
-	-	85,947
-	-	528,133
-	46,859	59,557
-	106	1,184
-	-	98,627
<u>740,387</u>	<u>2,968,532</u>	<u>15,052,128</u>
-	935,705	7,650,881
-	292,607	1,227,040
-	94,215	469,878
7,383	47,388	345,324
-	5,391	537,414
-	-	276,678
-	520,091	2,281,713
-	159,207	729,121
-	-	17,927
-	1,005,278	1,005,278
-	14,668	593,550
570,000	-	570,000
95,264	-	95,264
-	-	61,624
<u>672,647</u>	<u>3,074,550</u>	<u>15,800,068</u>
<u>67,740</u>	<u>(106,018)</u>	<u>(703,546)</u>
-	-	1,550,000
<u>31,091</u>	<u>-</u>	<u>31,091</u>
<u>31,091</u>	<u>-</u>	<u>1,581,091</u>
98,831	(106,018)	771,527
<u>757,231</u>	<u>833,108</u>	<u>2,348,084</u>
<u>\$ 856,062</u>	<u>\$ 727,090</u>	<u>\$ 3,119,611</u>

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STATE OF NEW MEXICO
Hatch Valley Public Schools
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2013

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

Net change in fund balances - total governmental funds	\$	771,527
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:</p>		
Capital expenditures recorded in capital outlay		593,550
Depreciation expense		(1,015,951)
<p>In the Statement of Activities, only the loss on the disposition of capital assets is reported. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets disposed.</p>		
		(59,543)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:</p>		
Property taxes		(1,469)
<p>The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:</p>		
Decrease in compensated absences		15,400
Increase in accrued interest		(5,509)
Bond proceeds		(1,550,000)
Bond issuance costs capitalized		61,624
Bond premiums capitalized		(31,091)
Amortization of bond issuance costs		(8,856)
Amortization of bond premiums		2,896
Principal payments on bonds		570,000
		570,000
Change in net position of governmental activities	\$	(657,422)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-1

Hatch Valley Public Schools

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 28,929	\$ 28,929	\$ 160,472	\$ 131,543
Intergovernmental revenue:				
Federal flowthrough	32,119	32,119	69,621	37,502
State flowthrough	113,405	121,922	129,556	7,634
Local grants	60,000	60,000	85,947	25,947
State direct	9,178,021	9,191,464	9,192,836	1,372
Transportation distribution	550,602	591,173	528,133	(63,040)
Charges for services	-	-	12,698	12,698
Investment income	1,000	1,000	784	(216)
Miscellaneous	107,500	107,500	121,694	14,194
<i>Total revenues</i>	<u>10,071,576</u>	<u>10,134,107</u>	<u>10,301,741</u>	<u>167,634</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	5,679,249	5,848,176	5,575,252	272,924
Support services - students	931,832	941,582	880,787	60,795
Support services - instruction	352,868	368,068	348,565	19,503
Support services - general administration	181,653	224,283	223,677	606
Support services - school administration	538,751	538,751	532,023	6,728
Central services	259,354	278,854	261,872	16,982
Operation and maintenance of plant	1,641,761	1,676,153	1,593,661	82,492
Student transportation	550,602	654,213	562,088	92,125
Other support services	20,000	20,000	9,304	10,696
<i>Total expenditures</i>	<u>10,156,070</u>	<u>10,550,080</u>	<u>9,987,229</u>	<u>562,851</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(84,494)</u>	<u>(415,973)</u>	<u>314,512</u>	<u>730,485</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	84,494	415,973	-	(415,973)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>84,494</u>	<u>415,973</u>	<u>-</u>	<u>(415,973)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>314,512</u>	<u>314,512</u>
<i>Fund balances - beginning of year,</i>	<u>-</u>	<u>-</u>	<u>1,232,255</u>	<u>1,232,255</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,440,331</u>	<u>\$ 1,440,331</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 314,512
Adjustments to revenue for property tax accruals and local grant accruals				(152,993)
Adjustments to expenditures for salaries and instruction expenditures				(128,510)
Net change in fund balances (GAAP)				<u>\$ 33,009</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-2

Hatch Valley Public Schools

Title I- IASA Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	1,014,473	1,251,138	1,099,179	(151,959)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,014,473</u>	<u>1,251,138</u>	<u>1,099,179</u>	<u>(151,959)</u>
<i>Expenditures</i>				
Current				
Instruction	841,790	1,088,455	988,797	99,658
Support services - students	52,470	52,470	51,630	840
Support services - instruction	35,573	35,573	26,141	9,432
Support services - general administration	84,640	74,640	49,682	24,958
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,014,473</u>	<u>1,251,138</u>	<u>1,116,250</u>	<u>134,888</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,071)</u>	<u>(17,071)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(17,071)	(17,071)
<i>Fund balances - beginning of year</i>	-	-	(274,177)	(274,177)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (291,248)</u>	<u>\$ (291,248)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (17,071)
Adjustments to revenues for federal flowthrough accruals				94,988
Adjustments to expenditures for instruction and support services function accruals				(77,917)
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Hatch Valley Public Schools
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2013

Exhibit D-1

<i>Assets</i>	
Cash and cash equivalents	<u>\$ 82,137</u>
<i>Total assets</i>	<u><u>\$ 82,137</u></u>
 <i>Liabilities</i>	
Accounts payable	\$ 1,812
Deposits held in trust for others	<u>80,325</u>
<i>Total liabilities</i>	<u><u>\$ 82,137</u></u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies

Hatch Valley Public Schools (“the District”) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the District. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The school board is authorized to establish policies and regulations for its own government consistent with the laws of the State of New Mexico and the regulations of the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The District operates five schools within the District with a total enrollment of approximately 1,300 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

During the year ended June 30, 2013, the District adopted GASB Statements No. 60 through 63. GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements. The District does not have any Service Concession Arrangements. GASB Statement No. 61, The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No 34, modifies certain requirements for inclusion of component units in the financial reporting entity. GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which incorporates into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in FASB and AICPA Pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources

A. Financial Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61. Blended component units, although legally separate entities, are in substance part of the government’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

A. *Financial Reporting Entity - (continued)*

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate the potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

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

B. *Government-wide and fund financial statements*

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

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis by column, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts – Net investment in capital assets, restricted net position; and unrestricted net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function like the sale of lunch tickets and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, state equalization, and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The District does not have any enterprise funds.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Ad valorem taxes (property taxes), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period; net of estimated refunds and uncollectible amounts for government-wide statements. For fund financial statements these revenues are recognized as revenues when measurable and available. Derived tax revenues are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items (which include state equalization and state revenue sharing) are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

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

The government reports the following major governmental funds:

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

The *Title I – IASA Special Revenue Fund* is used to provide supplemental educational opportunity for academically disadvantaged children residing in the area. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Public Education Department. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

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

Debt Service Fund is used to accumulate resources for payment of principal and interest due on educational technology bonds. Financing is provided by a special tax levy approved by the voters of the county and assessed by the Dona Ana County Assessor and collected and remitted to the District by the Dona Ana County Treasurer.

Additionally, the District reports the following agency fund:

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

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

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

D. Assets, Liabilities and Net Position or Fund Equity

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

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the Local Government Investment Pool.

Investments for the District are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. As of June 30, 2012, the District does not have any investments.

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

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

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

The District receives monthly income from a tax levy in Dona Ana County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2013 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2013. Period of availability is deemed to be sixty days subsequent to year end.

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

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. As of June 30, 2013 the District does not have any prepaid items.

Inventory: Hatch Valley Public Schools values inventory at lower of cost or market value. The method that the District uses is the consumption approach. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed.

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

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

The District was a phase II government for purposes of implementing GASB 34. However, the District does not have any infrastructure assets to report.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Library books are not capitalized because the District does not believe they have a life of more than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

Capital expenditures made on the school district's building construction projects by the New Mexico Public School Facilities Authority are included in the District's capital assets as appropriate.

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

Buildings and improvements	20-40 years
Equipment	3-7 years
Land improvements	20-40 years

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

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

- *Unearned revenue* - Under both the accrual and the modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for *deferred revenue*.
- *Unavailable revenue* – Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual (it must be both measureable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue. The District has recorded \$115,780 in deferred revenue related to property taxes considered “unavailable.”

Compensated Absences: The District permits administrative employees to accumulate a maximum of 240 hours of earned but unused vacation, which will be paid at the employee's current hourly rate if not used, upon termination from the District. Accumulated sick leave benefits vest with each employee in accordance with District policy. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide financial statements. A liability amount is reported in the government funds only if they are due and payable. No liability is reported for unpaid accumulated sick leave, as no payment is required upon termination of service by the employees.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. For bonds issued after the District implemented GASB 34 in the year ended June 30, 2003, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method or the straight-line method if the amounts are inconsequential compared to the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

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

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

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

Nonspendable Fund Balance: At June 30, 2013, the nonspendable fund balance of the District is comprised of inventory in the food service fund in the amount of \$22,720, of which is considered not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2013, the restricted fund balance on the governmental funds balance sheet is made up of \$219,610 for providing education to the students of the District, \$253,600 for providing food service to the students of the District, \$883,251 for the renovation and/or expansion of District facilities, \$856,062 for the payment of principal and interest of the future debt service requirements, and \$2,819 for athletics administered within the District.

Minimum Fund Balance Policy: The District's does not have a policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

Net Position: Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets: Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Unspent bond proceeds have been deducted in the amount of \$573,327.
- b. Restricted Net Position: Net position is reported as restricted when constraints are placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for “special revenue, debt service, and capital projects” are described on pages 39 and 68-79.
- c. Unrestricted Net Position: All other net positions that do not meet the definition of “restricted” or “Net Investment in Capital Assets.”

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

E. Revenues

State Equalization Guarantee: School districts in the State of New Mexico receive a ‘state equalization guarantee distribution’ which is defined as “that amount of money distributed to each District to ensure that the District’s operating revenue, including its local and federal revenues as defined (in Chapter 22, Section 825, NMSA 1978) is at least equal to the District’s program cost”. A school district’s program costs are determined through the use of various formulas using ‘program units’ which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$9,192,836, in state equalization guarantee distributions during the year ended June 30, 2013.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. Dona Ana County collects county, city and school taxes and distributes some to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered ‘measurable’ and ‘available’ in the governmental fund financial statements. The District recognized \$905,278 in tax revenues in the governmental fund financial statements during the year ended June 30, 2013. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

E. Revenues (continued)

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each School district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$528,133 in transportation distributions during the year ended June 30, 2013.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various Districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the Public Education Department "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2013 totaled \$88,655. Allocations received and utilized are reflected in revenues and expenditures of the General Fund.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1 of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. However, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary. The District received \$231,594 in state SB-9 matching during the year ended June 30, 2013.

Public School Capital Outlay: Under the provisions of Chapter 22, Article 24, a public school capital outlay fund was created. The money in the fund may be used for capital expenditures deemed by the public school capital outlay council (PSCOC) necessary for an adequate educational program per Section 22-24-4(B), core administrative function of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-4 (G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L). The District received \$53,887 in PSCOC awards during the year ended June 30, 2013.

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

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

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

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

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

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

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

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

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

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 2. Stewardship, Compliance and Accountability (Continued)

Budgetary Information (continued)

6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the original budget and the final budget.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

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

The appropriated budget for the year ended June 30, 2013, was properly amended by the Board of Education throughout the year. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
	Budgeted Funds:	
General Fund	\$ (84,494)	\$ (415,973)
Title I- IASA Special Revenue Fund	-	-
Bond Building Special Revenue Fund	(1,466,487)	(1,251,455)
Debt Service	(711,445)	(711,445)
Nonmajor Funds	(647,632)	(716,680)

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

NOTE 3. Deposits and Investments

Section 22-8-40, NMSA 1978 authorizes the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. As of June 30, 2013 the District did not have any investments.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 3. Deposits and Investments (Continued)

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized by the financial institution as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance. The collateral pledged is listed on Schedule II in this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, District or political subdivision of the State of New Mexico.

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

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

By operation of federal law, beginning January 1, 2013, funds deposited in a noninterest-bearing transaction account no longer will receive unlimited deposit insurance coverage by the Federal Deposit Insurance Corporation (FDIC). Beginning January 1, 2013, all of the District's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2013, \$656,948 of the District's bank balance of \$1,125,829 was subject to custodial credit risk. \$528,150 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the District's name. \$128,798 of the District's deposits was uninsured and uncollateralized at June 30, 2013.

	<u>Bank of the West</u>	<u>Wells Fargo</u>	<u>Total</u>
Amount of deposits	\$ 218,881	\$ 906,948	\$ 1,125,829
FDIC Coverage	<u>(218,881)</u>	<u>(250,000)</u>	<u>(468,881)</u>
Total uninsured public funds	<u>-</u>	<u>656,948</u>	<u>656,948</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	<u>-</u>	<u>528,150</u>	<u>528,150</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ 128,798</u>	<u>\$ 128,798</u>
Collateral requirement (50% of uninsured funds)	-	\$ 328,474	\$ 328,474
Pledged Collateral	<u>-</u>	<u>528,150</u>	<u>528,150</u>
Over (Under) collateralized	<u>\$ -</u>	<u>\$ 199,676</u>	<u>\$ 199,676</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 3. Deposits and Investments (Continued)

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

Repurchase Agreement

Custodial Credit Risk – Investments For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District does not have an investment policy for custodial credit risk. New Mexico State Statutes require collateral pledged to be delivered for securities underlying an overnight repurchase agreement, or a joint safekeeping receipt be issued to the District for at least one hundred two percent of the fair value of the securities underlying overnight repurchase accounts invested with the institution. At June 30, 2013, \$2,523,436 of the District’s investment balance was exposed to custodial credit risk because it was collateralized by collateral held by the counterparty, not in the District’s name.

