



***STATE OF NEW MEXICO***  
***HATCH VALLEY PUBLIC SCHOOLS***  
***ANNUAL FINANCIAL REPORT***  
***FOR THE YEAR ENDED JUNE 30, 2014***



*Jb*  
*Hilary*  
*Stelle*  
*photography*

**LADY BEARS      2013-2014 STATE VOLLEYBALL CHAMPIONS**

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## **INTRODUCTORY SECTION**

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Hatch Valley Public Schools  
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**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Official Roster  
June 30, 2014

<u>Name</u>		<u>Title</u>
	<u>Board of Education</u>	
Paul Dulin		President
Elva Garay		Vice President
Greg Mitchell		Secretary
David Franzoy		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 remaining 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, 2014, 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, major 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, 2014, 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, 2014, and the respective changes in financial position thereof, and the respective budgetary comparisons for the general fund and major special revenue fund 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, 2014, and the respective changes in financial position, thereof, and the respective budgetary comparisons for the major capital projects funds, major debt service funds, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *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 23, 2014, 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 23, 2014

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**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Statement of Net Position  
June 30, 2014

	<u>Governmental Activities</u>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 1,588,471
Property taxes receivable	135,764
Intergovernmental receivables	789,158
Inventory	<u>13,838</u>
Total current assets	<u>2,527,231</u>
Noncurrent assets	
Restricted cash and cash equivalents	840,794
Capital assets, net of accumulated depreciation	<u>25,349,778</u>
Total noncurrent assets	<u>26,190,572</u>
Total assets	<u><u>\$ 28,717,803</u></u>

The accompanying notes are an integral part of these financial statements



	<u>Governmental Activities</u>
<b>Liabilities</b>	
Current liabilities	
Accounts payable	\$ 198,388
Accrued payroll	279,796
Due to New Mexico Public Education Department	88,194
Accrued compensated absences	50,726
Accrued interest	45,905
Current portion of bonds payable	<u>725,000</u>
Total current liabilities	<u>1,388,009</u>
Noncurrent liabilities	
Accrued compensated absences	51,791
Bond premiums, net of accumulated amortization of \$12,382	32,122
Bonds payable	<u>3,690,000</u>
Total noncurrent liabilities	<u>3,773,913</u>
Total liabilities	<u>5,161,922</u>
<b>Net position</b>	
Net investment in capital assets	21,584,778
Restricted for:	
Other purposes	67,323
Capital projects	150,387
Debt service	852,605
Unrestricted	<u>900,788</u>
Total net position	<u>23,555,881</u>
Total liabilities and net position	<u><u>\$ 28,717,803</u></u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Statement of Activities  
For the Year Ended June 30, 2014

<u>Functions/Programs</u>	<u>Program Revenues</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Primary government</b>			
Governmental activities:			
Instruction	\$ 8,223,881	\$ 31,250	\$ 1,782,721
Support services - students	1,372,664	10,822	613,205
Support services - instruction	538,332	926	50,574
Support services - general administration	317,085	1,794	104,308
Support services - school administration	568,914	3,356	192,812
Central services	234,546	868	47,413
Operation and maintenance of plant	2,272,818	6,366	363,498
Other support services	17,783	-	-
Student transportation	787,584	2,431	625,376
Food services operations	1,203,511	16,796	915,509
Community services operations	-	58	6,322
Interest on long-term debt	104,551	-	-
	<hr/>	<hr/>	<hr/>
Total governmental activities	<u>\$ 15,641,669</u>	<u>\$ 74,666</u>	<u>\$ 4,701,737</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

Reversion to other entities

Miscellaneous

General revenues

Changes in net position

Net position, beginning

Net position, restatement (Note 15)

Net position, beginning as restated

Net position, ending

The accompanying notes are an integral part of these financial statements

<u>Program Revenues</u>	<b>Net (Expenses) Revenue and Changes in Net Position</b>
<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
\$ 254,676	\$ (6,155,235)
50,507	(698,130)
6,420	(480,412)
12,841	(198,142)
26,538	(346,208)
6,848	(179,417)
36,382	(1,866,572)
-	(17,783)
20,117	(139,660)
13,697	(257,509)
-	6,380
-	(104,551)
<u>\$ 428,027</u>	<u>(10,437,239)</u>
	9,065,350
	167,672
	763,463
	145,406
	1,358
	(64,121)
	97,811
	10,176,939
	(260,300)
	23,892,692
	(76,511)
	23,816,181
	<u>\$ 23,555,881</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Balance Sheet  
Governmental Funds  
June 30, 2014

	<u>General Fund</u>	<u>Title I- IASA</u>	<u>Bond Building</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 519,724	\$ -	\$ 627,020
Property taxes receivable	4,116	-	-
Intergovernmental receivables	44,566	396,538	-
Inventory	-	-	-
Due from general fund	-	-	-
Due from other funds	633,018	-	-
	<u>1,201,424</u>	<u>396,538</u>	<u>627,020</u>
<i>Total assets</i>	<u>\$ 1,201,424</u>	<u>\$ 396,538</u>	<u>\$ 627,020</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>			
<i>Liabilities</i>			
Accounts payable	\$ 113,015	\$ 18,299	\$ 9,651
Accrued payroll	201,837	28,366	-
Due to NM Public Education Department	-	-	-
Due to special revenue funds	51,711	-	-
Due to other funds	-	349,873	-
	<u>366,563</u>	<u>396,538</u>	<u>9,651</u>
<i>Total liabilities</i>	<u>366,563</u>	<u>396,538</u>	<u>9,651</u>
<i>Deferred inflows of resources</i>			
Unavailable revenue- property taxes	3,621	-	-
	<u>3,621</u>	<u>-</u>	<u>-</u>
<i>Total deferred inflows of resources</i>	<u>3,621</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Nonspendable			
Inventory	-	-	-
Spendable			
Restricted for:			
Educational purposes	79,703	-	-
Food service program	-	-	-
Capital acquisitions and improvements	-	-	617,369
Debt service	-	-	-
Extracurricular activities	-	-	-
Committed for:			
Subsequent year expenditures	790,824	-	-
Unassigned	(39,287)	-	-
	<u>831,240</u>	<u>-</u>	<u>617,369</u>
<i>Total fund balances</i>	<u>831,240</u>	<u>-</u>	<u>617,369</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,201,424</u>	<u>\$ 396,538</u>	<u>\$ 627,020</u>

The accompanying notes are an integral part of these financial statements

Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 824,794	\$ 457,727	\$ 2,429,265
111,164	20,484	135,764
-	348,054	789,158
-	13,838	13,838
-	51,711	51,711
-	8,005	641,023
<u>\$ 935,958</u>	<u>\$ 899,819</u>	<u>\$ 4,060,759</u>
\$ -	\$ 57,423	\$ 198,388
-	49,593	279,796
-	88,194	88,194
-	-	51,711
-	291,150	641,023
-	486,360	1,259,112
98,295	18,038	119,954
98,295	18,038	119,954
-	13,838	13,838
-	59,732	139,435
-	3,852	3,852
-	327,832	945,201
837,663	-	837,663
-	2,199	2,199
-	-	790,824
-	(12,032)	(51,319)
837,663	395,421	2,681,693
<u>\$ 935,958</u>	<u>\$ 899,819</u>	<u>\$ 4,060,759</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, 2014

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	\$	2,681,693
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		25,349,778
Other noncurrent assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities		119,954
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		(32,122)
Accrued interest		(45,905)
Current portion of compensated absences		(50,726)
Bonds payable		(4,415,000)
Noncurrent portion of compensated absences		(51,791)
		<hr/>
Total Net Position - governmental funds	\$	<u>23,555,881</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, 2014