Repurchase Agreement-

	<u>Bank of the West</u>
Repurchase agreements	\$ 2,523,436
Total uninsured public funds	<u>2,523,436</u>
Securities underlying an overnight repurchase agreement	<u>2,523,436</u>
Total investments subject to custodial credit risk	<u>\$ 2,523,436</u>
Collateral requirement for repurchase agreements (102% of value of underlying securities)	2,573,905
Pledged Collateral	<u>2,573,905</u>
Over (Under) collateralized	<u>\$ -</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 3. Deposits and Investments (Continued)

Reconciliation of Cash and Cash Equivalents

Primary Government

Reconciliation to the Statement of Net Position:

Cash and cash equivalents per Exhibit A-1	\$	2,209,214
Restricted cash and cash equivalents per Exhibit A-1		832,246
Agency funds cash per Exhibit D-1		<u>82,137</u>
 Total cash and cash equivalents		 <u>3,123,597</u>
 Add: outstanding checks and other reconciling items		 <u>525,668</u>
 Bank balance of deposits	 \$	 <u><u>3,649,265</u></u>

NOTE 4. Receivables

Accounts receivable for governmental activities as of June 30, 2013 are as follows:

	General Fund	Title I- IASA Special Revenue Fund	Debt Service Fund	Other Governmental Funds	Total
Property taxes receivable	\$ 10,498	\$ -	\$ 119,012	\$ 21,611	\$ 151,121
Intergovernmental receivables					
State	-	-	-	206,030	206,030
Federal	-	396,761	-	268,675	665,436
 Totals	 <u>\$ 10,498</u>	 <u>\$ 396,761</u>	 <u>\$ 119,012</u>	 <u>\$ 496,316</u>	 <u>\$ 1,022,587</u>

The above receivables are deemed 100% collectible.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 5. Accounts Payable and Accrued Expenses

Accounts Payable and accruals as of June 30, 2012, are as follows:

Payable to educational service vendors	\$ 518,395
Accrued payroll	223,400
Due to New Mexico Public Education Department	109,581
Accrued interest	<u>47,402</u>
Total accounts payable and accruals	<u><u>\$ 898,778</u></u>

NOTE 6. Interfund Receivables and Payables, and Transfers

The District's fund financial statements include inter-fund receivables and payables to enable the funds to operate until grant monies are received. The composition of inter-fund balances as of June 30, 2013 is as follows:

	<u>Due From</u>	<u>Due To</u>
Major Funds:		
11000 General Fund	\$ 729,285	\$ -
24101 Title I- IASA Special Revenue Fund		291,248
Non-major Funds:		
24106 Entitlement IDEA-B	-	57,540
24107 Discretionary IDEA-B	-	5,730
24109 Preschool IDEA-B	-	8,156
24112 IDEA-B Early Intervention Service	-	857
24113 Education of Homeless	-	1,760
24118 Fresh Fruits & Vegetables	-	32
24133 Enhancing Education Thru Technology (E2T2-C)	-	256
24149 Enhancing Education Thru Technology (E2T2-F)	-	67,462
24153 English Language Acquisition	-	4,107
24154 Title IIA Teacher/Principal Training & Recruiting	-	17,952
24157 Safe & Drug Free Schools and Community	-	996
24160 Rural & Low Income Schools	-	21,555
24162 Title I School Improvement	-	881
24163 Immigrant Funding Title III	-	1,587
24206 IDEA-B Entitlement Federal Stimulus	-	38,210
24209 IDEA-B Federal Stimulus	-	5,690
25127 Headstart	-	95,525
25153 Title XIX Medicaid 3/21 Years	-	1,957
25250 State Equalization Guarantee	-	10
25253 Headstart Federal Stimulus	-	14,749
27114 New Mexico Reads to Leads K-3 Reading Initiative	-	18,911
27145 Librarues GO Bonds Laws of 2004	-	1,126
27149 Pre-K Initiative	-	16,842
27166 Kindergarten Three Plus	-	31,126
27170 Libraries 301 GO Bonds Laws of 2006	-	6,018
28155 Healthier Schools DOH	-	13,186
28178 GEAR UP CHE	-	4,316
28189 GRADS Childcare	-	1,500
	<u><u>\$ 729,285</u></u>	<u><u>\$ 729,285</u></u>

All interfund balances are to be repaid within one year.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 6. Interfund Receivables and Payables, and Transfers (Continued)

The District's fund financial statements include inter-fund receivables and payables due to prior year amounts being carried forward from year-to-year causing incorrect balance in fund balance. These adjustments as of June 30, 2013 is as follows:

	<u>Due from general fund</u>	<u>Due to special revenue funds</u>
Major Funds:		
11000 General Fund	\$ 175,785	\$ -
Non-major Funds:		
24106 Discretionary IDEA-B	-	4,107
24107 Preschool IDEA-B	-	5,730
24109 IDEA B- Early Intervention Service	-	2,042
24113 Education of Homeless	-	1,760
24118 Fresh Fruits & Vegetables	-	32
24133 Enhancing Education Thru Technology (E2T2-C)	-	256
24149 Enhancing Education Thru Technology (E2T2-F)	-	67,462
24153 English Language Acquisition	-	3,852
24157 Safe & Drug Free Schools and Community	-	996
24160 Rural & Low Income Schools	-	21,555
24162 Title I School Improvement	-	881
24163 Immigrant Funding Title III	-	1,587
24206 IDEA B- Entitlement Federal Stimulus	-	38,210
24209 IDEA B- Federal Stimulus	-	5,690
25153 Title XIX Medicaid 3/21 Years	-	2,550
25250 State Equalization Guarantee	-	10
25253 Headstart Federal Stimulus	-	14,749
28178 GEAR UP CHE	-	4316
	<u>\$ 175,785</u>	<u>\$ 175,785</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 7. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2013 follows. Land and construction in progress are not subject to depreciation.

	Balance June 30, 2012	Adjustments to Net Position	Additions	Deletions	Balance June 30, 2013
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 817,369	\$ -	\$ -	\$ -	\$ 817,369
Construction in progress	532,105	-	147,821	532,105	147,821
Total capital assets not being depreciated	1,349,474	-	147,821	532,105	965,190
Capital assets being depreciated:					
Buildings and improvements	32,552,723	(540,532)	966,734	-	32,978,925
Equipment	3,949,371	36,752	11,100	348,406	3,648,817
Land improvements	2,285,189	(1,581,378)	-	-	703,811
Total capital assets being depreciated	38,787,283	(2,085,158)	977,834	348,406	37,331,553
Less accumulated depreciation:					
Buildings and improvements	9,531,488	133,208	741,745	-	10,406,441
Equipment	2,490,217	86,180	237,090	288,863	2,524,624
Land improvements	152,328	(367)	37,116	-	189,077
Total accumulated depreciation	12,174,033	219,021	1,015,951	288,863	13,120,142
Total capital assets, net of depreciation	\$ 27,962,724	\$ (2,304,179)	\$ 109,704	\$ 591,648	\$ 25,176,601

Depreciation expense for the year ended June 30, 2013 was charged to governmental activities as follows:

Instruction	\$ 640,548
Support services– instruction	57,053
Support services – students	3,416
Central services	103
Operations and maintenance of plant	173,172
Student transportation	127,836
Food services	13,823
	<u>\$ 1,015,951</u>

The District has active construction projects as of June 30, 2013. The projects include additions, renovations and improvements and plans to construct school buildings and grounds. A portion of the outstanding projects is funded by payments made directly to contractors by the Public School Capital Outlay Council (PSCOC).

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 8. Long-term Debt

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued in prior years was \$4,615,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2013 are for governmental activities.

Bonds outstanding at June 30, 2013 are comprised of the following:

	<u>Series 2004</u>	<u>Series 2005</u>	<u>Series 2006</u>
Original Issue:	\$ 450,000	\$ 465,000	\$ 650,000
Principal:	August 1	August 1	August 1
Interest:	August 1	August 1	August 1
	February 1	February 1	February 1
Interest Rates:	1.10%-1.97%	1.69%-2.18%	2.62%-2.84%
Maturity Date:	August 2012	August 2013	August 2014
	<u>Series 2007</u>	<u>Series 2008</u>	<u>Series 2009</u>
Original Issue:	\$ 750,000	\$ 600,000	\$ 950,000
Principal:	August 1	August 1	August 1
Interest:	August 1	August 1	August 1
	February 1	February 1	February 1
Interest Rates:	2.78%-2.95%	2.60%-3.7%	3.0%-3.5%
Maturity Date:	August 2015	August 2016	August 2018
	<u>Series 2011</u>	<u>Series 2012</u>	<u>Series 2012B</u>
Original Issue:	\$ 750,000	\$ 550,000	\$ 1,000,000
Principal:	August 1	August 1	August 1
Interest:	August 1	August 1	August 1
	February 1	February 1	February 1
Interest Rates:	.64%-2.69%	.70%-2.03	2%
Maturity Date:	August 2020	August 2021	August 2022

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 8. Long-term Debt (Continued)

The following is a summary of the long-term debt and the related activity for the year ended June 30, 2013:

	Balance June 30, 2012	Additions	Retirements	Balance June 30, 2013	Due Within One Year
General obligation bonds					
Series 8/1/2004	\$ 105,000	\$ -	\$ 105,000	\$ -	\$ -
General obligation bonds					
Series 8/1/2005	100,000	-	50,000	50,000	50,000
General obligation bonds					
Series 8/1/2006	470,000	-	140,000	330,000	165,000
General obligation bonds					
Series 8/1/2007	585,000	-	150,000	435,000	150,000
General obligation bonds					
Series 8/1/2008	500,000	-	90,000	410,000	100,000
General obligation bonds					
Series 8/1/2009	945,000	-	10,000	935,000	40,000
General obligation bonds					
Series 8/1/2011	745,000	-	25,000	720,000	30,000
General obligation bonds					
Series 8/1/2012	-	550,000	-	550,000	30,000
General obligation bonds					
Series 8/1/2012B	-	1,000,000	-	1,000,000	100,000
Compensated Absences	97,237	29,637	45,037	81,837	45,037
Total Long-Term Debt	\$ 3,547,237	\$ 1,579,637	\$ 615,037	\$ 4,511,837	\$ 710,037

The annual requirements to amortize all general obligation bonds outstanding as June 30, 2013, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt
2014	\$ 665,000	\$ 103,588	\$ 768,588
2015	640,000	84,536	724,536
2016	620,000	67,402	687,402
2017	560,000	51,422	611,422
2018	490,000	37,131	527,131
2019-2023	1,455,000	49,672	1,504,672
	\$ 4,430,000	\$ 393,751	\$ 4,823,751

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2013, the long-term portion of compensated absences decreased \$15,400 over the prior year accrual. Compensated absences are usually paid from the general fund. See Note 1 for more details.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 9. Risk Management

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

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible for contents and \$10,000 deductible for each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$500,000 per occurrence for Faithful Performance. A limit of \$500,000 applies to Depositor's Forgery, Credit Card Forgery and Money Orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2013, there have been no claims that have exceeded insurance coverage.

NOTE 10. Other Required Individual Fund Disclosures

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

A. Deficit Fund Balances. The following funds maintained a deficit fund balance at June 30, 2013:

Major Funds

Instructional	\$ (39,890)
---------------	-------------

Nonmajor Funds

New Mexico Reads to Leads K-3 Reading Initiative	(5,301)
Libraries GO Bonds Laws of 2004	(1,126)
Libraries 301 GO Bonds Laws of 2006	(6,018)
GRADS Childcare	(1,500)

The District incurred more expenditures than revenues received in these funds in the current year. The District anticipates these fund balances will not be in a deficit state in subsequent years from transfers from other funds.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 10. Other Required Individual Fund Disclosures (Continued)

B. Excess of expenditures over appropriations: The following funds had line item expenditures in excess of budget for the year ended June 30, 2013:

Nonmajor Funds

Fund and Function	Amount
Fund 41000- Debt Service Fund	
Support services- general administration	\$ 255

C. Designated cash appropriations in excess of available balance: The District did not have any funds that budgets exceeded approved budgetary authority for the year ended June 30, 2013.

NOTE 11. Pension Plan- Educational Retirement Board

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

Funding Policy.

Member Contributions

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

Employer Contributions

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

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

The contribution requirements of plan members and the District are established in State Statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District’s contributions to ERB for the years ended June 30, 2013, 2012, and 2011 were \$806,333, \$1,507,867 and \$1,517,987, respectively, which equal the amount of the required contributions for each fiscal year.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 12. Post-Employment Benefits – State Retiree Health Care Plan

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

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

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

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

The 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.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 12. Post-Employment Benefits – State Retiree Health Care Plan (continued)

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

The District's contribution to the RHCA for the years ended June 30, 2013, 2012, and 2011 were \$147,754, \$136,588, and \$124,647, respectively, which equal the required contributions for each year.

NOTE 13. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial. The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 14. Commitments

At June 30, 2013, the District had the following commitments:

Vendor	Description	Amount
Cooperative Educational Service	Playground Mulch	\$ 31,123.00
Capstone	Books	18,288.52
Cooperative Educational Service	Flooring	104,134.33
School Outfitters	Furniture	50,865.59
Flood Testing Laboratories	Roof Observation	10,745.78

NOTE 15. Concentrations

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

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 16. Net Position Restatement

Beginning capital assets and accumulated depreciation were restated due to multiple assets being maintained on the asset listing that should not have been capitalized. In addition, assets were included on the asset listing in which were not being depreciated correctly. Total restatement at June 30, 2012 was a reduction in the beginning net book value of capital assets of \$2,304,179.

NOTE 17. Subsequent Events

The date to which events occurring after June 30, 2013, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statement or disclosures is October 30, 2013, which is the date on which the financial statements were issued.

The District entered into Series 2013 General Obligation Bonds in the amount of \$650,000. The closing date was October 25, 2013. Principal is due August 1 with a maturity date of August 1, 2023. The GO Bonds have an interest rate of 0.22% to 3.02%

NOTE 18. Restricted Net Position

The government-wide statement of net position reports \$2,737,452 of restricted net position, all of which is restricted by enabling legislation. For descriptions of the related restrictions for net position restricted for special revenue, debt service and capital projects, see pages 39 and 68-79.

NOTE 19. Subsequent Pronouncements

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

In March 2012, GASB Statement No. 66 *Technical Corrections-2012—an amendment of GASB Statements No. 10 and No. 62*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The District will implement this standard during fiscal year June 30, 2014.

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

In June 2012, GASB Statement No. 68 *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Earlier application is encouraged. The District will implement this standard during the fiscal year June 30, 2016.

In January 2013, GASB Statement No. 69 *Government Combinations and Disposals of Government Operations*, Effective Date: The provisions of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. Earlier application is encouraged. The provisions of this Statement generally are required to be applied prospectively. The District is still evaluating how this standard will affect the District.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to the Financial Statements
June 30, 2013

NOTE 19. Subsequent Pronouncements (Continued)

In April 2013, GASB Statement No 70 *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, Effective Date: The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Earlier application is encouraged. Except for disclosures related to cumulative amounts paid or received in relation to a financial guarantee, the provisions of this Statement are required to be applied retroactively. Disclosures related to cumulative amounts paid or received in relation to a financial guarantee may be applied prospectively. The District is still evaluating how this reporting standard will affect the District.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
Hatch Valley Public Schools
Nonmajor Governmental Fund Descriptions
June 30, 2013

Special Revenue Funds

Food Service (21000) – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

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

Migrant Children Education (24103) – To account for federal sources administered by the State Public Education Department to provide for special education needs of children of migratory agricultural workers. Authority for the creation of this fund is (P.L. 100-297).

Entitlement IDEA-B (24106) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

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

Preschool IDEA-B (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

IDEA-B Early Intervention Services (24112) – To account for a program funded by a Federal grant to assist the District to make improvements in elementary and secondary education. Funding authorized by Elementary and Secondary Education Act of 1965, as amended, Title I, Chapter 2, Part A; Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvements of 1988, Public Law 100-297, 20 U.S.C. 2911-2952, 2971-2976.

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

Fresh Fruits and Vegetables (24118) – To account for funds administered by the New Mexico State University through New Mexico Human Services Department to promote nutrition education to students and parents. National School Lunch Act, as amended, 42 U.S.C. 1769.

IDEA-B “Risk Pool” (24120) –To provide additional funding in connection with Individuals with Disabilities Education Act (IDEA) for children who are considered “high cost special education needs” Local government agencies who meet qualifications will receive this funding. Any unexpended funds will be reallocated by the State to all school districts. Raton Public Schools did not submit an application for these funds but received monies due to the reallocation component.

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

STATE OF NEW MEXICO
Hatch Valley Public Schools
Nonmajor Governmental Fund Descriptions
June 30, 2013

Special Revenue Funds (Continued)

Enhancing Education Thru Technology (E2T2-C) (24133) – The account for a federal grant designed to strengthen teacher learning in the field of technology. Funding is authorized by (P.L. 103-382).

Comprehensive School Reform (24135) – To account for the provision of financial incentives for schools in the need of substantially improving student achievement to implement comprehensive school reform programs based on reliable research and effective practices. Funding is authorized by (P.L. 103-382).

Enhancing Education Thru Technology (E2T2-F) (24149) – To account for federal resources used to strengthen the skills of teachers in the field of technology. The authority for the use of these resources is outlined in (P.L. 103-382).

Title V- Part A Innovative Ed Pro Strategies (24150) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources. Funding is authorized by the No Child Left behind Act, State Grants for Innovative Programs).

English Language Acquisition (24153) – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards. Authority for creation of this fund is the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, and Sections 3101, 3129.

Title IIA Teacher / Principal Training & Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science and also to increase the accessibility of such instruction to all students. Funding authority is the Public Education Department.

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

Rural & Low Income Schools (24160) – To account for funds used to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Authorized by Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

Title I School Improvement (24162) – To account for federal funds to provide family-center education projects to help parents become full partners in the education of their children and to assist children in reaching their full potential as leaders. Authority is Public Law 100-297.

Immigrant Funding Title III (24163) – Implement district-wide bilingual education programs or special alternative instruction programs to improve, reform, and upgrade relevant programs and operations, within an entire local educational agency, that serve a significant number of children and youth limited English proficiency in local educational agencies with significant concentrations of such children and youth. The program is authorized by Title III, P.L. 107-116.

Title I- IASA - Federal Stimulus (24201) – This fund is used to account for resources provided under the American Recovery and Reinvestment Act of 2009 (ARRA). These federal funds are intended to create an opportunity for educators to implement strategies that will improve education for at-risk students and close the achievement gaps while also stimulating the economy.

IDEA-B Entitlement - Federal Stimulus (24206) – This fund is used to account for resources provided under the American Recovery and Reinvestment Act of 2009 (ARRA). These federal funds are to account for a program funded by a federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U.S.C. 1411-1420.

IDEA-B Preschool - Federal Stimulus (24209) - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of the Preschool IDEA-B grant.

Headstart (25127) and Headstart Federal Stimulus (25253) – To account for federal resources administered by the U.S. Department of Health and Human Services to provide comprehensive early childhood development for disadvantaged preschool children and their families. (Community Opportunities, Accountability and Training Act of 1998) Hatch valley Public Schools' Headstart funding flows through Las Cruces Public School District.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Nonmajor Governmental Fund Descriptions
June 30, 2013

Special Revenue Funds (Continued)

GRADS Child Care CYFD (25149)– To account for a program funded by the Public Education Department for the purpose to establish and maintain an in-school, family and consumer science instructional and intervention program for pregnant and parenting students, which focuses on knowledge and skills related to positive self, pregnancy, parenting, and economic dependence.

Title XIX - Medicaid 3/21 Years (25153) – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et seq., as amended; Public Law 92-223; Public Law 92-603; Public Law 93-66; Public Law 93-233; Public Law 96-499; Public Law 97-35; Public Law 97-248; Public Law 98-369; Public Law 99-272; Public Law 99-509; Public Law 100-93; Public Law 100-202; Public Law 100-203; Public Law 100-360; Public Law 100-436; Public Law 100-485; Public Law 100-647; Public Law 101-166; Public Law 101-234; Public Law 101-239; Public Law 101-508; Public Law 101-517; Public Law 102-234; Public Law 102-170; Public Law 102-394; Public Law 103-66; Public Law 103-112; Public Law 103-333; Public Law 104-91; Public Law 104-191; Public Law 104-193; Public Law 104-208,104-134; Balanced Budget Act of 1997, Public Law 105-33; Public Law 106-113; Public Law 106-554; Public Law 108-27; Public Law 108-173; Public Law 109-91; Public Law 109-171; Public Law 109-432; Public Law 110-28.

TANF/GRADS HSD (25162) – To provide grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193.

State Equalization Guarantee (25250) – Education stabilization funds are used to restore state funding to public schools and higher education institutions for FY09, FY10 and FY11 for the purpose of stimulating the economy as specified in the American Recovery and Reinvestment Act (ARRA).

Microsoft Settlement Funds (26170) – On November 6, 2001, the United States and Microsoft tentatively agreed to the entry of a revised proposed final judgment to resolve the United States' civil antitrust case against Microsoft. The settlement included the purchase of qualifying hardware, and non-custom software used with the hardware acquired through the use of General Purpose Vouchers or "Professional Development Services" or "IT Support Services" used in connection with hardware or software acquired through the use of the General Purpose Vouchers and/or Software Vouchers.

Dual Credit Instructional Materials/ HB2 (27103) – To account for House Bill 2, 2009 which makes an appropriation for Dual Credit Instructional materials. The dual credit instructional materials must be for a course approved by Higher Education Department and through a college/university for which the District has an approved agreement.

2008 GO Bond Student Library (27104) – To account for Senate Bill 333, 2008 which makes an appropriation to fund all public, charter and juvenile justice schools for public school library improvement or acquisition per school and to acquire library books, equipment, and library resources for public school and state-supported school libraries statewide.

2010 GO Bond Public School Acquisition (27106) – This award allows schools to acquire library books, equipment and library resources for public school library resources for public school libraries statewide. The funding was made available through Senate Bill 1, Laws of 2010, 2nd Special Session B3.

New Mexico Reads to Lead K-3 Reading Initiative (27114) – This fund is to account for funds received to provide children to acquire a firm foundation in literacy and are not only prepared for future academic success, but will possess a lifelong gift of reading. New Mexico's early reading initiative, New Mexico Reads to Lead, provides an aligned approach for districts and schools to ensure that children can read by the end of third grade—giving them essential skills for future career and college success. The New Mexico Reads to Lead! Initiative funds a reading K–3 Formative Assessment System provided to districts at no cost. It also provides regional and district reading coaches, supports for intervention, and professional development for parents, teachers, reading coaches, and administrators. In addition, this site highlights literacy resources for parents, teachers, administrators, and other stakeholders. Please visit often as the content will be regularly updated. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Nonmajor Governmental Fund Descriptions
June 30, 2013

Special Revenue Funds (Continued)

Technology for Education (27117) – The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 through 22-15A-13.

TANF - Full Day Kindergarten (27136) – The purpose of this grant is to assist the District to develop and implement a full day kindergarten program. Authority for the creation of this fund is the New Mexico Public Education Department.

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

Libraries GO Bonds Laws of 2004 (27145) – In the November 2004 election, New Mexico voters approved GO Bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public schools and juvenile detention libraries. Per student unit value is \$19.01.

Pre-K Initiative (27149) — To account for funds received to prepare children for success in school, begin to close the achievement gap between students, and help meet the vision of a seamless education system — Pre-Kindergarten through higher education. Authority for the creation of this fund is the New Mexico Public Education Department.

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

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

Technology Equity (27162) – To define and develop minimum educational technology adequacy standards to supplement the adequacy standards developed by the public school capital outlay council for school districts to use to identify outstanding serious deficiencies in educational technology infrastructure. Authority for the creation of this fund is Section 22-15A-11 NMSA 1978.

School Improvement Framework (27164) – Funds will enable the District to act as one of three Regional Quality Centers to provide program development, implementation, training, oversight and funding distribution services to the three Regional Quality Centers. Authority for the creation of this fund is the New Mexico Public Education Department.

Kindergarten Three Plus (27166) – Funds allow for an extended school year for Kindergarten through third grade students. The program focuses on acclimating young students to the structure of a classroom environment and spending additional time to prepare them for the next grade. Authority for the creation of this fund is the New Mexico Public Education Department.

Libraries 301 GO Bonds Laws of 2006 (27170) – In the November 2004 election, New Mexico voters approved GO Bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public schools and juvenile detention libraries.

Science Instruction Materials K-12 (27176) – These state appropriated funds are for the purchase of science instructional material for grades 6-8. Authority for the creation of this fund is the New Mexico Public Education Department.

2008 Library Book Fund (27549) – Funds awarded to the District by the Instructional Materials Bureau in accordance with 2008 Senate Bill 471 for purchases of library books.

Physical Science Lab NMSU (28134) – Funds awarded to the by the Regents of NMSU for the purpose of Enhancing Technical/Medical Exploration at the High School Level. Authority for the creation of this fund is the New Mexico Public Education Department.

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STATE OF NEW MEXICO
Hatch Valley Public Schools
Nonmajor Governmental Fund Descriptions
June 30, 2013

Special Revenue Funds (Continued)

Healthier Schools DOH (28155) – This grant is an MOA with the New Mexico Department of Health and Hatch Valley Public Schools to implement at least one youth-led Community transformation Grant (CTG) for strategic direction in the education system to encourage healthy eating among elementary school age children and to implement at least on youth-led CTG strategic direction in the food system to encourage healthy eating.

GEAR-UP CHE (28178) – (Gaining Early Awareness and Readiness for Undergraduate Programs) The purpose of this grant is to increase the number of low-income students who, upon graduation from high school, have the skills and knowledge to succeed in college.

Mentoring Diverse Abilities Program (28186) – To account for a one time grant from the Department of Vocational Rehabilitation to help special needs students as part of their transition plan into the workforce upon graduation by working with local area businesses.

GRADS Child Care (28189) – To account for a program funded by the Public Education Department for the purpose to establish and maintain an in-school, family and consumer science instructional and intervention program for pregnant and parenting students, which focuses on knowledge and skills related to positive self, pregnancy, parenting and economic independence. Special Revenue fund established by the local school board.

GRADS Instruction (28190) – To account for a program funded by the Public Education Department for the purpose to establish and maintain an in-school, family and consumer science instructional and intervention program for pregnant and parenting students, which focuses on knowledge and skills related to positive self, pregnancy, parenting and economic independence. Special Revenue fund established by the local school board.

Private Direct Grants (Categorical) (29102) - To account for local grants awarded to provide additional funding for specific projects. Funding authority is the New Mexico Public Education Department.

Capital Projects Funds

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

Special Capital Outlay (31300) – To account for resources received by revenue generated local sources for the purpose of remodeling and improvements on existing structures. Funding authority is the New Mexico Public Education Department.

Special Capital Outlay-State (31400) – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of specific capital outlay projects.

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

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue			
	Food Service	Athletics	Migrant Children Education	Entitlement IDEA-B
Assets				
Cash and cash equivalents	\$ 278,967	\$ 4,719	\$ 3,058	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	62,223
Inventory	22,720	-	-	-
Due from general fund	-	-	-	4,107
	Total assets	\$ 4,719	\$ 3,058	\$ 66,330
Liabilities and fund balances				
Accounts payable	\$ 10,802	\$ 1,900	\$ -	\$ 124
Accrued payroll	14,565	-	-	8,666
Due to NM Public Education Department	-	-	3,058	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	57,540
	Total liabilities	1,900	3,058	66,330
Fund balances				
Nonspendable				
Inventory	22,720	-	-	-
Spendable				
Restricted for:				
Educational purposes	-	-	-	-
Food service program	253,600	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	2,819	-	-
Unassigned	-	-	-	-
	Total fund balances	2,819	-	-
Total liabilities and fund balances	\$ 301,687	\$ 4,719	\$ 3,058	\$ 66,330

The accompanying notes are an integral part of these financial statements

Special Revenue

Discretionary IDEA-B	Preschool IDEA- B	IDEA-B Early Intervention Service	Education of Homeless	Fresh Fruits & Vegetables	IDEA- B "Risk Pool"
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	6,139	860	-	-	-
-	-	-	-	-	-
5,730	2,042	-	1,760	32	-
<u>\$ 5,730</u>	<u>\$ 8,181</u>	<u>\$ 860</u>	<u>\$ 1,760</u>	<u>\$ 32</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	25	3	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,730	8,156	857	1,760	32	-
<u>5,730</u>	<u>8,181</u>	<u>860</u>	<u>1,760</u>	<u>32</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 5,730</u>	<u>\$ 8,181</u>	<u>\$ 860</u>	<u>\$ 1,760</u>	<u>\$ 32</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue			
	Title I- 1003g Grant	Enhancing Education Thru Technology (E2T2-C)	Comprehensive School Reform	Enhancing Education Thru Technology (E2T2-F)
Assets				
Cash and cash equivalents	\$ 1	\$ -	\$ 23,487	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	-	256	-	67,462
<i>Total assets</i>	<u>\$ 1</u>	<u>\$ 256</u>	<u>\$ 23,487</u>	<u>\$ 67,462</u>
Liabilities and fund balances				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to NM Public Education Department	1	-	23,487	-
Deferred revenue	-	-	-	-
Due to other funds	-	256	-	67,462
<i>Total liabilities</i>	<u>1</u>	<u>256</u>	<u>23,487</u>	<u>67,462</u>
Fund balances				
Nonspendable				
Inventory	-	-	-	-
Spendable				
Restricted for:				
Educational purposes	-	-	-	-
Food service program	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1</u>	<u>\$ 256</u>	<u>\$ 23,487</u>	<u>\$ 67,462</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Title V- Part A Innovative Ed Pro Strategies	English Language Acquisition	Title IIA		Rural & Low Income Schools	Title I School Improvement
		Teacher/Principal Training & Recruiting	Safe & Drug Free Schools and Community		
\$ 1,928	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	255	43,563	-	-	-
-	-	-	-	-	-
-	3,852	-	996	21,555	881
<u>\$ 1,928</u>	<u>\$ 4,107</u>	<u>\$ 43,563</u>	<u>\$ 996</u>	<u>\$ 21,555</u>	<u>\$ 881</u>
\$ -	\$ -	\$ 1,100	\$ -	\$ -	\$ -
-	-	2,797	-	-	-
1,928	-	21,714	-	-	-
-	-	-	-	-	-
-	4,107	17,952	996	21,555	881
<u>1,928</u>	<u>4,107</u>	<u>43,563</u>	<u>996</u>	<u>21,555</u>	<u>881</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,928</u>	<u>\$ 4,107</u>	<u>\$ 43,563</u>	<u>\$ 996</u>	<u>\$ 21,555</u>	<u>\$ 881</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue			
	Immigrant Funding Title III	Title I-IASA Federal Stimulus	IDEA- B Entitlement Federal Stimulus	IDEA- B Preschool Federal Stimulus
Assets				
Cash and cash equivalents	\$ -	\$ 306	\$ -	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	1,587	-	38,210	5,690
<i>Total assets</i>	\$ 1,587	\$ 306	\$ 38,210	\$ 5,690
Liabilities and fund balances				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to NM Public Education Department	-	306	-	-
Deferred revenue	-	-	-	-
Due to other funds	1,587	-	38,210	5,690
<i>Total liabilities</i>	1,587	306	38,210	5,690
<i>Fund balances</i>				
Nonspendable				
Inventory	-	-	-	-
Spendable				
Restricted for:				
Educational purposes	-	-	-	-
Food service program	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	-	-	-	-
<i>Total liabilities and fund balances</i>	\$ 1,587	\$ 306	\$ 38,210	\$ 5,690