	<u>General Fund</u>	<u>Title I- IASA</u>	<u>Bond Building</u>
<i>Revenues</i>			
Property taxes	\$ 167,485	\$ -	\$ -
Intergovernmental revenue:			
Federal flowthrough	32,384	1,127,041	-
State flowthrough	13,233	-	-
State direct	9,149,892	-	412,064
Local grants	79,020	-	-
Transportation distribution	625,376	-	-
Charges for services	25,194	-	-
Investment income	813	-	503
Miscellaneous	97,811	-	-
<i>Total revenues</i>	<u>10,191,208</u>	<u>1,127,041</u>	<u>412,567</u>
<i>Expenditures</i>			
Current:			
Instruction	5,670,694	941,025	-
Support services - students	1,026,736	88,298	-
Support services - instruction	332,923	46,113	-
Support services - general administration	198,196	51,605	-
Support services - school administration	566,273	-	-
Central services	234,459	-	-
Operation and maintenance of plant	1,685,279	-	165,652
Student transportation	607,647	-	-
Other support services	17,783	-	-
Food services operations	-	-	-
Capital outlay	12,197	-	852,873
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>10,352,187</u>	<u>1,127,041</u>	<u>1,018,525</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(160,979)</u>	<u>-</u>	<u>(605,958)</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	650,000
Transfers in	36,231	-	-
Transfers out	(7,144)	-	-
Reversion to other entities	-	-	-
<i>Total other financing sources (uses)</i>	<u>29,087</u>	<u>-</u>	<u>650,000</u>
<i>Net change in fund balances</i>	(131,892)	-	44,042
<i>Fund balances - beginning</i>	<u>963,132</u>	<u>-</u>	<u>573,327</u>
<i>Fund balances - ending</i>	<u>\$ 831,240</u>	<u>\$ -</u>	<u>\$ 617,369</u>

The accompanying notes are an integral part of these financial statements



Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 760,364	\$ 144,518	\$ 1,072,367
-	1,937,306	3,096,731
-	609,920	623,153
-	208,878	9,770,834
-	-	79,020
-	-	625,376
-	49,472	74,666
-	42	1,358
-	-	97,811
<u>760,364</u>	<u>2,950,136</u>	<u>15,441,316</u>
-	1,055,120	7,666,839
-	257,630	1,372,664
-	108,217	487,253
7,714	59,570	317,085
-	2,641	568,914
-	-	234,459
-	275,607	2,126,538
-	71,953	679,600
-	-	17,783
-	1,191,568	1,191,568
-	166,291	1,031,361
665,000	-	665,000
106,049	-	106,049
<u>778,763</u>	<u>3,188,597</u>	<u>16,465,113</u>
<u>(18,399)</u>	<u>(238,461)</u>	<u>(785,336)</u>
-	-	650,000
-	7,144	43,375
-	(36,231)	(43,375)
-	(64,121)	(64,121)
-	(93,208)	585,879
<u>(18,399)</u>	<u>(331,669)</u>	<u>(437,918)</u>
<u>856,062</u>	<u>727,090</u>	<u>3,119,611</u>
<u>\$ 837,663</u>	<u>\$ 395,421</u>	<u>\$ 2,681,693</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, 2014

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

Net change in fund balances - total governmental funds	\$	(437,918)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures recorded in capital outlay		1,031,361
Depreciation expense		(858,185)

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

Property taxes		4,174
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The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Increase in compensated absences		(20,680)
Decrease in accrued interest		1,498
Bond proceeds		(650,000)
Amortization of bond premiums		4,450
Principal payments on bonds		665,000
		665,000

Change in net position of governmental activities	\$	(260,300)
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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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 31,233	\$ 31,233	\$ 37,883	\$ 6,650
Intergovernmental revenue:				
Federal flowthrough	-	-	32,384	32,384
State flowthrough	97,039	97,039	84,542	(12,497)
Local grants	79,000	79,000	47,687	(31,313)
State direct	9,069,146	9,069,146	9,065,350	(3,796)
Transportation distribution	671,253	673,795	652,711	(21,084)
Charges for services	-	-	25,194	25,194
Investment income	1,058	1,058	813	(245)
Miscellaneous	100,000	100,000	97,811	(2,189)
<i>Total revenues</i>	<u>10,048,729</u>	<u>10,051,271</u>	<u>10,044,375</u>	<u>(6,896)</u>
<i>Expenditures</i>				
Current				
Instruction	5,662,453	5,825,485	5,396,984	428,501
Support services - students	980,478	1,096,318	1,005,641	90,677
Support services - instruction	336,004	339,504	333,586	5,918
Support services - general administration	216,332	225,928	210,608	15,320
Support services - school administration	557,129	566,193	566,273	(80)
Central services	256,361	271,361	252,166	19,195
Operation and maintenance of plant	1,668,858	1,762,339	1,694,829	67,510
Student transportation	669,753	684,795	629,477	55,318
Other support services	21,627	21,627	19,305	2,322
<i>Total expenditures</i>	<u>10,370,495</u>	<u>10,803,633</u>	<u>10,120,254</u>	<u>683,379</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(321,766)</u>	<u>(752,362)</u>	<u>(75,879)</u>	<u>676,483</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	321,766	752,362	-	(752,362)
Transfers in (out)	-	-	(105,274)	(105,274)
<i>Total other financing sources (uses)</i>	<u>321,766</u>	<u>752,362</u>	<u>(105,274)</u>	<u>(857,636)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(181,153)</u>	<u>(181,153)</u>
<i>Fund balances - beginning of year,</i>	<u>-</u>	<u>-</u>	<u>1,440,331</u>	<u>1,440,331</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,152,742</u>	<u>\$ 1,152,742</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (181,153)
Adjustments to revenue for property tax accruals and local grant accruals				183,064
Adjustments to expenditures for salaries and instruction expenditures				(133,803)
Net change in fund balances (GAAP)				<u>\$ (131,892)</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, 2014

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	1,008,002	1,175,377	1,099,668	(75,709)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,008,002</u>	<u>1,175,377</u>	<u>1,099,668</u>	<u>(75,709)</u>
<i>Expenditures</i>				
Current				
Instruction	859,989	989,146	971,992	17,154
Support services - students	54,527	88,500	88,298	202
Support services - instruction	42,029	46,274	46,113	161
Support services - general administration	51,457	51,457	51,890	(433)
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,008,002</u>	<u>1,175,377</u>	<u>1,158,293</u>	<u>17,084</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(58,625)</u>	<u>(58,625)</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>	-	-	(58,625)	(58,625)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(291,248)</u>	<u>(291,248)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (349,873)</u>	<u>\$ (349,873)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (58,625)
Adjustments to revenues for federal flowthrough accruals				27,373
Adjustments to expenditures for instruction and support services function accruals				31,252
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, 2014

Exhibit D-1

<i>Assets</i>	
Cash and cash equivalents	<u>\$ 98,294</u>
<i>Total assets</i>	<u><u>\$ 98,294</u></u>
 <i>Liabilities</i>	
Accounts payable	\$ 1,051
Deposits held in trust for others	<u>97,243</u>
<i>Total liabilities</i>	<u><u>\$ 98,294</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, 2014

**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, 2014, the District adopted GASB Statements No. 65, Items Previously Reports as Assets and Liabilities. GASB Statement No. 65 established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. The effect of GASB 65 is reflected in the Statement of Activities as restatement in the amount of \$76,511 due to the accounting treatment of the unamortized amount of bond issuance costs at July 1, 2013.

*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, 2014

**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, 2014

**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, 2014

**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, 2014, 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, 2014

**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 2014 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2014. 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, 2014 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, 2014

**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 Inflow of Resources:** In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. 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 inflows of resources. The District has only one type of item, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue - property taxes, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District has recorded \$119,954 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, 2014

**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, 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 have been removed and will be considered a restatement for the implementation of GASB 65, *Items Previously Reported as Assets and Liabilities*.

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.

**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, 2014, the nonspendable fund balance of the District is comprised of inventory in the food service fund in the amount of \$13,838, of which is considered not in spendable form.

**Restricted and Committed Fund Balance:** At June 30, 2014, the restricted fund balance on the governmental funds balance sheet is made up of \$139,435 for providing education to the students of the District, \$3,852 for providing food service to the students of the District, \$945,201 for the renovation and/or expansion of District facilities, \$837,663 for the payment of principal and interest of the future debt service requirements, \$2,199 for athletics administered within the District, and \$790,824 for committed fund balance for subsequent year expenditures.

**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, 2014

**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 \$650,000.
- 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 \$9,065,350, in state equalization guarantee distributions during the year ended June 30, 2014.