The accompanying notes are an integral part of these financial statements

Special Revenue

Headstart	GRADS Child Care CYFD	Title XIX Medicaid 3/21 Years	TANF/GRADS HSD	State Equalization Guarantee	Headstart Federal Stimulus
\$ -	\$ 1,255	\$ -	\$ 8,287	\$ -	\$ -
-	-	-	-	-	-
155,635	-	-	-	-	-
-	-	-	-	-	-
-	-	2,550	-	10	14,749
<u>\$ 155,635</u>	<u>\$ 1,255</u>	<u>\$ 2,550</u>	<u>\$ 8,287</u>	<u>\$ 10</u>	<u>\$ 14,749</u>
\$ 31,415	\$ -	\$ -	\$ -	\$ -	\$ -
6,746	-	593	-	-	-
21,949	1,255	-	8,287	-	-
-	-	-	-	-	-
95,525	-	1,957	-	10	14,749
<u>155,635</u>	<u>1,255</u>	<u>2,550</u>	<u>8,287</u>	<u>10</u>	<u>14,749</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 155,635</u>	<u>\$ 1,255</u>	<u>\$ 2,550</u>	<u>\$ 8,287</u>	<u>\$ 10</u>	<u>\$ 14,749</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue			
	Microsoft Settlement Funds	Dual Credit Instructional Materials/HB2	2008 GO Bond Student Library	2010 GO Bond Public School Acquisition
Assets				
Cash and cash equivalents	\$ 86	\$ -	\$ -	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	-	-	-	-
<i>Total assets</i>	<u>\$ 86</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities and fund balances				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to NM Public Education Department	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	-	-	-	-
<i>Fund balances</i>				
Nonspendable				
Inventory	-	-	-	-
Spendable				
Restricted for:				
Educational purposes	86	-	-	-
Food service program	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	86	-	-	-
<i>Total liabilities and fund balances</i>	<u>\$ 86</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

New Mexico Reads to Lead K-3 Reading Initiative	Technology for Education	TANF Full Day Kindergarten	Incentives for School Improvement Act PED	Libraries GO Bonds Laws of 2004	Pre-K Initiative
\$ -	\$ 7,422	\$ 17,337	\$ 11,010	\$ -	\$ -
-	-	-	-	-	-
38,032	-	-	-	-	26,202
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 38,032</u>	<u>\$ 7,422</u>	<u>\$ 17,337</u>	<u>\$ 11,010</u>	<u>\$ -</u>	<u>\$ 26,202</u>
\$ 24,422	\$ -	\$ -	\$ -	\$ -	\$ 7,947
-	-	-	-	-	1,413
-	-	-	-	-	-
-	-	-	-	-	-
18,911	-	-	-	1,126	16,842
<u>43,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,126</u>	<u>26,202</u>
-	-	-	-	-	-
-	7,422	17,337	11,010	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(5,301)	-	-	-	(1,126)	-
<u>(5,301)</u>	<u>7,422</u>	<u>17,337</u>	<u>11,010</u>	<u>(1,126)</u>	<u>-</u>
<u>\$ 38,032</u>	<u>\$ 7,422</u>	<u>\$ 17,337</u>	<u>\$ 11,010</u>	<u>\$ -</u>	<u>\$ 26,202</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue			
	Beginning Teacher Mentoring Program	Breakfast for Elementary Students	Technology Equity	School Improvement Framework
Assets				
Cash and cash equivalents	\$ 12,338	\$ 1,042	\$ 21	\$ 8,798
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	-	-	-	-
<i>Total assets</i>	<u>\$ 12,338</u>	<u>\$ 1,042</u>	<u>\$ 21</u>	<u>\$ 8,798</u>
Liabilities and fund balances				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to NM Public Education Department	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable				
Inventory	-	-	-	-
Spendable				
Restricted for:				
Educational purposes	12,338	1,042	21	8,798
Food service program	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>12,338</u>	<u>1,042</u>	<u>21</u>	<u>8,798</u>
<i>Total liabilities and fund balances</i>	<u>\$ 12,338</u>	<u>\$ 1,042</u>	<u>\$ 21</u>	<u>\$ 8,798</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Kindergarten Three Plus	Libraries 301 GO Bonds Laws of 2006	Science Instruction Materials K-12	2008 Library Book Fund	Physical Science Lab NMSU	Healthier Schools DOH
\$ -	\$ -	\$ -	\$ 4,226	\$ -	\$ -
-	-	-	-	-	-
112,649	-	-	-	-	13,186
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 112,649</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,226</u>	<u>\$ -</u>	<u>\$ 13,186</u>
\$ 2,959	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
31,126	6,018	-	-	-	13,186
<u>34,085</u>	<u>6,018</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,186</u>
-	-	-	-	-	-
78,564	-	-	4,226	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(6,018)	-	-	-	-
<u>78,564</u>	<u>(6,018)</u>	<u>-</u>	<u>4,226</u>	<u>-</u>	<u>-</u>
<u>\$ 112,649</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,226</u>	<u>\$ -</u>	<u>\$ 13,186</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue			
	GEAR-UP CHE	Mentoring Diverse Abilities Program	GRADS Child Care	GRADS Instruction
Assets				
Cash and cash equivalents	\$ -	\$ 2,812	\$ -	\$ 8,651
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	4,316	-	-	-
	<u>4,316</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total assets</i>	<u>\$ 4,316</u>	<u>\$ 2,812</u>	<u>\$ -</u>	<u>\$ 8,651</u>
Liabilities and fund balances				
Accounts payable	\$ -	\$ -	\$ -	\$ 333
Accrued payroll	-	-	-	2
Due to NM Public Education Department	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	4,316	-	1,500	-
	<u>4,316</u>	<u>-</u>	<u>1,500</u>	<u>-</u>
<i>Total liabilities</i>	<u>4,316</u>	<u>-</u>	<u>1,500</u>	<u>335</u>
Fund balances				
Nonspendable				
Inventory	-	-	-	-
Spendable				
Restricted for:				
Educational purposes	-	2,812	-	8,316
Food service program	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	-	-	-
Unassigned	-	-	(1,500)	-
	<u>-</u>	<u>2,812</u>	<u>(1,500)</u>	<u>8,316</u>
<i>Total fund balances</i>	<u>-</u>	<u>2,812</u>	<u>(1,500)</u>	<u>8,316</u>
<i>Total liabilities and fund balances</i>	<u>\$ 4,316</u>	<u>\$ 2,812</u>	<u>\$ -</u>	<u>\$ 8,651</u>

The accompanying notes are an integral part of these financial statements

<u>Special Revenue</u>	<u>Capital Projects</u>					
Private Direct Grants (Categorical)	Public School Capital Outlay	Special Capital Outlay	Special Capital Outlay - State	SB-9 Capital Improvements	Total Nonmajor Governmental Funds	
\$ -	\$ 1,316	\$ 147,356	\$ -	\$ 151,537	\$ 695,960	
-	-	-	-	21,611	21,611	
-	-	-	-	15,961	474,705	
-	-	-	-	-	22,720	
-	-	-	-	-	175,785	
<u>\$ -</u>	<u>\$ 1,316</u>	<u>\$ 147,356</u>	<u>\$ -</u>	<u>\$ 189,109</u>	<u>\$ 1,390,781</u>	
\$ -	\$ -	\$ -	\$ -	\$ 10,707	\$ 91,709	
-	-	-	-	-	34,810	
-	-	-	-	-	81,985	
-	-	-	-	17,150	17,150	
-	-	-	-	-	438,037	
-	-	-	-	27,857	663,691	
-	-	-	-	-	22,720	
-	-	-	-	-	151,972	
-	-	-	-	-	253,600	
-	1,316	147,356	-	161,252	309,924	
-	-	-	-	-	2,819	
-	-	-	-	-	(13,945)	
<u>-</u>	<u>1,316</u>	<u>147,356</u>	<u>-</u>	<u>161,252</u>	<u>727,090</u>	
<u>\$ -</u>	<u>\$ 1,316</u>	<u>\$ 147,356</u>	<u>\$ -</u>	<u>\$ 189,109</u>	<u>\$ 1,390,781</u>	

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue			
	Food Service	Athletics	Migrant Children Education	Entitlement IDEA-B
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	887,583	-	-	300,292
State flowthrough	53,371	-	-	-
State direct	-	-	-	-
Charges for services	14,281	32,578	-	-
Investment income	106	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	955,341	32,578	-	300,292
<i>Expenditures</i>				
Current:				
Instruction	-	34,267	-	166,230
Support services - students	-	-	-	88,013
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	46,049
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food service operations	1,005,278	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	1,005,278	34,267	-	300,292
<i>Excess (deficiency) of revenues over expenditures</i>	(49,937)	(1,689)	-	-
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Clearing of fund balance to close fund	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	(49,937)	(1,689)	-	-
<i>Fund balances - beginning</i>	326,257	4,508	-	-
<i>Fund balances - ending</i>	\$ 276,320	\$ 2,819	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Special Revenue

Discretionary IDEA-B	Preschool IDEA- B	IDEA-B Early Intervention Service	Education of Homeless	Fresh Fruits & Vegetables	IDEA-B "Risk Pool"
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,570	31,028	36,480	-	-	1,943
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,570</u>	<u>31,028</u>	<u>36,480</u>	<u>-</u>	<u>-</u>	<u>1,943</u>
3,570	31,028	17,480	-	-	1,943
-	-	19,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,570</u>	<u>31,028</u>	<u>36,480</u>	<u>-</u>	<u>-</u>	<u>1,943</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue			
	Title I- 1003g Grant	Enhancing Education Thru Technology (E2T2-C)	Comprehensive School Reform	Enhancing Education Thru Technology (E2T2-F)
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food service operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Clearing of fund balance to close fund	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue					
Title V- Part A Innovative Ed Pro Strategies	English Language Acquisition	Title IIA Teacher/Principal Training & Recruiting	Safe & Drug Free Schools and Community	Rural & Low Income Schools	Title I School Improvement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	32,462	113,912	-	19,252	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	32,462	113,912	-	19,252	-
-	32,462	108,521	-	19,252	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	5,391	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	32,462	113,912	-	19,252	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue			
	Immigrant	Title I-IASA	IDEA- B	IDEA- B
	Funding Title III	Federal Stimulus	Entitlement Federal Stimulus	Preschool Federal Stimulus
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	12,472	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	12,472	-	-	-
<i>Expenditures</i>				
Current:				
Instruction	294	-	-	-
Support services - students	12,178	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food service operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	12,472	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Clearing of fund balance to close fund	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - ending</i>	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Special Revenue

Headstart	GRADS Child Care CYFD	Title XIX Medicaid 3/21 Years	TANF/GRADS HSD	State Equalization Guarantee	Headstart Federal Stimulus
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
442,247	-	72,788	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>442,247</u>	<u>-</u>	<u>72,788</u>	<u>-</u>	<u>-</u>	<u>-</u>
185,535	-	-	-	-	-
67,217	-	70,302	-	-	-
89,992	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
43,043	-	-	-	-	-
56,460	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>442,247</u>	<u>-</u>	<u>70,302</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	2,486	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	2,486	-	-	-
-	-	(2,486)	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue			
	Microsoft Settlement Funds	Dual Credit Instructional Materials/HB2	2008 GO Bond Student Library	2010 GO Bond Public School Acquisition
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
State flowthrough	-	3,875	85,569	4,223
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,875</u>	<u>85,569</u>	<u>4,223</u>
<i>Expenditures</i>				
Current:				
Instruction	-	3,875	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	4,223
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	85,569	-
Food service operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,875</u>	<u>85,569</u>	<u>4,223</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Clearing of fund balance to close fund	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	<u>86</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ 86</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

New Mexico Reads to Lead K-3 Reading Initiative	Technology for Education PED	TANF Full Day Kindergarten	Incentives for School Improvement Act PED	Libraries GO Bonds Laws of 2004	Pre-K Initiative
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
38,032	-	-	-	-	123,457
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>38,032</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,457</u>
43,333	-	-	-	-	100,768
-	-	-	-	-	10,345
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	933
-	-	-	-	-	11,411
-	-	-	-	-	-
-	-	-	-	-	-
<u>43,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,457</u>
<u>(5,301)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(5,301)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>7,422</u>	<u>17,337</u>	<u>11,010</u>	<u>(1,126)</u>	<u>-</u>
<u>\$ (5,301)</u>	<u>\$ 7,422</u>	<u>\$ 17,337</u>	<u>\$ 11,010</u>	<u>\$ (1,126)</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue			
	Beginning Teacher Mentoring Program	Breakfast for Elementary Students	Technology Equity	School Improvement Framework
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food service operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Clearing of fund balance to close fund	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	<u>12,338</u>	<u>1,042</u>	<u>21</u>	<u>8,798</u>
<i>Fund balances - ending</i>	<u>\$ 12,338</u>	<u>\$ 1,042</u>	<u>\$ 21</u>	<u>\$ 8,798</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Kindergarten Three Plus	Libraries 301 GO Bonds Laws of 2006	Science Instruction Materials K-12	2008 Library Book Fund	Physical Science Lab NMSU	Healthier Schools DOH
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
199,464	-	19,092	-	-	-
-	-	-	-	-	13,186
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>199,464</u>	<u>-</u>	<u>19,092</u>	<u>-</u>	<u>-</u>	<u>13,186</u>
110,852	-	19,092	-	-	20,614
4,281	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,767	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>120,900</u>	<u>-</u>	<u>19,092</u>	<u>-</u>	<u>-</u>	<u>20,614</u>
78,564	-	-	-	-	(7,428)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
78,564	-	-	-	-	(7,428)
-	(6,018)	-	4,226	-	7,428
<u>\$ 78,564</u>	<u>\$ (6,018)</u>	<u>\$ -</u>	<u>\$ 4,226</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue			
	GEAR-UP CHE	Mentoring Diverse Abilities Program	GRADS Child Care	GRADS Instruction
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	625	31,739
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>625</u>	<u>31,739</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	2,125	34,464
Support services - students	-	-	-	21,271
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food service operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>2,125</u>	<u>55,735</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,500)</u>	<u>(23,996)</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Clearing of fund balance to close fund	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(1,500)	(23,996)
<i>Fund balances - beginning</i>	<u>-</u>	<u>2,812</u>	<u>-</u>	<u>32,312</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ 2,812</u>	<u>\$ (1,500)</u>	<u>\$ 8,316</u>