**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 \$1,072,367 in tax revenues in the governmental fund financial statements during the year ended June 30, 2014. 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  
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**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 \$625,376 in transportation distributions during the year ended June 30, 2014.

**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, 2014 totaled \$84,542. 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 \$195,064 in state SB-9 matching during the year ended June 30, 2014.

**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 \$412,064 in PSCOC awards during the year ended June 30, 2014.

**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**  
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**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**  
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**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, 2014, 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	Final
	<u>Budget</u>	<u>Budget</u>
Budgeted Funds:		
General Fund	\$ (321,766)	\$ (752,362)
Title I- IASA Special Revenue Fund	-	-
Bond Building Special Revenue Fund	(1,216,655)	(1,276,423)
Debt Service	(717,176)	(832,246)
Nonmajor Funds	(115,798)	(81,987)

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, 2014 the District did not have any investments.

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Notes to the Financial Statements  
June 30, 2014

**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.

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 for all deposit accounts out of state and up to \$250,000 for all time and saving accounts plus up to \$250,000 for all demand deposit accounts held at a single institution in state.

*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, 2014, \$581,186 of the District's bank balance of \$1,060,011 was subject to custodial credit risk. \$568,906 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the District's name. \$12,279 of the District's deposits was uninsured and uncollateralized at June 30, 2014.

	<u>Bank of the West</u>	<u>Wells Fargo</u>	<u>Total</u>
Amount of deposits	\$ 228,826	\$ 831,186	\$ 1,060,012
FDIC Coverage	<u>(228,826)</u>	<u>(250,000)</u>	<u>(478,826)</u>
Total uninsured public funds	<u>-</u>	<u>581,186</u>	<u>581,186</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>568,906</u>	<u>568,906</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ 12,280</u>	<u>\$ 12,280</u>
Collateral requirement (50% of uninsured funds)	-	\$ 290,593	\$ 290,593
Pledged Collateral	<u>446,250</u>	<u>568,906</u>	<u>1,015,156</u>
Over (Under) collateralized	<u>\$ 446,250</u>	<u>\$ 278,313</u>	<u>\$ 724,563</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
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**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, 2014, \$2,170,902 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	\$ 2,170,902
Total uninsured public funds	<u>2,170,902</u>
Securities underlying an overnight repurchase agreement	<u>2,170,902</u>
Total investments subject to custodial credit risk	<u>\$ 2,170,902</u>
Collateral requirement for repurchase agreements (102% of value of underlying securities)	2,214,320
Pledged Collateral	<u>2,214,320</u>
Over (Under) collateralized	<u>\$ -</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
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**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	\$	1,588,471
Restricted cash and cash equivalents per Exhibit A-1		840,794
Agency funds cash per Exhibit D-1		98,294
 Total cash and cash equivalents		 2,527,559
 Add: outstanding checks and other reconciling items		 703,604
Petty Cash		(250)
 Bank balance of deposits	 \$	 3,230,913

**NOTE 4. Receivables**

Accounts receivable for governmental activities as of June 30, 2014 are as follows:

	General Fund	Title I- IASA Special Revenue Fund	Debt Service Fund	Other Governmental Funds	Total
Property taxes receivable	\$ 4,116	\$ -	\$ 111,164	\$ 20,484	\$ 135,764
Intergovernmental receivables					
State	44,566	-	-	159,624	204,190
Federal	-	396,538	-	188,430	584,968
 Totals	 \$ 48,682	 \$ 396,538	 \$ 111,164	 \$ 368,538	 \$ 924,922

The above receivables are deemed 100% collectible.

**STATE OF NEW MEXICO**  
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**NOTE 5. Accounts Payable and Accrued Expenses**

Accounts Payable and accruals as of June 30, 2014, are as follows:

Payable to educational service vendors	\$ 198,388
Accrued payroll	279,796
Due to New Mexico Public Education Department	88,194
Accrued interest	<u>45,905</u>
Total accounts payable and accruals	<u><u>\$ 612,283</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, 2014 is as follows:

	<u>Due From</u>	<u>Due To</u>
<b>Major Funds:</b>		
11000 General Fund	\$ 633,018	\$ -
24101 Title I- IASA Special Revenue Fund		349,873
<b>Non-major Funds:</b>		
24103 Migrant Children Education	-	1,453
24106 Entitlement IDEA-B	-	78,693
24107 Discretionary IDEA-B	-	5,730
24108 Competitive IDEA-B	-	1,655
24109 Preschool IDEA-B	-	6,728
24120 Fresh Fruits & Vegetables	-	836
24153 English Language Acquisition	-	12,169
24154 Title IIA Teacher/Principal Training & Recruiting	8,005	33,250
24160 Rural & Low Income Schools	-	20,945
24163 Immigrant Funding Title III	-	1,587
25127 Headstart	-	44,699
27103 Dual Credit Instructional Materials/ HB2	-	1,909
25253 2012 GO Bond Student Library Fund	-	7,976
27114 New Mexico Reads to Leads K-3 Reading Initiative	-	14,012
27149 Pre-K Initiative	-	42,236
27166 Kindergarten Three Plus	-	5,232
28155 Healthier Schools DOH	-	355
28190 GRADS Instruction	-	11,685
	<u>\$ 641,023</u>	<u>\$ 641,023</u>

All interfund balances are to be repaid within one year.

**STATE OF NEW MEXICO**  
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**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, 2014 is as follows:

		<u>Due from general fund</u>	<u>Due to special revenue funds</u>
<b>Major Funds:</b>			
11000	General Fund	\$ 51,711	\$ -
<b>Non-major Funds:</b>			
24103	Migrant Children Education	-	1,453
24106	Entitlement IDEA-B	-	3,984
24107	Discretionary IDEA-B	-	5,730
24109	Preschool IDEA-B	-	3,219
24120	IDEA-B "Risk Pool"	-	231
24153	English Language Acquisition	-	5,467
24154	Title IIA Teacher/Principal Training & Recruiting	-	9,095
24160	Rural & Low Income Schools	-	20,945
24163	Immigrant Funding Title III	-	1,587
		<u>\$ 51,711</u>	<u>\$ 51,711</u>

The District's fund financial statements include permanent cash transfers due to prior year amounts being carried forward from year-to-year in which the District has cleaned up funds with fund balances that were incorrect. These adjustments as of June 30, 2014 are as follows:

		<u>Transfer In</u>	<u>Transfer Out</u>
<b>Major Funds:</b>			
11000	General Fund	\$ 36,231	\$ 7,144
<b>Non-major Funds:</b>			
24135	Comprehensive School Reform	-	23,486
24201	Title I- IASA Federal Stimulus	-	306
25149	GRADS Child Care CYFD	-	1,255
25162	TANF/GRADS HSD	-	8,286
26170	Microsoft Settlement Funds	-	86
27145	Libraries GO Bond Laws of 2004	1,126	-
27170	Libraries 301 GO Bonds Laws of 2006	6,018	-
28186	Mentoring Diverse Abilities Program	-	2,812
		<u>\$ 43,375</u>	<u>\$ 43,375</u>



**STATE OF NEW MEXICO**  
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Notes to the Financial Statements  
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**NOTE 7. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2014 follows. Land and construction in progress are not subject to depreciation.

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 817,369	\$ -	\$ -	\$ 817,369
Construction in progress	147,821	-	147,821	-
<b>Total capital assets not being depreciated</b>	<b>965,190</b>	<b>-</b>	<b>147,821</b>	<b>817,369</b>
Capital assets being depreciated:				
Buildings and improvements	32,978,925	997,163	-	33,976,088
Equipment	3,648,817	141,876	-	3,790,693
Land improvements	703,811	40,144	-	743,955
<b>Total capital assets being depreciated</b>	<b>37,331,553</b>	<b>1,179,183</b>	<b>-</b>	<b>38,510,736</b>
Less accumulated depreciation:				
Buildings and improvements	10,406,441	771,771	-	11,178,212
Equipment	2,524,624	48,495	-	2,573,119
Land improvements	189,077	37,919	-	226,996
<b>Total accumulated depreciation</b>	<b>13,120,142</b>	<b>858,185</b>	<b>-</b>	<b>13,978,327</b>
<b>Total capital assets, net of depreciation</b>	<b>\$ 25,176,601</b>	<b>\$ 320,998</b>	<b>\$ 147,821</b>	<b>\$ 25,349,778</b>

Depreciation expense for the year ended June 30, 2014 was charged to governmental activities as follows:

Instruction	\$ 541,078
Support services– instruction	48,193
Support services – students	2,886
Central services	87
Operations and maintenance of plant	146,280
Student transportation	107,984
Food services	11,676
	<u>\$ 858,185</u>

The District does not have any active construction projects as of June 30, 2014.

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Notes to the Financial Statements  
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**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 \$4,430,000.

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, 2014 are for governmental activities.

Bonds outstanding at June 30, 2014 are comprised of the following:

	<u>Series 2005</u>	<u>Series 2006</u>	<u>Series 2007</u>
Original Issue:	\$ 465,000	\$ 650,000	\$ 750,000
Principal:	August 1	August 1	August 1
Interest:	August 1	August 1	August 1
	February 1	February 1	February 1
Interest Rates:	1.69%-2.18%	2.62%-2.84%	2.78%-2.95%
Maturity Date:	August 2013	August 2014	August 2015
	<u>Series 2008</u>	<u>Series 2009</u>	<u>Series 2011</u>
Original Issue:	\$ 600,000	\$ 950,000	\$ 750,000
Principal:	August 1	August 1	August 1
Interest:	August 1	August 1	August 1
	February 1	February 1	February 1
Interest Rates:	2.60%-3.7%	3.0%-3.5%	.64%-2.69%
Maturity Date:	August 2016	August 2018	August 2020
	<u>Series 2012</u>	<u>Series 2012B</u>	<u>Series 2013</u>
Original Issue:	\$ 550,000	\$ 1,000,000	\$ 650,000
Principal:	August 1	August 1	August 1
Interest:	August 1	August 1	August 1
	February 1	February 1	February 1
Interest Rates:	.70%-2.03	2%	.2 to 2.8%
Maturity Date:	August 2021	August 2022	August 2023

**STATE OF NEW MEXICO**  
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**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, 2014:

	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014	Due Within One Year
General obligation bonds					
Series 8/1/2005	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -
General obligation bonds					
Series 8/1/2006	330,000	-	165,000	165,000	165,000
General obligation bonds					
Series 8/1/2007	435,000	-	150,000	285,000	140,000
General obligation bonds					
Series 8/1/2008	410,000	-	100,000	310,000	100,000
General obligation bonds					
Series 8/1/2009	935,000	-	40,000	895,000	70,000
General obligation bonds					
Series 8/1/2011	720,000	-	30,000	690,000	35,000
General obligation bonds					
Series 8/1/2012	550,000	-	30,000	520,000	30,000
General obligation bonds					
Series 8/1/2012B	1,000,000	-	100,000	900,000	100,000
General obligation bonds					
Series 8/1/2013	-	650,000	-	650,000	85,000
Compensated Absences	81,837	71,406	50,726	\$ 102,517	50,726
<b>Total Long-Term Debt</b>	<b>\$ 4,511,837</b>	<b>\$ 721,406</b>	<b>\$ 715,726</b>	<b>\$ 4,517,517</b>	<b>\$ 775,726</b>

The annual requirements to amortize all general obligation bonds outstanding as June 30, 2014, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ 725,000	\$ 91,826	\$ 816,826
2016	645,000	74,543	719,543
2017	585,000	58,392	643,392
2018	540,000	43,673	583,673
2019	560,000	29,267	589,267
2020-2024	1,360,000	32,439	1,392,439
	<b>\$ 4,415,000</b>	<b>\$ 330,140</b>	<b>\$ 4,745,140</b>

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, 2014, the long-term portion of compensated absences increased \$20,680 over the prior year accrual. Compensated absences are usually paid from the general fund. See Note 1 for more details.

**STATE OF NEW MEXICO**  
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**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, 2014, 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, 2014:

**Nonmajor Funds**

Pre-K Initiative	(1)
Healthier Schools DOH	(1,181)
GRADS Instruction	(10,850)

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.

B. Excess of expenditures over appropriations: The following funds had line item expenditures in excess of budget for the year ended June 30, 2014:

**Major Funds**

Debt Service Fund	\$ (14)
Title I- IASA	(70)

**STATE OF NEW MEXICO**  
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**NOTE 10. Other Required Individual Fund Disclosures (Continued)**

C. Designated cash appropriations in excess of available balance: The following funds exceeded budgeted cash appropriations for the year ended June 30, 2014.

<u>Special Revenue Funds</u>	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in Excess of Available Cash
General Fund- Instructional Materials	\$ 8,521	\$ 36	\$ 8,485

**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](http://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 2014, 10.10% of their gross salary in fiscal year 2014; and 10.7% of their gross salary in fiscal year 2015 and thereafter.

**Employer Contributions**

The District contributed 13.15% of gross covered salary in fiscal year 2014. In fiscal year 2015 the District will contribute 13.9 of gross covered salary.

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, 2014, 2013, and 2012 were \$1,010,260, \$806,333 and \$1,507,867, 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, 2014

**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](http://www.nmrhca.state.nm.us).

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, 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, 2014, 2013, and 2012 were \$153,404, \$147,754, and \$136,588, respectively, which equal the required contributions for each year.

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**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. 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.

**NOTE 15. Net Position Restatement**

The District has restated net position in the amount of (\$76,511) for the implementation of GASB Statement No. 65, which requires all bond issuance costs to be recognized the year of issuance rather than amortizing over the years of the bond repayment. As of June 30, 2013, the District maintained bond issuance costs of \$109,650 with accumulated amortization of \$33,139.

**NOTE 16. Subsequent Events**

The date to which events occurring after June 30, 2014, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statement or disclosures is October 23, 2014, which is the date on which the financial statements were issued.

The District entered into Series 2014 General Obligation Bonds in the amount of \$725,000. The closing date was October 2, 2014. Principal is due August 1 with a maturity date of August 1, 2024. The GO Bonds have an interest rate of 0.22% to 2.28%.

**NOTE 17. Restricted Net Position**

The government-wide statement of net position reports \$1,070,315 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.

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**NOTE 18. Payroll Related Expenditures**

The District's expenditures are budgeted on a cash basis, with the exception of those expenditures related to payroll.

Payroll expenditures are budgeted on the accrual basis and the beginning fund balance and current year actual expenditures are budgeted on the budgetary comparisons in those funds have accrued payroll for held checks at year end have been adjusted to account for this requirement.

IDEA-B Early Intervention Services- Fund 24112	\$ 3
2012 GO Bond Public School Acquisition- Fund 27107	1
New Mexico Reads to Lead K-3 Reading Initiative	6,816
GRADS Instructional- Fund 28190	1

**NOTE 19. Subsequent Pronouncements**

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 and will significantly impact the District.

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.

In November 2013, GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2014. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68. The standard will be implemented during fiscal year June 30, 2015.

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**SUPPLEMENTARY INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

**STATE OF NEW MEXICO**  
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Nonmajor Governmental Fund Descriptions  
June 30, 2014

**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)** – The IDEA-B Entitlement/Competitive program is to provide grants to states, that flow-through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Sections 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 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.

**Competitive IDEA-B (24108)** – The IDEA-B Entitlement/Competitive program is to provide grants to states, that flow-through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Sections 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

**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, 2014

**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, 2014

**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.

**2012 GO Bond Student Library (27107)** – 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 66, Laws of 2012, 2<sup>nd</sup> Session, 2012 Senate and House Bill.

**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, 2014

**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.

**2013 School Bus (27178)** – To account for an award to purchase or replace school busses. The authority for creation of this fund is the New Mexico Public Education Department.

**New Mexico Grown FVV (27183)** – Funds awarded to through the General Appropriations Act to distribute funding to school districts for the purchase of New Mexico grown fresh fruits and vegetables for school meal programs. Authority for the creation of this fund is the General Appropriations Act.

**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.

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**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Nonmajor Governmental Fund Descriptions  
June 30, 2014

**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.

**GRADS Plus (28203)** - To account for a program as an instructional component for teenage parents to be used for summer case management and GRADS case management period. Special Revenue fund established by the local school board.