The accompanying notes are an integral part of these financial statements

Special Revenue	Capital Projects					
Private Direct Grants (Categorical)	Public School Capital Outlay	Special Capital Outlay	Special Capital Outlay - State	SB-9 Capital Improvements	Total Nonmajor Governmental Funds	
\$ -	\$ -	\$ -	\$ -	\$ 134,345	\$ 134,345	
-	-	-	-	-	1,954,029	
-	-	-	28,966	-	556,049	
-	-	-	-	231,594	277,144	
-	-	-	-	-	46,859	
-	-	-	-	-	106	
-	-	-	-	-	-	
-	-	-	28,966	365,939	2,968,532	
-	-	-	-	-	935,705	
-	-	-	-	-	292,607	
-	-	-	-	-	94,215	
-	-	-	-	1,339	47,388	
-	-	-	-	-	5,391	
-	-	-	-	-	-	
-	-	48,587	28,966	398,562	520,091	
-	-	-	-	-	159,207	
-	-	-	-	-	1,005,278	
-	-	-	-	14,668	14,668	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	48,587	28,966	414,569	3,074,550	
-	-	(48,587)	-	(48,630)	(106,018)	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	(48,587)	-	(48,630)	(106,018)	
-	1,316	195,943	-	209,882	833,108	
\$ -	\$ 1,316	\$ 147,356	\$ -	\$ 161,252	\$ 727,090	