**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, 2014

	Special Revenue			
<b>Assets</b>	Food Service	Athletics	Migrant Children Education	Entitlement IDEA-B
Cash and cash equivalents	\$ 55,016	\$ 2,199	\$ -	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	81,998
Inventory	13,838	-	-	-
Due from general fund	-	-	1,453	3,984
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 68,854</u>	<u>\$ 2,199</u>	<u>\$ 1,453</u>	<u>\$ 85,982</u>
 <b>Liabilities, deferred inflows of resources, and fund balances</b>				
Accounts payable	\$ 32,719	\$ -	\$ -	\$ -
Accrued payroll	18,445	-	-	7,289
Due to NM Public Education Department	-	-	-	-
Due to other funds	-	-	1,453	78,693
<i>Total liabilities</i>	<u>51,164</u>	<u>-</u>	<u>1,453</u>	<u>85,982</u>
 <i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <i>Fund balances</i>				
Nonspendable				
Inventory	13,838	-	-	-
Spendable				
Restricted for:				
Educational purposes	-	-	-	-
Food service program	3,852	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	2,199	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>17,690</u>	<u>2,199</u>	<u>-</u>	<u>-</u>
 <i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 68,854</u>	<u>\$ 2,199</u>	<u>\$ 1,453</u>	<u>\$ 85,982</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Discretionary IDEA-B	Competitive IDEA-B	Preschool IDEA-B	IDEA-B Early Intervention Service	Education of Homeless
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	2,832	3,531	-	-
-	-	-	-	-
5,730	-	3,219	-	-
-	-	-	-	-
<u>\$ 5,730</u>	<u>\$ 2,832</u>	<u>\$ 6,750</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	22	-	-
-	1,177	-	-	-
<u>5,730</u>	<u>1,655</u>	<u>6,728</u>	<u>-</u>	<u>-</u>
<u>5,730</u>	<u>2,832</u>	<u>6,750</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 5,730</u>	<u>\$ 2,832</u>	<u>\$ 6,750</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	Special Revenue			
	Fresh Fruits & Vegetables	IDEA- B "Risk Pool"	Title I- 1003g Grant	Enhancing Education Thru Technology (E2T2-C)
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	835	-	-
Inventory	-	-	-	-
Due from general fund	-	231	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 1,066</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>				
Accounts payable	\$ -	\$ 230	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to NM Public Education Department	-	-	-	-
Due to other funds	-	836	-	-
<i>Total liabilities</i>	<u>-</u>	<u>1,066</u>	<u>-</u>	<u>-</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<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>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 1,066</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Comprehensive School Reform	Enhancing Education Thru Technology (E2T2-F)	Title V- Part A Innovative Ed Pro Strategies	English Language Acquisition	Title IIA Teacher/Principal Training & Recruiting
\$ -	\$ -	\$ 1,928	\$ -	\$ -
-	-	-	-	-
-	-	-	7,452	20,714
-	-	-	-	-
-	-	-	5,467	9,095
-	-	-	-	8,005
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,928</u>	<u>\$ 12,919</u>	<u>\$ 37,814</u>
\$ -	\$ -	\$ -	\$ 750	\$ 1,134
-	-	-	-	3,430
-	-	1,928	-	-
-	-	-	12,169	33,250
-	-	1,928	12,919	37,814
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,928</u>	<u>\$ 12,919</u>	<u>\$ 37,814</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	Special Revenue			
	Safe & Drug Free Schools and Community	Rural & Low Income Schools	Title I School Improvement	Immigrant Funding Title III
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	-	20,945	-	1,587
Due from other funds	-	-	-	-
<i>Total assets</i>	\$ -	\$ 20,945	\$ -	\$ 1,587
<b>Liabilities, deferred inflows of resources, and fund balances</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to NM Public Education Department	-	-	-	-
Due to other funds	-	20,945	-	1,587
<i>Total liabilities</i>	-	20,945	-	1,587
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	-	-	-	-
<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, deferred inflows of resources, and fund balances</i>	\$ -	\$ 20,945	\$ -	\$ 1,587

The accompanying notes are an integral part of these financial statements



Special Revenue				
Title I-IASA Federal Stimulus	IDEA- B Entitlement Federal Stimulus	IDEA- B Preschool Federal Stimulus	Headstart	GRADS Child Care CYFD
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	71,068	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,068</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 76	\$ -
-	-	-	11,731	-
-	-	-	14,562	-
-	-	-	44,699	-
-	-	-	-	-
-	-	-	71,068	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,068</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	Special Revenue			
	Title XIX		State	
	Medicaid 3/21 Years	TANF/GRADS HSD	Equalization Guarantee	Headstart Federal Stimulus
<b>Assets</b>				
Cash and cash equivalents	\$ 9,087	\$ -	\$ -	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	-	-	-	-
Due from other funds	-	-	-	-
	-	-	-	-
<i>Total assets</i>	\$ 9,087	\$ -	\$ -	\$ -
<b>Liabilities, deferred inflows of resources, and fund balances</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	753	-	-	-
Due to NM Public Education Department	8,334	-	-	-
Due to other funds	-	-	-	-
	-	-	-	-
<i>Total liabilities</i>	9,087	-	-	-
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
	-	-	-	-
<i>Total deferred inflows of resources</i>	-	-	-	-
<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, deferred inflows of resources, and fund balances</i>	\$ 9,087	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Special Revenue

Microsoft Settlement Funds	Dual Credit Instructional Materials/HB2	2012 GO Bond Student Library Fund	New Mexico Reads to Lead K-3 Reading Initiative	Technology for Education
\$ -	\$ -	\$ -	\$ -	\$ 7,422
-	-	-	-	-
-	1,909	7,976	18,652	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,909</u>	<u>\$ 7,976</u>	<u>\$ 18,652</u>	<u>\$ 7,422</u>
\$ -	\$ -	\$ -	\$ 677	\$ -
-	-	-	3,719	-
-	-	-	-	7,422
-	1,909	7,976	14,012	-
-	1,909	7,976	18,408	7,422
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	244	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	244	-
<u>\$ -</u>	<u>\$ 1,909</u>	<u>\$ 7,976</u>	<u>\$ 18,652</u>	<u>\$ 7,422</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	Special Revenue			
	TANF Full Day Kindergarten	Incentives for School Improvement Act PED	Libraries GO Bonds Laws of 2004	Pre-K Initiative
<b>Assets</b>				
Cash and cash equivalents	\$ 17,337	\$ 11,010	\$ -	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	46,439
Inventory	-	-	-	-
Due from general fund	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 17,337</u>	<u>\$ 11,010</u>	<u>\$ -</u>	<u>\$ 46,439</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	4,204
Due to NM Public Education Department	17,336	11,010	-	-
Due to other funds	-	-	-	42,236
<i>Total liabilities</i>	<u>17,336</u>	<u>11,010</u>	<u>-</u>	<u>46,440</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable				
Inventory	-	-	-	-
Spendable				
Restricted for:				
Educational purposes	1	-	-	-
Food service program	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Extracurricular activities	-	-	-	-
Unassigned	-	-	-	(1)
<i>Total fund balances</i>	<u>1</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 17,337</u>	<u>\$ 11,010</u>	<u>\$ -</u>	<u>\$ 46,439</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Beginning Teacher Mentoring Program	Breakfast for Elementary Students	Technology Equity	School Improvement Framework	Kindergarten Three Plus
\$ 12,338	\$ 1,042	\$ 21	\$ 8,798	\$ -
-	-	-	-	-
-	-	-	-	53,601
-	-	-	-	-
-	-	-	-	-
<u>\$ 12,338</u>	<u>\$ 1,042</u>	<u>\$ 21</u>	<u>\$ 8,798</u>	<u>\$ 53,601</u>
\$ -	\$ -	\$ -	\$ -	\$ 7,007
-	-	-	-	-
12,338	1,042	21	8,798	-
-	-	-	-	5,232
<u>12,338</u>	<u>1,042</u>	<u>21</u>	<u>8,798</u>	<u>12,239</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	41,362
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,362</u>
<u>\$ 12,338</u>	<u>\$ 1,042</u>	<u>\$ 21</u>	<u>\$ 8,798</u>	<u>\$ 53,601</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	Special Revenue			
	Libraries 301 GO Bonds Laws of 2006	2013 School Bus	New Mexico Grown FVV	2008 Library Book Fund
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 4,226
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	-	-	-	-
Due from other funds	-	-	-	-
	-	-	-	-
<i>Total assets</i>	\$ -	\$ -	\$ -	\$ 4,226
<b>Liabilities, deferred inflows of resources, and fund balances</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to NM Public Education Department	-	-	-	4,226
Due to other funds	-	-	-	-
	-	-	-	-
<i>Total liabilities</i>	-	-	-	4,226
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
	-	-	-	-
<i>Total deferred inflows of resources</i>	-	-	-	-
<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, deferred inflows of resources, and fund balances</i>	\$ -	\$ -	\$ -	\$ 4,226

The accompanying notes are an integral part of these financial statements

Special Revenue				
Healthier Schools DOH	GEAR-UP CHE	Mentoring Diverse Abilities Program	GRADS Child Care	GRADS Instruction
\$ -	\$ -	\$ -	\$ 2,125	\$ 835
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,125</u>	<u>\$ 835</u>
\$ 826	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
355	-	-	-	11,685
<u>1,181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,685</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	2,125	-
-	-	-	-	-
-	-	-	-	-
(1,181)	-	-	-	(10,850)
<u>(1,181)</u>	<u>-</u>	<u>-</u>	<u>2,125</u>	<u>(10,850)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,125</u>	<u>\$ 835</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

Capital Projects

	GRADS Plus	Public School Capital Outlay	Special Capital Outlay	Special Capital Outlay - State
<b>Assets</b>				
Cash and cash equivalents	\$ 16,000	\$ 1,316	\$ 136,256	\$ -
Property taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	-
Inventory	-	-	-	-
Due from general fund	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 16,000</u>	<u>\$ 1,316</u>	<u>\$ 136,256</u>	<u>\$ -</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to NM Public Education Department	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable				
Inventory	-	-	-	-
Spendable				
Restricted for:				
Educational purposes	16,000	-	-	-
Food service program	-	-	-	-
Capital acquisitions and improvements	-	1,316	136,256	-
Extracurricular activities	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>16,000</u>	<u>1,316</u>	<u>136,256</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 16,000</u>	<u>\$ 1,316</u>	<u>\$ 136,256</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



Capital Projects

<u>SB-9 Capital Improvements</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 170,771	\$ 457,727
20,484	20,484
31,047	348,054
-	13,838
-	51,711
-	8,005
<u>\$ 222,302</u>	<u>\$ 899,819</u>
\$ 14,004	\$ 57,423
-	49,593
-	88,194
-	291,150
<u>14,004</u>	<u>486,360</u>
<u>18,038</u>	<u>18,038</u>
<u>18,038</u>	<u>18,038</u>
-	13,838
-	59,732
-	3,852
190,260	327,832
-	2,199
-	(12,032)
<u>190,260</u>	<u>395,421</u>
<u>\$ 222,302</u>	<u>\$ 899,819</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, 2014

	Special Revenue			
	Food Service	Athletics	Migrant Children Education	Entitlement IDEA-B
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	870,037	-	4,511	307,899
State flowthrough	45,472	-	-	-
State direct	-	-	-	-
Charges for services	16,796	32,676	-	-
Investment income	42	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>932,347</u>	<u>32,676</u>	<u>4,511</u>	<u>307,899</u>
<i>Expenditures</i>				
Current:				
Instruction	-	33,296	-	172,751
Support services - students	-	-	4,511	85,772
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	49,376
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food service operations	1,190,977	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,190,977</u>	<u>33,296</u>	<u>4,511</u>	<u>307,899</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(258,630)</u>	<u>(620)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Reversion to other entities	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(258,630)	(620)	-	-
<i>Fund balances - beginning</i>	<u>276,320</u>	<u>2,819</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ 17,690</u>	<u>\$ 2,199</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Discretionary IDEA-B	Competitive IDEA-B	Preschool IDEA- B	IDEA-B Early Intervention Service	Education of Homeless
\$ -	\$ -	\$ -	\$ -	\$ -
-	8,513	14,226	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	8,513	14,226	-	-
-	8,513	14,226	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	8,513	14,226	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2014

	Special Revenue			
	Fresh Fruits & Vegetables	IDEA-B "Risk Pool"	Title I- 1003g Grant	Enhancing Education Thru Technology (E2T2-C)
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	2,455	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,455</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	-	1,288	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	1,167	-	-
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>2,455</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	-	-	-	-
Reversion to other entities	-	-	-	-
<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				
Comprehensive School Reform	Enhancing Education Thru Technology (E2T2-F)	Title V- Part A Innovative Ed Pro Strategies	English Language Acquisition	Title IIA Teacher/Principal Training & Recruiting
\$ -	\$ -	\$ -	\$ -	\$ -
23,486	-	1,928	38,581	116,292
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
23,486	-	1,928	38,581	116,292
-	-	-	38,203	113,807
-	-	-	-	-
-	-	-	222	-
-	-	-	156	2,485
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	38,581	116,292
23,486	-	1,928	-	-
-	-	-	-	-
(23,486)	-	-	-	-
-	-	(1,928)	-	-
(23,486)	-	(1,928)	-	-
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2014

	Special Revenue			
	Safe & Drug Free Schools and Community	Rural & Low Income Schools	Title I School Improvement	Immigrant Funding Title III
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	24,710	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>24,710</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	-	24,710	-	-
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>24,710</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	-	-	-	-
Reversion to other entities	-	-	-	-
<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

<u>Title I-IASA Federal Stimulus</u>	<u>IDEA- B Entitlement Federal Stimulus</u>	<u>IDEA- B Preschool Federal Stimulus</u>	<u>Headstart</u>	<u>GRADS Child Care CYFD</u>
\$ -	\$ -	\$ -	\$ -	\$ -
306	-	-	438,876	1,255
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>306</u>	<u>-</u>	<u>-</u>	<u>438,876</u>	<u>1,255</u>
-	-	-	215,968	-
-	-	-	63,393	-
-	-	-	91,629	-
-	-	-	-	-
-	-	-	-	-
-	-	-	7,265	-
-	-	-	60,621	-
-	-	-	-	-
-	-	-	-	-
-	-	-	438,876	-
<u>306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,255</u>
-	-	-	-	-
(306)	-	-	-	(1,255)
-	-	-	-	-
<u>(306)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,255)</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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, 2014

	Special Revenue			
	Title XIX Medicaid 3/21 Years	TANF/GRADS HSD	State Equalization Guarantee	Headstart Federal Stimulus
	\$	\$	\$	\$
<i>Revenues</i>				
Property taxes	-	-	-	-
Intergovernmental revenue:				
Federal flowthrough	75,945	8,286	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>75,945</u>	<u>8,286</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	-
Support services - students	75,945	-	-	-
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>75,945</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>8,286</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	(8,286)	-	-
Reversion to other entities	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(8,286)</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

Microsoft Settlement Funds	Dual Credit Instructional Materials/HB2	2012 GO Bond Student Library Fund	New Mexico Reads to Lead K-3 Reading Initiative	Technology for Education PED
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	1,909	16,588	77,333	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,909	16,588	77,333	-
-	1,909	-	71,788	-
-	-	-	-	-
-	-	16,588	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,909	16,588	71,788	-
-	-	-	5,545	-
-	-	-	-	-
(86)	-	-	-	-
-	-	-	-	(7,422)
(86)	-	-	-	(7,422)
(86)	-	-	5,545	(7,422)
86	-	-	(5,301)	7,422
\$ -	\$ -	\$ -	\$ 244	\$ -