STATE OF NEW MEXICO
Hatch Valley Public Schools
Food Service Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	843,765	843,765	833,325	(10,440)
Federal direct	-	-	-	-
State flowthrough	-	-	54,818	54,818
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	14,200	14,200	14,281	81
Investment income	-	-	106	106
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>857,965</u>	<u>857,965</u>	<u>902,530</u>	<u>44,565</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Other support services	-	-	-	-
Food services operations	1,174,575	1,194,562	960,260	234,302
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,174,575</u>	<u>1,194,562</u>	<u>960,260</u>	<u>234,302</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(316,610)</u>	<u>(336,597)</u>	<u>(57,730)</u>	<u>278,867</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	316,610	336,597	-	(336,597)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>316,610</u>	<u>336,597</u>	<u>-</u>	<u>(336,597)</u>
<i>Net change in fund balances</i>	-	-	(57,730)	(57,730)
<i>Fund balances - beginning of year</i>	-	-	336,697	336,697
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 278,967</u>	<u>\$ 278,967</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (57,730)
Adjustments to revenues for charges for refunds from prior year				52,811
Adjustments to expenditures for food service function accruals				<u>(45,018)</u>
Net change in fund balances (GAAP)				<u>\$ (49,937)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Athletics Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	30,000	30,000	32,578	2,578
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>30,000</u>	<u>30,000</u>	<u>32,578</u>	<u>2,578</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	30,000	34,508	32,367	2,141
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>30,000</u>	<u>34,508</u>	<u>32,367</u>	<u>2,141</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(4,508)</u>	<u>211</u>	<u>4,719</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	4,508	-	(4,508)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>4,508</u>	<u>-</u>	<u>(4,508)</u>
<i>Net change in fund balances</i>	-	-	211	211
<i>Fund balances - beginning of year</i>	-	-	4,508	4,508
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,719</u>	<u>\$ 4,719</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 211
No adjustments for revenue accruals				-
Adjustments to expenditures for accrual in instruction function				(1,900)
Net change in fund balances (GAAP)				<u>\$ (1,689)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Migrant Children Education Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	10,519	10,519
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>10,519</u>	<u>10,519</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>10,519</u>	<u>10,519</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	10,519	10,519
<i>Fund balances - beginning of year</i>	-	-	(7,461)	(7,461)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,058</u>	<u>\$ 3,058</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 10,519
Adjustments to revenue for federal flowthrough accrual				(10,519)
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Entitlement IDEA-B Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	244,980	331,708	339,351	7,643
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>244,980</u>	<u>331,708</u>	<u>339,351</u>	<u>7,643</u>
<i>Expenditures</i>				
Current				
Instruction	112,978	188,533	157,440	31,093
Support services - students	84,749	94,897	88,013	6,884
Support services - instruction	-	-	-	-
Support services - general administration	47,253	47,278	46,049	1,229
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>244,980</u>	<u>330,708</u>	<u>291,502</u>	<u>39,206</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>1,000</u>	<u>47,849</u>	<u>46,849</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(1,000)	-	1,000
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>1,000</u>
<i>Net change in fund balances</i>	-	-	47,849	47,849
<i>Fund balances - beginning of year</i>	-	-	(105,389)	(105,389)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (57,540)</u>	<u>\$ (57,540)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 47,849
Adjustments to revenue for federal flowthrough accrual				(39,059)
Adjustments to expenditures for instructional function accruals				(8,790)
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Discretionary IDEA-B Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	5,000	-	(5,000)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
<i>Expenditures</i>				
Current				
Instruction	-	5,000	3,570	1,430
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,000</u>	<u>3,570</u>	<u>1,430</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,570)</u>	<u>(3,570)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(3,570)	(3,570)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,160)</u>	<u>(2,160)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,730)</u>	<u>\$ (5,730)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (3,570)
Adjustments to revenue for federal flowthrough accrual				3,570
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Preschool IDEA-B Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	12,145	31,029	29,917	(1,112)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>12,145</u>	<u>31,029</u>	<u>29,917</u>	<u>(1,112)</u>
<i>Expenditures</i>				
Current				
Instruction	12,145	31,029	31,003	26
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,145</u>	<u>31,029</u>	<u>31,003</u>	<u>26</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,086)</u>	<u>(1,086)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(1,086)	(1,086)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(7,070)</u>	<u>(7,070)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,156)</u>	<u>\$ (8,156)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (1,086)
Adjustments to revenue for federal flowthrough accrual				1,111
Adjustments to expenditures for instructional function accrual				<u>(25)</u>
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
IDEA-B Early Intervention Service Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	43,232	43,232	36,503	(6,729)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	43,232	43,232	36,503	(6,729)
<i>Expenditures</i>				
Current				
Instruction	23,232	23,232	17,477	5,755
Support services - students	20,000	20,000	19,000	1,000
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	43,232	43,232	36,477	6,755
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	26	26
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	26	26
<i>Fund balances - beginning of year</i>	-	-	(883)	(883)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (857)	\$ (857)
Net change in fund balances (non-GAAP budgetary basis)				\$ 26
Adjustments to revenues for federal flowthrough accruals				(23)
Adjustments to expenditures for instructional function accruals				(3)
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Education of Homeless Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(1,760)	(1,760)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,760)	\$ (1,760)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Fresh Fruits & Vegetables Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(32)	(32)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (32)	\$ (32)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
IDEA-B "Risk Pool" Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	1,998	4,772	2,774
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	1,998	4,772	2,774
<i>Expenditures</i>				
Current				
Instruction	-	1,998	1,943	55
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	1,998	1,943	55
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	2,829	2,829
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	2,829	2,829
<i>Fund balances - beginning of year</i>	-	-	(2,829)	(2,829)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 2,829
Adjustments to revenues for federal flowthrough accruals				(2,829)
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Title I 1003g Grant Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	1	1
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1	\$ 1
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Enhancing Education Thru Technology (E2T2-C) Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(256)	(256)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (256)	\$ (256)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Comprehensive School Reform Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	23,487	23,487
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 23,487	\$ 23,487
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Enhancing Education Thru Technology (E2T2-F) Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(67,462)	(67,462)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (67,462)	\$ (67,462)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Title V- Part A Innovative Education Pro Strategies Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Actual	Variances Favorable (Unfavorable) Final to Actual
	<u>Original</u>	<u>Final</u>		<u>Final to Actual</u>	
<i>Revenues</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	
Intergovernmental revenue:					
Federal flowthrough	-	-	-	-	
Federal direct	-	-	-	-	
State flowthrough	-	-	-	-	
State direct	-	-	-	-	
Local grants	-	-	-	-	
Charges for services	-	-	-	-	
Investment income	-	-	-	-	
Miscellaneous	-	-	-	-	
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Expenditures</i>					
Current					
Instruction	-	-	-	-	
Support services - students	-	-	-	-	
Support services - instruction	-	-	-	-	
Support services - general administration	-	-	-	-	
Capital outlay	-	-	-	-	
Debt service					
Principal	-	-	-	-	
Interest	-	-	-	-	
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Other financing sources (uses)</i>					
Designated cash (budgeted increase in cash)	-	-	-	-	
Transfers in (out)	-	-	-	-	
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Net change in fund balances</i>	-	-	-	-	
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,928</u>	<u>1,928</u>	
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,928</u>	<u>\$ 1,928</u>	
Net change in fund balances (non-GAAP budgetary basis)				\$ -	
No adjustments for revenue accruals				-	
No adjustments for expenditure accruals				-	
Net change in fund balances (GAAP)				<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
English Language Acquisition Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	34,748	50,372	64,189	13,817
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>34,748</u>	<u>50,372</u>	<u>64,189</u>	<u>13,817</u>
<i>Expenditures</i>				
Current				
Instruction	34,748	48,372	32,462	15,910
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - school administration	-	2,000	-	2,000
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>34,748</u>	<u>50,372</u>	<u>32,462</u>	<u>17,910</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>31,727</u>	<u>31,727</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	31,727	31,727
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(35,834)</u>	<u>(35,834)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,107)</u>	<u>\$ (4,107)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 31,727
Adjustments to revenue for federal flowthrough accruals				(31,727)
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Title IIA Teacher/Principal Training & Recruiting Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	102,388	135,622	107,567	(28,055)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>102,388</u>	<u>135,622</u>	<u>107,567</u>	<u>(28,055)</u>
<i>Expenditures</i>				
Current				
Instruction	107,388	126,522	104,988	21,534
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	5,000	9,100	5,457	3,643
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>112,388</u>	<u>135,622</u>	<u>110,445</u>	<u>25,177</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(10,000)</u>	<u>-</u>	<u>(2,878)</u>	<u>(2,878)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	10,000	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(2,878)	(2,878)
<i>Fund balances - beginning of year</i>	-	-	(15,074)	(15,074)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,952)</u>	<u>\$ (17,952)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (2,878)
Adjustments to revenue for federal flowthrough accruals				6,345
Adjustments to expenditures for instruction function accruals				(3,467)
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Safe & Drug Free Schools and Community Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(996)	(996)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (996)	\$ (996)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Rural & Low Income Schools Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	22,418	30,707	27,917	(2,790)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>22,418</u>	<u>30,707</u>	<u>27,917</u>	<u>(2,790)</u>
<i>Expenditures</i>				
Current				
Instruction	22,418	30,707	19,252	11,455
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>22,418</u>	<u>30,707</u>	<u>19,252</u>	<u>11,455</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>8,665</u>	<u>8,665</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	8,665	8,665
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(30,220)</u>	<u>(30,220)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,555)</u>	<u>\$ (21,555)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 8,665
Adjustments to revenues for federal flowthrough accruals				(8,665)
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Title I School Improvement Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(881)	(881)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (881)	\$ (881)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Immigrant Funding Title III Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	25,000	12,472	(12,528)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	25,000	12,472	(12,528)
<i>Expenditures</i>				
Current				
Instruction	-	7,637	294	7,343
Support services - students	-	17,363	12,178	5,185
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	25,000	12,472	12,528
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(1,587)	(1,587)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,587)	\$ (1,587)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Title I-IASA Federal Stimulus Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	306	306
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 306	\$ 306
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
IDEA- B Entitlement Federal Stimulus Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(38,210)	(38,210)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (38,210)	\$ (38,210)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
IDEA- B Preschool Federal Stimulus Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(5,690)	(5,690)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (5,690)	\$ (5,690)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Headstart Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	471,597	471,597	362,409	(109,188)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	471,597	471,597	362,409	(109,188)
<i>Expenditures</i>				
Current				
Instruction	217,115	202,640	178,497	24,143
Support services - students	86,124	71,024	67,217	3,807
Support services - instruction	100,579	96,829	89,992	6,837
Support services - general administration	-	-	-	-
Operation and maintenance of plant	10,714	43,839	11,920	31,919
Student transportation	54,065	57,765	56,460	1,305
Other support services	-	-	-	-
Capital outlay	3,000	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	471,597	472,097	404,086	68,011
<i>Excess (deficiency) of revenues over expenditures</i>	-	(500)	(41,677)	(41,177)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	500	-	(500)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	500	-	(500)
<i>Net change in fund balances</i>	-	-	(41,677)	(41,677)
<i>Fund balances - beginning of year</i>	-	-	(53,848)	(53,848)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (95,525)	\$ (95,525)
Net change in fund balances (non-GAAP budgetary basis)				\$ (41,677)
Adjustments to revenues for federal flowthrough accruals				79,838
Adjustments to expenditures for instructional and support services accruals				(38,161)
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
GRADS Child Care CYFD Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,255</u>	<u>1,255</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,255</u>	<u>\$ 1,255</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Title XIX Medicaid 3/21 Years Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	82,000	82,000	82,849	849
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>82,000</u>	<u>82,000</u>	<u>82,849</u>	<u>849</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	82,000	82,000	69,709	12,291
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>82,000</u>	<u>82,000</u>	<u>69,709</u>	<u>12,291</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>13,140</u>	<u>13,140</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	13,140	13,140
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(15,097)</u>	<u>(15,097)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,957)</u>	<u>\$ (1,957)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 13,140
Adjustments to revenues for federal flowthrough accruals				(10,061)
Adjustments to expenditures for support services accruals				(593)
Net change in fund balances (GAAP)				<u>\$ 2,486</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
TANF/GRADS HSD Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,287</u>	<u>8,287</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,287</u>	<u>\$ 8,287</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenues accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
State Equalization Guarantee Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(10)</u>	<u>(10)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10)</u>	<u>\$ (10)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenues accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Headstart Federal Stimulus Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(14,749)	(14,749)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (14,749)	\$ (14,749)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenues accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Microsoft Settlement Fund Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	86	86
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 86	\$ 86
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Dual Credit Instructional Materials/HB2 Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	3,875	4,751	876
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,875</u>	<u>4,751</u>	<u>876</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	3,875	3,875	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,875</u>	<u>3,875</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>876</u>	<u>876</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	876	876
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(876)</u>	<u>(876)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 876
Adjustments to revenues for state flowthrough accruals				(876)
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
2008 GO Bond Student Library Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	85,569	85,569	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	85,569	85,569	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Student transportation	-	85,569	85,569	-
Other support services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	85,569	85,569	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
2010 GO Bond Public School Acquisition Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	4,223	8,901	4,678
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	4,223	8,901	4,678
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	4,223	4,223	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	4,223	4,223	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	4,678	4,678
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	4,678	4,678
<i>Fund balances - beginning of year</i>	-	-	(4,678)	(4,678)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 4,678
Adjustments to revenues for state flowthrough accruals				(4,678)
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
New Mexico Reads to Lead K-3 Reading Initiative Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	52,600	-	(52,600)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	52,600	-	(52,600)
<i>Expenditures</i>				
Current				
Instruction	-	52,600	18,911	33,689
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	52,600	18,911	33,689
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(18,911)	(18,911)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(18,911)	(18,911)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (18,911)	\$ (18,911)
Net change in fund balances (non-GAAP budgetary basis)				\$ (18,911)
Adjustments to revenues for state flowthrough accruals				38,032
Adjustments to expenditures for instructional function accrual				(24,422)
Net change in fund balances (GAAP)				\$ (5,301)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Technology for Education Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	7,422	7,422
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 7,422	\$ 7,422
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
TANF Full Day Kindergarten Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	<u>-</u>	<u>-</u>	<u>17,337</u>	<u>17,337</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,337</u>	<u>\$ 17,337</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Incentives for School Improvement Act PED Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	11,010	11,010
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 11,010	\$ 11,010
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Libraries GO Bonds Laws of 2004 Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	(1,126)	(1,126)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,126)	\$ (1,126)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Pre-K Initiative Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	140,920	140,920	134,988	(5,932)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>140,920</u>	<u>140,920</u>	<u>134,988</u>	<u>(5,932)</u>
<i>Expenditures</i>				
Current				
Instruction	101,119	101,119	91,408	9,711
Support services - students	14,801	12,821	10,345	2,476
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	2,680	933	1,747
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>140,920</u>	<u>140,920</u>	<u>114,097</u>	<u>26,823</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>20,891</u>	<u>20,891</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	20,891	20,891
<i>Fund balances - beginning of year,</i>	<u>-</u>	<u>-</u>	<u>(37,733)</u>	<u>(37,733)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,842)</u>	<u>\$ (16,842)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 20,891
Adjustments to revenues for state flowthrough accruals				(11,531)
Adjustments to expenditures for instruction and support services accruals				(9,360)
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Beginning Teacher Mentoring Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	12,338	12,338
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 12,338	\$ 12,338
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Breakfast for Elementary Students Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	1,042	1,042
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,042	\$ 1,042
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Technology Equity Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	21	21
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 21	\$ 21
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
School Improvement Framework Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	8,798	8,798
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 8,798	\$ 8,798
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Kindergarten Three Plus Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	118,712	207,174	118,245	(88,929)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>118,712</u>	<u>207,174</u>	<u>118,245</u>	<u>(88,929)</u>
<i>Expenditures</i>				
Current				
Instruction	95,929	197,124	107,893	89,231
Support services - students	3,014	4,281	4,281	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>118,712</u>	<u>207,174</u>	<u>117,941</u>	<u>89,233</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>304</u>	<u>304</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	304	304
<i>Fund balances - beginning of year,</i>	<u>-</u>	<u>-</u>	<u>(31,430)</u>	<u>(31,430)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (31,126)</u>	<u>\$ (31,126)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 304
Adjustments to revenues for state flowthrough accruals				81,219
Adjustments to expenditures for instruction function accruals				(2,959)
Net change in fund balances (GAAP)				<u>\$ 78,564</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Libraries 301 GO Bonds Laws of 2006 Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	(6,018)	(6,018)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (6,018)	\$ (6,018)
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Science Instruction Materials K-12 Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	20,063	19,092	(971)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	20,063	19,092	(971)
<i>Expenditures</i>				
Current				
Instruction	-	20,063	19,092	971
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	20,063	19,092	971
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
2008 Library Book Fund Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year,</i>	-	-	4,226	4,226
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 4,226	\$ 4,226
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Physical Science Lab NMSU Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	7,000	-	(7,000)
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	7,000	-	(7,000)
<i>Expenditures</i>				
Current				
Instruction	-	7,000	-	7,000
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	7,000	-	7,000
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Healthier Schools DOH Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	24,928	10,000	(14,928)
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>24,928</u>	<u>10,000</u>	<u>(14,928)</u>
<i>Expenditures</i>				
Current				
Instruction	-	24,878	20,614	4,264
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>24,878</u>	<u>20,614</u>	<u>4,264</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>50</u>	<u>(10,614)</u>	<u>(10,664)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(50)	-	50
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(50)</u>	<u>-</u>	<u>50</u>
<i>Net change in fund balances</i>	-	-	(10,614)	(10,614)
<i>Fund balances - beginning of year</i>	-	-	(2,572)	(2,572)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,186)</u>	<u>\$ (13,186)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (10,614)
Adjustments to revenues for revenue accruals				3,186
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ (7,428)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
GEAR-UP CHE Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,316)</u>	<u>(4,316)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,316)</u>	<u>\$ (4,316)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Mentoring Diverse Abilities Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	2,812	2,812
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,812</u>	<u>\$ 2,812</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
GRADS Child Care Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	3,000	3,499	499
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,000</u>	<u>3,499</u>	<u>499</u>
<i>Expenditures</i>				
Current				
Instruction	-	3,000	2,125	875
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,000</u>	<u>2,125</u>	<u>875</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,374</u>	<u>1,374</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	1,374	1,374
<i>Fund balances - beginning of year</i>	-	-	(2,874)	(2,874)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,500)</u>	<u>\$ (1,500)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 1,374
Adjustments to revenue for state direct accruals				(2,874)
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ (1,500)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
GRADS Instruction Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variances
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
				<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	48,250	31,739	(16,511)
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>48,250</u>	<u>31,739</u>	<u>(16,511)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	34,190	34,129	61
Support services - students	-	22,120	21,271	849
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>56,310</u>	<u>55,400</u>	<u>910</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(8,060)</u>	<u>(23,661)</u>	<u>(15,601)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	8,060	-	(8,060)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>8,060</u>	<u>-</u>	<u>(8,060)</u>
<i>Net change in fund balances</i>	-	-	(23,661)	(23,661)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>32,312</u>	<u>32,312</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,651</u>	<u>\$ 8,651</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (23,661)
No adjustments for revenue accruals				-
Adjustments to expenditures for accrual in instruction function				(335)
Net change in fund balances (GAAP)				<u>\$ (23,996)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Private Direct Grants (Categorical) Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	2,000	-	(2,000)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	2,000	-	2,000
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Public School Capital Outlay Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual	Variances
	Original	Final			Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final to Actual</u>	
<i>Revenues</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	
Intergovernmental revenue:					
Federal flowthrough	-	-	-	-	
Federal direct	-	-	-	-	
State flowthrough	-	-	-	-	
State direct	-	-	-	-	
Local grants	-	-	-	-	
Charges for services	-	-	-	-	
Investment income	-	-	-	-	
Miscellaneous	-	-	-	-	
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Expenditures</i>					
Current					
Instruction	-	-	-	-	
Support services - students	-	-	-	-	
Support services - instruction	-	-	-	-	
Support services - general administration	-	-	-	-	
Support services - school administration	-	-	-	-	
Operation and maintenance of plant	-	-	-	-	
Capital outlay	-	-	-	-	
Debt service					
Principal	-	-	-	-	
Interest	-	-	-	-	
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Other financing sources (uses)</i>					
Designated cash (budgeted increase in cash)	-	-	-	-	
Transfers in (out)	-	-	-	-	
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Net change in fund balances</i>	-	-	-	-	
<i>Fund balances - beginning of year</i>	-	-	1,316	1,316	
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,316</u>	<u>\$ 1,316</u>	
Net change in fund balances (non-GAAP budgetary basis)				\$ -	
No adjustments for revenue accruals				-	
No adjustments for expenditure accruals				-	
Net change in fund balances (GAAP)				<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Special Capital Outlay Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts			Actual	Variances
	Original	Final			Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual	
<i>Revenues</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	
Intergovernmental revenue:					
Federal flowthrough	-	-	-	-	
Federal direct	-	-	-	-	
State flowthrough	-	-	-	-	
State direct	-	-	-	-	
Local grants	-	-	-	-	
Charges for services	-	-	-	-	
Investment income	-	-	-	-	
Miscellaneous	-	-	-	-	
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Expenditures</i>					
<i>Current</i>					
Instruction	-	-	-	-	
Support services - students	-	-	-	-	
Support services - instruction	-	-	-	-	
Support services - general administration	-	-	-	-	
Support services - school administration	-	-	-	-	
Operation and maintenance of plant	-	195,943	48,587	147,356	
Capital outlay	-	-	-	-	
Debt service					
Principal	-	-	-	-	
Interest	-	-	-	-	
<i>Total expenditures</i>	<u>-</u>	<u>195,943</u>	<u>48,587</u>	<u>147,356</u>	
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(195,943)</u>	<u>(48,587)</u>	<u>147,356</u>	
<i>Other financing sources (uses)</i>					
Designated cash (budgeted increase in cash)	-	195,943	-	(195,943)	
Transfers in (out)	-	-	-	-	
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>195,943</u>	<u>-</u>	<u>(195,943)</u>	
<i>Net change in fund balances</i>	-	-	(48,587)	(48,587)	
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>195,943</u>	<u>195,943</u>	
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 147,356</u>	<u>\$ 147,356</u>	
Net change in fund balances (non-GAAP budgetary basis)				\$ (48,587)	
No adjustments for revenue accruals				-	
No adjustments for expenditure accruals				-	
Net change in fund balances (GAAP)				<u>\$ (48,587)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Special Capital Outlay-State Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts			Variances
	Original	Final	Actual	Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	28,966	28,966	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>28,966</u>	<u>28,966</u>	<u>-</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	28,966	28,966	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>28,966</u>	<u>28,966</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
SB-9 Capital Improvements Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ 135,526	\$ 135,526	\$ 133,947	\$ (1,579)
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	249,278	481,528	249,285	(232,243)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>384,804</u>	<u>617,054</u>	<u>383,232</u>	<u>(233,822)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	1,355	1,355	1,339	16
Support services - school administration	-	-	-	-
Operation and maintenance of plant	439,471	722,821	390,456	332,365
Capital outlay	265,000	65,000	12,067	52,933
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>705,826</u>	<u>789,176</u>	<u>403,862</u>	<u>385,314</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(321,022)</u>	<u>(172,122)</u>	<u>(20,630)</u>	<u>151,492</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	321,022	172,122	-	(172,122)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>321,022</u>	<u>172,122</u>	<u>-</u>	<u>(172,122)</u>
<i>Net change in fund balances</i>	-	-	(20,630)	(20,630)
<i>Fund balances - beginning of year</i>	-	-	172,167	172,167
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 151,537</u>	<u>\$ 151,537</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (20,630)
Adjustments to revenues for property tax accruals				(17,293)
Adjustments to expenditures for capital outlay accruals				(10,707)
Net change in fund balances (GAAP)				<u>\$ (48,630)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Bond Building Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	294	294
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>294</u>	<u>294</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	1,466,487	1,251,455	925,326	326,129
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,466,487</u>	<u>1,251,455</u>	<u>925,326</u>	<u>326,129</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,466,487)</u>	<u>(1,251,455)</u>	<u>(925,032)</u>	<u>326,423</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	216,487	1,455	-	(1,455)
Bond Proceeds	1,250,000	1,250,000	1,550,000	300,000
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,466,487</u>	<u>1,251,455</u>	<u>1,550,000</u>	<u>298,545</u>
<i>Net change in fund balances</i>	-	-	624,968	624,968
<i>Fund balances - beginning of year</i>	-	-	1,455	1,455
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 626,423</u>	<u>\$ 626,423</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 624,968
No adjustments for revenue accruals				-
Adjustments to expenditures for capital outlay accruals				120,737
Net change in fund balances (GAAP)				<u>\$ 745,705</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Hatch Valley Public Schools
Debt Service Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		<u>Final to Actual</u>
<i>Revenues</i>				
Property taxes	\$ 712,796	\$ 712,796	\$ 738,268	\$ 25,472
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Oil and gas taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Bond Premiums	-	-	31,091	31,091
<i>Total revenues</i>	<u>712,796</u>	<u>712,796</u>	<u>769,359</u>	<u>56,563</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	7,128	7,128	7,383	(255)
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Debt service				
Principal	1,314,337	1,314,337	570,000	744,337
Interest	102,776	102,776	95,264	7,512
<i>Total expenditures</i>	<u>1,424,241</u>	<u>1,424,241</u>	<u>672,647</u>	<u>751,594</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(711,445)</u>	<u>(711,445)</u>	<u>96,712</u>	<u>808,157</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	711,445	711,445	-	(711,445)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>711,445</u>	<u>711,445</u>	<u>-</u>	<u>(711,445)</u>
<i>Net change in fund balances</i>	-	-	96,712	96,712
<i>Fund balances - beginning of year</i>	-	-	735,534	735,534
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 832,246</u>	<u>\$ 832,246</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 96,712
Adjustments to revenue for property tax accruals				2,119
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ 98,831</u>

The accompanying notes are an integral part of these financial statements

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GENERAL FUND

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Balance Sheet
General Fund
June 30, 2013

	General Fund				
	Operational	Teacherage	Pupil Transportation	Instructional Materials	Total General Fund
Current assets					
Cash and cash equivalents	\$ 794,627	\$ 8,281	\$ 83,887	\$ 36	\$ 886,831
Property taxes receivable	10,498	-	-	-	10,498
Intergovernmental receivables	-	-	-	-	-
Other receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Due from other funds	729,285	-	-	-	729,285
<i>Total assets</i>	<u>\$ 1,534,410</u>	<u>\$ 8,281</u>	<u>\$ 83,887</u>	<u>\$ 36</u>	<u>\$ 1,626,614</u>
Liabilities and fund balances					
Accounts payable	\$ 313,503	\$ -	\$ 7,826	\$ -	\$ 321,329
Accrued payroll	146,230	-	16,704	-	162,934
Deferred revenue	3,434	-	-	-	3,434
Due to special revenue funds	175,785	-	-	-	175,785
Due to other funds	-	-	-	-	-
<i>Total liabilities</i>	<u>638,952</u>	<u>-</u>	<u>24,530</u>	<u>-</u>	<u>663,482</u>
Fund balances					
Spendable					
Restricted for:					
Educational purposes	-	8,281	59,357	-	67,638
Committed for:					
Subsequent years expenditures	886,831	-	-	-	886,831
Unassigned	8,627	-	-	36	8,663
<i>Total fund balances</i>	<u>895,458</u>	<u>8,281</u>	<u>59,357</u>	<u>36</u>	<u>963,132</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,534,410</u>	<u>\$ 8,281</u>	<u>\$ 83,887</u>	<u>\$ 36</u>	<u>\$ 1,626,614</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2013