**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, 2014

	Special Revenue			
	TANF Full Day Kindergarten	Incentives for School Improvement Act PED	Libraries GO Bonds Laws of 2004	Pre-K Initiative
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
State flowthrough	-	-	-	129,643
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,643</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	86,606
Support services - students	-	-	-	9,474
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	7,340
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	14,892
Student transportation	-	-	-	11,332
Food service operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,644</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	1,126	-
Transfers out	-	-	-	-
Reversion to other entities	(17,336)	(11,010)	-	-
<i>Total other financing sources (uses)</i>	<u>(17,336)</u>	<u>(11,010)</u>	<u>1,126</u>	<u>-</u>
<i>Net change in fund balances</i>	(17,336)	(11,010)	1,126	(1)
<i>Fund balances - beginning</i>	<u>17,337</u>	<u>11,010</u>	<u>(1,126)</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Beginning Teacher Mentoring Program	Breakfast for Elementary Students	Technology Equity	School Improvement Framework	Kindergarten Three Plus
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	222,852
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>222,852</u>
-	-	-	-	-
-	-	-	-	260,054
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>260,054</u>
-	-	-	-	-
-	-	-	-	(37,202)
-	-	-	-	-
-	-	-	-	-
<u>(12,338)</u>	<u>(1,042)</u>	<u>(21)</u>	<u>(8,798)</u>	<u>-</u>
<u>(12,338)</u>	<u>(1,042)</u>	<u>(21)</u>	<u>(8,798)</u>	<u>-</u>
(12,338)	(1,042)	(21)	(8,798)	(37,202)
<u>12,338</u>	<u>1,042</u>	<u>21</u>	<u>8,798</u>	<u>78,564</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,362</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, 2014

	Special Revenue			
	Libraries 301 GO Bonds Laws of 2006	2013 School Bus	New Mexico Grown FVV	2008 Library Book Fund
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
State flowthrough	-	83,569	591	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>83,569</u>	<u>591</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	-	-	591	-
Capital outlay	-	83,569	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>83,569</u>	<u>591</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	6,018	-	-	-
Transfers out	-	-	-	-
Reversion to other entities	-	-	-	(4,226)
<i>Total other financing sources (uses)</i>	<u>6,018</u>	<u>-</u>	<u>-</u>	<u>(4,226)</u>
<i>Net change in fund balances</i>	6,018	-	-	(4,226)
<i>Fund balances - beginning</i>	<u>(6,018)</u>	<u>-</u>	<u>-</u>	<u>4,226</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				
Healthier Schools DOH	GEAR-UP CHE	Mentoring Diverse Abilities Program	GRADS Child Care	GRADS Instruction
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
4,314	-	-	6,500	3,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>4,314</u>	<u>-</u>	<u>-</u>	<u>6,500</u>	<u>3,000</u>
5,495	-	-	-	6,506
-	-	-	2,875	15,660
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>5,495</u>	<u>-</u>	<u>-</u>	<u>2,875</u>	<u>22,166</u>
<u>(1,181)</u>	<u>-</u>	<u>-</u>	<u>3,625</u>	<u>(19,166)</u>
-	-	-	-	-
-	-	(2,812)	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(2,812)</u>	<u>-</u>	<u>-</u>
(1,181)	-	(2,812)	3,625	(19,166)
<u>-</u>	<u>-</u>	<u>2,812</u>	<u>(1,500)</u>	<u>8,316</u>
<u>\$ (1,181)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,125</u>	<u>\$ (10,850)</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, 2014

	Capital Projects			
	GRADS Plus	Public School Capital Outlay	Special Capital Outlay	Special Capital Outlay - State
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
State flowthrough	16,000	-	-	15,963
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	16,000	-	-	15,963
<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	-	-	11,100	15,963
Student transportation	-	-	-	-
Food service operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	11,100	15,963
<i>Excess (deficiency) of revenues over expenditures</i>	16,000	-	(11,100)	-
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Reversion to other entities	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	16,000	-	(11,100)	-
<i>Fund balances - beginning</i>	-	1,316	147,356	-
<i>Fund balances - ending</i>	\$ 16,000	\$ 1,316	\$ 136,256	\$ -

The accompanying notes are an integral part of these financial statements

Capital Projects

<u>SB-9 Capital Improvements</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 144,518	\$ 144,518
-	1,937,306
-	609,920
195,064	208,878
-	49,472
-	42
-	-
<u>339,582</u>	<u>2,950,136</u>
-	1,055,120
-	257,630
-	108,217
1,465	59,570
-	2,641
-	-
226,387	275,607
-	71,953
-	1,191,568
82,722	166,291
-	-
-	-
<u>310,574</u>	<u>3,188,597</u>
<u>29,008</u>	<u>(238,461)</u>
-	7,144
-	(36,231)
-	(64,121)
-	(93,208)
29,008	(331,669)
<u>161,252</u>	<u>727,090</u>
<u>\$ 190,260</u>	<u>\$ 395,421</u>

**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, 2014

	<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	885,000	885,000	814,820	(70,180)
Federal direct	-	-	-	-
State flowthrough	28,000	112,875	45,472	(67,403)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	15,000	15,000	16,796	1,796
Investment income	-	-	42	42
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>928,000</u>	<u>1,012,875</u>	<u>877,130</u>	<u>(135,745)</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	1,159,281	1,277,275	1,101,081	176,194
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,159,281</u>	<u>1,277,275</u>	<u>1,101,081</u>	<u>176,194</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(231,281)</u>	<u>(264,400)</u>	<u>(223,951)</u>	<u>40,449</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	231,281	264,400	-	(264,400)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>231,281</u>	<u>264,400</u>	<u>-</u>	<u>(264,400)</u>
<i>Net change in fund balances</i>	-	-	(223,951)	(223,951)
<i>Fund balances - beginning of year</i>	-	-	278,967	278,967
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,016</u>	<u>\$ 55,016</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (223,951)
Adjustments to revenues for charges for refunds from prior year				55,217
Adjustments to expenditures for food service function accruals				<u>(89,896)</u>
Net change in fund balances (GAAP)				<u>\$ (258,630)</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, 2014

	<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	30,478	30,478	32,676	2,198
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>30,478</u>	<u>30,478</u>	<u>32,676</u>	<u>2,198</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	33,193	35,197	35,196	1
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>33,193</u>	<u>35,197</u>	<u>35,196</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,715)</u>	<u>(4,719)</u>	<u>(2,520)</u>	<u>2,199</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,715	4,719	-	(4,719)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,715</u>	<u>4,719</u>	<u>-</u>	<u>(4,719)</u>
<i>Net change in fund balances</i>	-	-	(2,520)	(2,520)
<i>Fund balances - beginning of year</i>	-	-	4,719	4,719
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,199</u>	<u>\$ 2,199</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (2,520)
No adjustments for revenue accruals				-
Adjustments to expenditures for accrual in instruction function				1,900
Net change in fund balances (GAAP)				<u>\$ (620)</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, 2014

	<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	-	25,000	-	(25,000)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	25,000	4,511	20,489
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>25,000</u>	<u>4,511</u>	<u>20,489</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,511)</u>	<u>(4,511)</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>	-	-	(4,511)	(4,511)
<i>Fund balances - beginning of year</i>	-	-	3,058	3,058
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,453)</u>	<u>\$ (1,453)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (4,511)
Adjustments to revenue for federal flowthrough accrual				4,511
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, 2014

	<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	275,531	325,665	288,247	(37,418)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>275,531</u>	<u>325,665</u>	<u>288,247</u>	<u>(37,418)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	137,011	185,145	174,252	10,893
Support services - students	86,276	88,276	85,772	2,504
Support services - instruction	-	-	-	-
Support services - general administration	52,244	52,244	49,376	2,868
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>275,531</u>	<u>325,665</u>	<u>309,400</u>	<u>16,265</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(21,153)</u>	<u>(21,153)</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>	-	-	(21,153)	(21,153)
<i>Fund balances - beginning of year</i>	-	-	(57,540)	(57,540)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78,693)</u>	<u>\$ (78,693)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (21,153)
Adjustments to revenue for federal flowthrough accrual				19,652
Adjustments to expenditures for instructional function accruals				<u>1,501</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  
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, 2014