	General Fund				Total General Fund
	Operational	Teacherage	Pupil Transportation	Instructional Materials	
<i>Revenues</i>					
Property taxes	\$ 30,546	\$ -	\$ -	\$ -	\$ 30,546
Intergovernmental revenue:					
Federal flowthrough	69,621	-	-	-	69,621
State flowthrough	40,901	-	-	88,655	129,556
State direct	9,192,836	-	-	-	9,192,836
Local grants	85,947	-	-	-	85,947
Transportation distribution	-	-	528,133	-	528,133
Charges for services	11,498	1,200	-	-	12,698
Investment income	784	-	-	-	784
Miscellaneous	98,627	-	-	-	98,627
<i>Total revenues</i>	<u>9,530,760</u>	<u>1,200</u>	<u>528,133</u>	<u>88,655</u>	<u>10,148,748</u>
<i>Expenditures</i>					
Current:					
Instruction	5,548,058	-	-	113,923	5,661,981
Support services - students	882,803	-	-	-	882,803
Support services - instruction	349,522	-	-	-	349,522
Support services - general administration	227,352	-	-	-	227,352
Support services - school administration	532,023	-	-	-	532,023
Central services	276,678	-	-	-	276,678
Operation and maintenance of plant	1,597,539	-	-	-	1,597,539
Student transportation	-	-	569,914	-	569,914
Other support services	17,927	-	-	-	17,927
<i>Total expenditures</i>	<u>9,431,902</u>	<u>-</u>	<u>569,914</u>	<u>113,923</u>	<u>10,115,739</u>
<i>Net change in fund balances</i>	98,858	1,200	(41,781)	(25,268)	33,009
<i>Fund balances - beginning</i>	<u>796,600</u>	<u>7,081</u>	<u>101,138</u>	<u>25,304</u>	<u>930,123</u>
<i>Fund balances - ending</i>	<u>\$ 895,458</u>	<u>\$ 8,281</u>	<u>\$ 59,357</u>	<u>\$ 36</u>	<u>\$ 963,132</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-3

Hatch Valley Public Schools

General Fund - Operational

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 28,929	\$ 28,929	\$ 160,472	\$ 131,543
Intergovernmental revenue:				
Federal flowthrough	32,119	32,119	-	(32,119)
Federal direct	-	-	-	-
State flowthrough	24,750	24,750	40,901	16,151
State direct	9,178,021	9,191,464	9,192,836	1,372
Local grants	60,000	60,000	85,947	25,947
Charges for services	-	-	11,498	11,498
Investment income	1,000	1,000	784	(216)
Miscellaneous	107,500	107,500	121,694	14,194
<i>Total revenues</i>	<u>9,432,319</u>	<u>9,445,762</u>	<u>9,614,132</u>	<u>168,370</u>
<i>Expenditures</i>				
Current				
Instruction	5,565,290	5,725,700	5,514,848	210,852
Support services - students	931,832	941,582	880,787	60,795
Support services - instruction	352,868	368,068	348,565	19,503
Support services - general administration	181,653	224,283	223,677	606
Support services - school administration	538,751	538,751	532,023	6,728
Central services	259,354	278,854	261,872	16,982
Operation and maintenance of plant	1,641,761	1,676,153	1,593,661	82,492
Other support services	20,000	20,000	9,304	10,696
Community services operations	-	-	-	-
<i>Total expenditures</i>	<u>9,491,509</u>	<u>9,773,391</u>	<u>9,364,737</u>	<u>408,654</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(59,190)</u>	<u>(327,629)</u>	<u>249,395</u>	<u>577,024</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	59,190	327,629	-	(327,629)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>59,190</u>	<u>327,629</u>	<u>-</u>	<u>(327,629)</u>
<i>Net change in fund balances</i>	-	-	249,395	249,395
<i>Fund balances - beginning of year</i>	-	-	1,098,732	1,098,732
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,348,127</u>	<u>\$ 1,348,127</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 249,395
Adjustments to revenue for property tax accrual and local sources accrual				(83,372)
Adjustments to expenditures for various function accruals				(67,165)
Net change in fund balances (GAAP)				<u>\$ 98,858</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-4

Hatch Valley Public Schools

General Fund - Teacherage

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
Local grants	-	-	-	-
Oil and gas taxes	-	-	-	-
Charges for services	-	-	1,200	1,200
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>1,200</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Other support services	-	-	-	-
Community services operations	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>1,200</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	1,200	1,200
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,081</u>	<u>7,081</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,281</u>	<u>\$ 8,281</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 1,200
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balances (GAAP)				<u>\$ 1,200</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Hatch Valley Public Schools
General Fund - Pupil Transportation
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

Statement C-5

	Budgeted Amounts			Variances
	Original	Final	Actual	Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Transportation distribution	550,602	591,173	528,133	(63,040)
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	550,602	591,173	528,133	(63,040)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	550,602	654,214	545,384	108,830
<i>Total expenditures</i>	550,602	654,214	545,384	108,830
<i>Excess (deficiency) of revenues over expenditures</i>	-	(63,041)	(17,251)	45,790
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	63,041	-	(63,041)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	63,041	-	(63,041)
<i>Net change in fund balances</i>	-	-	(17,251)	(17,251)
<i>Fund balances - beginning of year</i>	-	-	101,138	101,138
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 83,887	\$ 83,887
Net change in fund balances (non-GAAP budgetary basis)				\$ (17,251)
No adjustments for revenue accruals				-
Adjustments to expenditures for student transportation accruals				(24,530)
Net change in fund balances (GAAP)				\$ (41,781)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-6

Hatch Valley Public Schools

General Fund - Instructional Materials

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	88,655	97,172	88,655	(8,517)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>88,655</u>	<u>97,172</u>	<u>88,655</u>	<u>(8,517)</u>
<i>Expenditures</i>				
Current				
Instruction	113,959	122,476	113,923	8,553
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
<i>Total expenditures</i>	<u>113,959</u>	<u>122,476</u>	<u>113,923</u>	<u>8,553</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(25,304)</u>	<u>(25,304)</u>	<u>(25,268)</u>	<u>36</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	25,304	25,304	-	(25,304)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>25,304</u>	<u>25,304</u>	<u>-</u>	<u>(25,304)</u>
<i>Net change in fund balances</i>	-	-	(25,268)	(25,268)
<i>Fund balances - beginning of year</i>	-	-	25,304	25,304
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36</u>	<u>\$ 36</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (25,268)
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ (25,268)</u>

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

STATE OF NEW MEXICO

Hatch Valley Public Schools

Agency Funds

Schedule of Changes in Fiduciary Assets and Liabilities

For the Year Ended June 30, 2013

Schedule I

Page 1 of 1

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
Hatch Elementary School	\$ 6,816	\$ 17,054	\$ 16,785	\$ 7,085
Garfield Elementary School	7,496	17,838	19,126	6,208
Rio Grande Elementary School	5,252	41,644	39,896	7,000
Hatch Middle School	8,925	38,342	37,635	9,632
Hatch High School	48,318	54,731	56,345	46,704
Athletics	6,637	8,640	9,769	5,508
	<u>\$ 83,444</u>	<u>\$ 178,249</u>	<u>\$ 179,556</u>	<u>\$ 82,137</u>

See independent auditors' report.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Schedule of Collateral Pledged by Depository For Public Funds
June 30, 2013

Schedule II

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2013
Wells Fargo				
	FN AH8825	3/1/2041	3138AAYX3	\$ 18,213
	FN AO8783	8/1/2042	3138M0XM7	42,027
	FN AQ7887	12/1/2042	3138MPXR1	104,018
	FN AQ9991	2/1/2043	3138MSC56	19,305
	FN AR1044	1/1/2043	3138NXES2	4,800
	FN AR7400	6/1/2043	3138W5GJ1	225,514
	FN AT2015	4/1/2043	3138WPGZ1	9,722
	FN AT5895	6/1/2043	3138WTRR9	34,329
	FN AB7507	1/1/2043	31417EKV2	67,665
	FN AE0215	12/1/2039	31419AGZ4	2,557
	Total Wells Fargo Bank			528,150
Name and location of safekeeper for above pledged collateral:				
BNY Mellon, One Wall Street, Fourth Floor, New York, NY 10286				
Bank of the West				
	GNMA2 ARM MULTIPLE	7/1/2013	36225FB65	240,919
	GNMA2 ARM MULTIPLE	7/1/2013	36179M6H8	562,925
	GNMA2 ARM MULTIPLE	7/1/2013	36179MBP4	909,655
	GNMA1 SINGLE FAMILY	7/1/2013	36179DEE6	769,633
	GNMA2 ARM MULTIPLE	7/1/2013	36225FB73	90,773
	Total Bank of the West			2,573,905
Name and location of safekeeper for above pledged collateral:				
2527 Camino Ramon, San Ramon, CA 94583				
	Total Pledged Collateral			\$ 3,102,055

See independent auditors' report.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Cash Reconciliation
June 30, 2013

	Operational Fund 11000	Teacherage Fund 12000	Transportation Fund 13000	Instructional Materials Fund 14000
Cash, June 30, 2012	\$ 325,435	\$ 7,081	\$ 101,138	\$ 25,304
Add:				
2012-13 receipts	9,682,511	1,200	591,173	88,655
Repayment of loans	773,298	-	-	-
Loans from other funds	-	-	-	-
Total cash available	10,781,244	8,281	692,311	113,959
Less:				
2012-13 expenditures	(9,176,454)	-	(562,088)	(113,924)
Transfers	-	-	-	-
Loans to other funds	(890,313)	-	(63,040)	-
Cash, June 30, 2013	<u>\$ 714,477</u>	<u>\$ 8,281</u>	<u>\$ 67,183</u>	<u>\$ 35</u>
Plus:				
Held checks	146,230	-	16,704	-
Cash per financial statement	<u>\$ 860,707</u>	<u>\$ 8,281</u>	<u>\$ 83,887</u>	<u>\$ 35</u>

See independent auditors' report

Food Services Fund 21000	Athletics Fund 22000	Federal Flowthrough Fund 24000	Federal Direct Fund 25000	Local Grants Fund 26000	State Flowthrough Fund 27000
\$ 336,697	\$ 4,508	\$ 25,720	\$ 9,541	\$ 86	\$ 62,280
902,528	32,578	1,732,386	445,257	-	371,547
-	-	-	-	-	-
-	-	581,138	110,040	-	114,274
1,239,225	37,086	2,339,244	564,838	86	548,101
(974,825)	(32,367)	(1,741,273)	(481,134)	-	(466,154)
-	-	-	-	-	-
-	-	(597,971)	(83,704)	-	(81,947)
<u>\$ 264,400</u>	<u>\$ 4,719</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86</u>	<u>\$ -</u>
14,565	-	37,147	8,752	-	-
<u>\$ 278,965</u>	<u>\$ 4,719</u>	<u>\$ 37,147</u>	<u>\$ 8,752</u>	<u>\$ 86</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Cash Reconciliation
June 30, 2013

	State Direct Fund 28000	Bond Building Fund 31100	Public School Capital Outlay Fund 31200	Spec. Cap. Outlay-State Fund 31300
Cash, June 30, 2012	\$ 35,123	\$ 1,455	\$ 1,316	\$ 195,943
Add:				
2012-13 receipts	45,237	1,550,294	-	-
Repayment of loans	-	-	-	-
Loans from other funds	7,542	-	-	-
Total cash available	87,902	1,551,749	1,316	195,943
Less:				
2012-13 expenditures	(78,141)	(925,326)	-	(48,587)
Transfers	-	-	-	-
Loans to other funds	(9,761)	-	-	-
Cash, June 30, 2013	\$ -	\$ 626,423	\$ 1,316	\$ 147,356
Plus:				
Held checks	2	-	-	-
Cash per financial statement	\$ 2	\$ 626,423	\$ 1,316	\$ 147,356

See independent auditors' report

Spec. Cap. Outlay-State Fund 31400	Cap. Improve. SB-9 Fund 31700	Debt Service Fund 41000	Total
\$ -	\$ 172,167	\$ 735,534	\$ 2,039,328
28,966	383,232	769,359	16,624,923
-	-	-	773,298
-	-	-	812,994
28,966	555,399	1,504,893	20,250,543
(28,966)	(403,861)	(672,647)	(15,705,747)
-	-	-	-
-	-	-	(1,726,736)
<u>\$ -</u>	<u>\$ 151,538</u>	<u>\$ 832,246</u>	<u>\$ 2,818,060</u>
-	-	-	223,400
<u>\$ -</u>	<u>\$ 151,538</u>	<u>\$ 832,246</u>	<u>\$ 3,041,460</u>

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STATE OF NEW MEXICO
Hatch Valley Public Schools
Schedule of Deposits
June 30, 2013

Schedule IV

Bank Account	Checking Bank of the West	Checking Wells Fargo Bank, N.A.	Totals
Operational Account	\$ 30,000	\$ -	\$ 30,000
Sweep Account	551,887	-	551,887
Cafeteria Account	20,000	-	20,000
Sweep Account	236,195	-	236,195
Payroll Account	30,000	-	30,000
Sweep Account	754,542	-	754,542
Capital Projects Account	30,000	-	30,000
Sweep Account	891,819	-	891,819
Athletics	5,159	-	5,159
General School Account	85,052	-	85,052
Insurance Account	4,465	-	4,465
Sweep Account	129	-	129
Federal Funds Account	4,076	-	4,076
Sweep Account	-	-	-
Budgetary Clearing Account	10,000	-	10,000
Sweep Account	88,993	-	88,993
Debt Service Account	-	832,245	832,245
Energy Efficient Account	-	72,649	72,649
Transportation Office Account	-	2,054	2,054
Total Deposits	2,742,317	906,948	3,649,265
Reconciling Items	(525,668)	-	(525,668)
Reconciled Balance June 30, 2013	\$ 2,216,649	\$ 906,948	3,123,597
Less: Fiduciary Funds Cash			(82,137)
Cash and cash equivalents per Government-wide Financial Statements			\$ 3,041,460
Cash and cash equivalents per Exhibit A-1			\$ 2,209,214
Restricted cash and cash equivalents per Exhibit A-1			832,246
			\$ 3,041,460

See independent auditors' report.

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COMPLIANCE SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

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

Hector H. Balderas
New Mexico State Auditor and
Board of Education
Office of Management and Budget
Hatch Valley Public Schools
Hatch, New Mexico

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 fund of the Hatch Valley Public Schools (the 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 supplementary information, and have issued our report thereon dated October 30, 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 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.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We considered the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses as items FS 2012-01 and FS 2013-003.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We considered the deficiencies described in the accompanying schedule of finding and questioned costs to be a significant deficiency as item FS 2012-05.

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 are described in the accompanying schedule of findings and questioned costs as item FS 08-05, FS 2013-001, and FS 2013-002.

District's Responses to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
October 30, 2013

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FEDERAL FINANCIAL ASSISTANCE



Accounting & Consulting Group, LLP
Certified Public Accountants

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor and
Board of Education
Office of Management and Budget
Hatch Valley Public Schools
Hatch, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Hatch Valley Public Schools (the district) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

Accounting + Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
October 30, 2013

STATE OF NEW MEXICO
Hatch Valley Public Schools
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Education			
<i>Passed through New Mexico Public Education Department</i>			
Title I - IASA	*	24101	84.010
			\$ 1,194,167
IDEA-B Entitlement		24106	84.027 (1)
			300,292
IDEA-B Discretionary		24107	84.027 (1)
			3,570
IDEA-B Preschool		24109	84.173 (1)
			31,028
IDEA-B Early Intervention Services		24112	84.027 (1)
			36,480
IDEA-B "Risk Pool"		24120	84.027 (1)
			1,943
Title III English Language Acquisition		24153	84.365A (2)
			32,462
Title III Immigrant Funding		24163	84.365A (2)
			12,472
Title IIA Teacher/Principal Training		24154	84.367A
			113,912
Rural and Low Income Schools		24160	84.358B
			<u>19,252</u>
Total U.S. Department of Education			<u>1,745,578</u>
U.S. Department of Health and Human Services			
<i>Passed through Las Cruces Public Schools</i>			
Headstart		25127	93.600
			<u>442,247</u>
Total U.S. Department of Health and Human Services			<u>442,247</u>
U.S. Department of Agriculture			
<i>Federal Direct Payments</i>			
Forest Reserve		11000	10.665
			69,621
<i>Passed through State of New Mexico</i>			
Child Nutrition Cluster	*	21000	10.553 and 10.555
			<u>1,005,278</u>
Total U.S. Department of Agriculture			<u>1,074,899</u>
Total Federal Financial Assistance			<u><u>\$ 3,262,724</u></u>

* Denotes Major Federal Financial Assistance Program
() Denotes Cluster

See independent auditors' report
See accompanying notes to the schedule of expenditures of federal awards

STATE OF NEW MEXICO
Hatch Valley Public Schools
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Hatch Valley Public Schools and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Subrecipients

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

3. Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2013 was \$54,258 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Child Nutrition Cluster program, CFDA number 10.553 and 10.555.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 3,262,724
Total expenditures funded by other sources	<u>12,537,344</u>
Total expenditures	<u><u>\$ 15,800,068</u></u>

STATE OF NEW MEXICO
Hatch Valley Public Schools
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

SECTION I – SUMMARY OF AUDIT RESULTS

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors' report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements? | Yes |

Federal Awards:

- | | | | | | |
|--|------------------------------------|------------------------|-----------------------------|------------------------------------|--|
| 1. Internal control over major programs: | | | | | |
| a. Material weaknesses identified? | No | | | | |
| b. Significant deficiencies identified not considered to be material weaknesses? | No | | | | |
| 2. Type of auditors' report issued on compliance for major programs | Unqualified | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? | No | | | | |
| 4. Identification of major programs: | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><u>CFDA</u>
<u>Number</u></td> <td style="width: 50%; text-align: center;"><u>Federal Program</u></td> </tr> <tr> <td style="text-align: center;">10.553 and 10.555
84.010</td> <td style="text-align: center;">Child Nutrition Cluster
Title I</td> </tr> </table> | <u>CFDA</u>
<u>Number</u> | <u>Federal Program</u> | 10.553 and 10.555
84.010 | Child Nutrition Cluster
Title I | |
| <u>CFDA</u>
<u>Number</u> | <u>Federal Program</u> | | | | |
| 10.553 and 10.555
84.010 | Child Nutrition Cluster
Title I | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 | | | | |
| 6. Auditee qualified as low-risk auditee? | No | | | | |

STATE OF NEW MEXICO
Hatch Valley Public Schools
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

SECTION II – FINANCIAL STATEMENT FINDINGS

FS 08-05 Budgetary Controls- (Non-Compliance)

Condition: The District has over expended its budget in the following funds:

<u>Fund and Function</u>	<u>Amount</u>
Fund 41000- Debt Service Fund	
Support services- general administration	\$ 255

Criteria: NMAC 6.20.2.10 state that all District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Public Education Department for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation.

Effect: The internal controls established by adherence to budgets has been compromised, and excess spending could result

Cause: The District did not request the budget adjustments at year end to alleviate these budget overruns.

Auditors' Recommendations: We recommend that the District monitor its budgets closely and prepare budget adjustments as necessary.

Agency's Response: The fund in question is the Debt Service Fund. The budget figures for the collection fee are given to us by PED. This expense set by statute at 1% percentage of tax collections. Since the bulk of collections occur late in the fiscal year it is difficult to determine the amount.

FS 2012-01 Internal Control Structure Standards- (Material Weakness)

Condition: During our process of understanding the entity and its environment, we noted instances where elements of the framework of COSO were nonexistent or deficient. We noted that the risk assessment element and monitoring element were not documented or sufficiently designed. We also noted the following deficiencies:

- The District has not maintained current, formalized, written procedures to provide for segregation of duties and sound accounting practices in performance of duties and functions as required by NMAC 6.20.2.11.
- The District has not implemented an appropriate fraud risk assessment or monitory process. The District has not implemented any processes through ongoing monitoring, or independent evaluations.
- The District has not implemented internal controls over review processes of bank reconciliation on a timely basis.

Criteria: The Committee of Sponsoring Organizations (COSO) internal control integrated framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication, and monitoring.

Effect: Without all of the five elements of the COSO framework present, the District is exposing itself to the risk of misappropriation of assets and does not have set processes in place to maximize the resources of the District.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

FS 2012-01 Internal Control Structure Standards- (Material Weakness) (Continued)

Cause: The District has limited resources due to the size of the entity and therefore the implementation of the COSO internal control framework regarding the achievement of effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations has been a challenge.

Auditors' Recommendations: We recommend that the District incorporate the five elements of the COSO internal control integrated framework in their organization. In particular, there must be a documented risk assessment process in place, there should be a mechanism in place to document the monitoring of the internal controls in place and the control environment must promote the highest ethical standards and efficient and effective path towards achieving the District's goals. We recommend that internal controls be addressed at both the entity level and activity level. We also recommend that key management personnel attend a training class on internal control.

Agency Response: The District has Board Policies in place concerning Internal Control, but is developing a more specific manual to address those issues. In addition, the Finance Committee will take a more active role in the review of financial transactions and determining where there may be risk of fraud.

STATE OF NEW MEXICO
Hatch Valley Public Schools
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

FS 2012-05 Inactive Funds- (Significant Deficiency)

Condition: During our review of the District's funds, we noted several funds which are carrying balances forward from year-to-year. Balances carried forward are incorrect causing the funds to have incorrect amounts of fund balance. These funds are noted below.

Fund 24135- Comprehensive School Reform	23,487
Fund 24149- Enhancing Education Thru Technology (E2T2-C)	(67,462)
Fund 24150- Title V- Part A Innovative Ed Pro Strategies	1,928
Fund 24157- Safe & Drug Free Schools & Community	(996)
Fund 24160- Rural & Low Income Schools	(2,303)
Fund 24162- Title I School Improvement	(881)
Fund 24163- Immigrant Funding	(1,587)
Fund 24201- Title I Federal Stimulus	306
Fund 24206- IDEA-B Entitlement Federal Stimulus	(38,210)
Fund 24209- IDEA-B Preschool Federal Stimulus	(5,690)
Fund 25149- TANF/GRADS HSD	8,287
Fund 25250- State Equalization Guarantee	(10)
Fund 25253- Headstart Federal Stimulus	(14,749)
Fund 26170- Microsoft Settlement Funds	86
Fund 27117- Technology for Education PED	7,422
Fund 27136- TANF Full Day Kindergarten	17,337
Fund 27138- Incentives for School Improvement Act PED	11,010
Fund 27145- Libraries GO Bonds Laws of 2004	(1,126)
Fund 27154- Beginning Teacher Mentoring Program	12,338
Fund 27155- Breakfast for Elementary Schools	1,042
Fund 27162- Technology Equity	21
Fund 27164- School Improvement Framework	8,798
Fund 27170- Libraries 301 GO Bonds Laws of 2006	(6,018)
Fund 27549- 2008 L:ibrary Book Fund	4,226
Fund 28178- GEAR-UP CHE	(4,316)
Fund 28178- Mentoring Diverse Abilities	2,812
Fund 31200- Public School Capital Outlay	<u>1,316</u>
Total	<u><u>\$ (47,139)</u></u>

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FS 2012-05 Inactive Funds- (Significant Deficiency) (Continued)

Criteria: Good cash management practices require that the District request reimbursement for federal and state grants as soon as possible after the grant expenditures are made, and monitor the grantor responses to those requests, to ensure the soonest possible repayment for reimbursement-basis grant expenditures. Also, the District must monitor the expenditures to ensure they are within the award amount. The District failed to make permanent transfers to close funds that were identified in prior years audit findings.

Effect: The District must borrow money from other funds to pay for expenditures of funds with outstanding account receivables. This increases the risk of supplanting funds and is a result of overspending of budget in prior years.

Cause: The District has not placed appropriate oversight on the internal controls in place to monitor federal and state grant expenditures and ensure spending was within the adopted budgets.

Auditors' Recommendation: We recommend that the District adopt budgets that are within the award amount and monitor expenditures so that they do not exceed these budgets. Also, we recommend that in the future the District request reimbursements for federal and state grant expenditures as soon as possible after grant expenditures are made, and monitor and follow up with the grantors to ensure timely payment of the receivables due to the District. Lastly, we recommend the District make permanent transfers to close funds identified above.

Agency Response: The District is working this year to clean up those old funds. After analyzing the funds, a permanent cash transfer will be requested to cover over expended funds, and any funds received over what was awarded will be returned.

FS 2013-001 Stale Dated Checks- (Other Matter)

Condition: The District had 4 outstanding checks written from the budgetary clearing bank account that were over one year old, totaling \$239.09, and 7 outstanding checks written from the payroll clearing bank account that were over one year old, totaling \$1,152.64. The District has not reported the payees or turned over the funds to the Unclaimed Property Division of the New Mexico Taxation and Revenue Department.

Criteria: New Mexico Statutes, Section 6-10-57, NMSA, 1978 compilation, requires local public bodies to cancel or void any checks that are unpaid for one year after it is written. The District has not reported the payees or turned over the funds to the Unclaimed Property Division of the New Mexico Taxation and Revenue Department.

Effect: The District's cash balance may be misstated by the amount of the stale checks.

Cause: The District overlooked the stale-dated checks.

Auditors' Recommendation: We recommend that the outstanding checks be voided as soon as possible and that a procedure to track and void stale dated checks be implemented. We also recommend that the District remit the stale-dated check funds to the New Mexico Taxation and Revenue Department. We also recommend the District reviews banks reconciliations timely to capture checks that are considered stale dated.

Agency's Response: The District has written off stale dated checks in the past, but was late in performing this duty in the current fiscal year. This will be done more timely in the future. In addition, the District will follow the recommendation to notify the NM Taxation and Revenue Department.

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FS 2013-002 — Compliance over Travel and Per Diem – (Other Matter)

Condition: During our testwork of travel and per diem, we noted 1 instance out of 6 travel disbursements tested totaling \$22.18, in which the District reimbursed an employee when no itemized receipt was present.

Criteria: According to the District's Travel Policy, an itemized receipt is required on all meal reimbursements to ensure the meal reimbursement does not contain unallowable items.

Effect: Without proper itemized receipts detailing what the District was reimbursing, the District could be at risk for reimbursing unallowable items with public funds.

Cause: An itemized receipt was not provided to the employee and no other form of documentation was obtained.

Auditors' Recommendation: We recommend that the District follow all internal policies that has been implemented in regards to travel and per diem.

Agency's Response: The District will be more diligent in the future to insure that policies are being followed.

FS 2013-003 Annual Inventory and Capital Assets (Material Weakness)

Condition: The District performed an annual capital asset inventory of all movable chattels and equipment on the inventory listing. This listing had not been certified by management, a board designated individual, or the school board. In addition material adjustments had to be made beginning balances to reflect the records maintained by the District, which is noted below.

- Beginning amounts of capital assets being depreciated was adjusted by \$(2,085,158).
- Beginning amounts of accumulated depreciation was adjusted by \$(219,021).

Criteria: According to State Audit Rule 2.2.2.10 Y Capital Asset Inventory: (2) Section 12-6-10(A) NMSA 1978 requires each agency to conduct an annual physical inventory of movable chattels and equipment on the inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the agency's auditors.

Effect: Items could be present on the capital assets listing that do not exist or items could exist that are not on the listing. In addition, capital assets reports that is being maintained by the District could contain future adjustments if the system is not being updated to reflect a current capital asset listing, including adjustment agreed upon.

Cause: The District was unaware of the requirement of a certification of movable chattels and equipment when the annual inventory of capital assets was performed. In addition, the District has not reflected beginning balances in the capital assets system properly.

Auditors' Recommendations: We recommend the District certify the annual capital asset inventory timely once this is completed. In addition we recommend the District receive training on capital assets software and maintain current and correct balances.

Agency's Response: The Fixed Asset records are being reviewed and a process of cleaning up the detail records established. It is anticipated that this process will be completed in the coming months. The certification process will be implemented as well.

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SECTION III – FEDERAL AWARD FINDINGS

NONE

SECTION IV – PRIOR YEAR AUDIT FINDINGS

Financial Statement Findings

08-5: Budgetary Controls- (Noncompliance) – Repeated and Modified
FS 2010-01 Late Audit Report- (Significant Deficiency) - Resolved
FS 2010-02 Cash Appropriations in Excess of Available Cash Balances- (Significant Deficiency) Resolved
FS 2010-03 Bank Reconciliations- (Significant Deficiency) - Resolved
FS 2012-01 Internal Control Structure Standards- (Significant Deficiency) - Repeated and Modified
FS 2012-02 Payment to Interim Superintendent in Excess of Contract- (Significant Deficiency) - Resolved
FS 2012-03 Credit Cards- (Significant Deficiency) - Resolved
FS 2012-04 Purchase Orders- (Significant Deficiency) - Resolved
FS 2012-05 Inactive Funds- (Significant Deficiency) – Repeated and Modified

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Other Disclosures
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Exit Conference

An exit conference was held on October 30, 2013. The following individuals were in attendance.

Hatch Valley Public Schools

Linda Hale – Superintendent
Julie Crespy – Business Manager
Paul Dulin – Board President
Elva Garay – Board Vice President
Pat Garay – Audit Committee

Accounting & Consulting Group, LLP

Bobby Cordova, CPA – Partner

Auditor Prepared Financials

Accounting and Consulting, Group, LLP prepared the GAAP-basis financial statements and footnotes of Hatch Valley Public Schools from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.