	<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>(5,730)</u>	<u>(5,730)</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)				\$ -
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  
Competitive 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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	8,096	5,681	(2,415)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,096</u>	<u>5,681</u>	<u>(2,415)</u>
<i>Expenditures</i>				
Current				
Instruction	2,850	8,096	7,336	760
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>2,850</u>	<u>8,096</u>	<u>7,336</u>	<u>760</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,850)</u>	<u>-</u>	<u>(1,655)</u>	<u>(1,655)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,850	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,850</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(1,655)	(1,655)
<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>\$ (1,655)</u>	<u>\$ (1,655)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (1,655)
Adjustments to revenue for federal flowthrough accrual				2,832
Adjustments to expenditures for instruction function accruals				<u>(1,177)</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  
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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	14,262	14,922	15,657	735
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>14,262</u>	<u>14,922</u>	<u>15,657</u>	<u>735</u>
<i>Expenditures</i>				
Current				
Instruction	14,262	14,922	14,229	693
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>14,262</u>	<u>14,922</u>	<u>14,229</u>	<u>693</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,428</u>	<u>1,428</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>	-	-	1,428	1,428
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(8,156)</u>	<u>(8,156)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,728)</u>	<u>\$ (6,728)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 1,428
Adjustments to revenue for federal flowthrough accrual				(1,431)
Adjustments to expenditures for instructional function accrual				<u>3</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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	860	860
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	860	860
<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>	-	-	860	860
<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>	-	-	860	860
<i>Fund balances - beginning of year</i>	-	-	(860)	(860)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 860
Adjustments to revenues for federal flowthrough accruals				(860)
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  
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, 2014

	<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)	-	-	1,760	1,760
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>1,760</u>	<u>1,760</u>
<i>Net change in fund balances</i>	-	-	1,760	1,760
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,760)</u>	<u>(1,760)</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)				\$ 1,760
No adjustments for revenue accruals				-
Adjustments for permanent transfers				<u>(1,760)</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  
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, 2014

	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)	-	-	32	32
<i>Total other financing sources (uses)</i>	-	-	32	32
<i>Net change in fund balances</i>	-	-	32	32
<i>Fund balances - beginning of year</i>	-	-	(32)	(32)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 32
No adjustments for revenue accruals				-
Adjustments for permanent transfers				(32)
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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	2,939	1,389	(1,550)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	2,939	1,389	(1,550)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	1,739	1,058	681
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	1,200	1,167	33
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	2,939	2,225	714
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(836)	(836)
<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>	-	-	(836)	(836)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (836)	\$ (836)
Net change in fund balances (non-GAAP budgetary basis)				\$ (836)
Adjustments to revenues for federal flowthrough accruals				1,066
Adjustments to expenditures for instructional function accruals				(230)
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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	(1)	(1)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	(1)	(1)
<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>	-	-	(1)	(1)
<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>	-	-	(1)	(1)
<i>Fund balances - beginning of year</i>	-	-	1	1
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ (1)
Adjustments to revenue for federal flowthrough accrual				1
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, 2014

	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)	-	-	256	256
<i>Total other financing sources (uses)</i>	-	-	256	256
<i>Net change in fund balances</i>	-	-	256	256
<i>Fund balances - beginning of year</i>	-	-	(256)	(256)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 256
No adjustments for revenue accruals				-
Adjustments for permanent transfers				(256)
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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	(1)	(1)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	(1)	(1)
<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>	-	-	(1)	(1)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	(23,486)	(23,486)
<i>Total other financing sources (uses)</i>	-	-	(23,486)	(23,486)
<i>Net change in fund balances</i>	-	-	(23,487)	(23,487)
<i>Fund balances - beginning of year</i>	-	-	23,487	23,487
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ (23,487)
Adjustments to revenues for permanent cash transfer				23,487
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, 2014

	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)	-	-	67,462	67,462
<i>Total other financing sources (uses)</i>	-	-	67,462	67,462
<i>Net change in fund balances</i>	-	-	67,462	67,462
<i>Fund balances - beginning of year</i>	-	-	(67,462)	(67,462)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 67,462
No adjustments for revenue accruals				-
Adjustments for permanent transfers				(67,462)
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, 2014

	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>	-	-	1,928	1,928
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,928	\$ 1,928
Net change in fund balances (non-GAAP budgetary basis)				\$ -
Adjustments to revenues for federal flowthrough accrual				1,928
Adjustments to expenditures for reversion to other entities				(1,928)
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  
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, 2014

	<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	36,321	58,450	29,769	(28,681)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>36,321</u>	<u>58,450</u>	<u>29,769</u>	<u>(28,681)</u>
<i>Expenditures</i>				
Current				
Instruction	35,321	55,979	37,453	18,526
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - school administration	-	1,300	156	1,144
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>36,321</u>	<u>58,450</u>	<u>37,831</u>	<u>20,619</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,062)</u>	<u>(8,062)</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>	-	-	(8,062)	(8,062)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,107)</u>	<u>(4,107)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,169)</u>	<u>\$ (12,169)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (8,062)
Adjustments to revenue for federal flowthrough accruals				8,812
Adjustments to expenditures for instructional function accruals				<u>(750)</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  
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, 2014

	<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	100,652	122,381	107,902	(14,479)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>100,652</u>	<u>122,381</u>	<u>107,902</u>	<u>(14,479)</u>
<i>Expenditures</i>				
Current				
Instruction	98,152	119,881	113,535	6,346
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	2,500	2,500	1,660	840
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>100,652</u>	<u>122,381</u>	<u>115,195</u>	<u>7,186</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,293)</u>	<u>(7,293)</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>	-	-	(7,293)	(7,293)
<i>Fund balances - beginning of year</i>	-	-	(17,952)	(17,952)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (25,245)</u>	<u>\$ (25,245)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (7,293)
Adjustments to revenue for federal flowthrough accruals				8,390
Adjustments to expenditures for instruction function accruals				(1,097)
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, 2014

	<u>Budgeted Amounts</u>			Variances
	<u>Original</u>	<u>Final</u>	<u>Actual</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	-	-	-	-
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)	-	-	996	996
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>996</u>	<u>996</u>
<i>Net change in fund balances</i>	-	-	996	996
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(996)</u>	<u>(996)</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)				\$ 996
No adjustments for revenue accruals				-
Adjustments for permanent transfers				(996)
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  
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, 2014

	<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	23,419	34,276	25,320	(8,956)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>23,419</u>	<u>34,276</u>	<u>25,320</u>	<u>(8,956)</u>
<i>Expenditures</i>				
Current				
Instruction	23,419	34,276	24,710	9,566
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>23,419</u>	<u>34,276</u>	<u>24,710</u>	<u>9,566</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>610</u>	<u>610</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>	-	-	610	610
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,555)</u>	<u>(21,555)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,945)</u>	<u>\$ (20,945)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 610
Adjustments to revenues for federal flowthrough accruals				(610)
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, 2014

	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)	-	-	881	881
<i>Total other financing sources (uses)</i>	-	-	881	881
<i>Net change in fund balances</i>	-	-	881	881
<i>Fund balances - beginning of year</i>	-	-	(881)	(881)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 881
No adjustments for revenue accruals				-
Adjustments for permanent transfers				(881)
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, 2014

	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>	-	-	(1,587)	(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, 2014

	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)	-	-	(306)	(306)
<i>Total other financing sources (uses)</i>	-	-	(306)	(306)
<i>Net change in fund balances</i>	-	-	(306)	(306)
<i>Fund balances - beginning of year</i>	-	-	306	306
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ (306)
Adjustments to revenues for permanent cash transfer				306
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, 2014

	<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	-	-	-	-
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)	-	-	38,210	38,210
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>38,210</u>	<u>38,210</u>
<i>Net change in fund balances</i>	-	-	38,210	38,210
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(38,210)</u>	<u>(38,210)</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)				\$ 38,210
No adjustments for revenue accruals				-
Adjustments for permanent transfers				<u>(38,210)</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 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, 2014

	<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)	-	-	5,690	5,690
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>5,690</u>	<u>5,690</u>
<i>Net change in fund balances</i>	-	-	5,690	5,690
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(5,690)</u>	<u>(5,690)</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)				\$ 5,690
No adjustments for revenue accruals				-
Adjustments for permanent transfers				<u>(5,690)</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  
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, 2014

	<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	427,675	466,217	501,494	35,277
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>427,675</u>	<u>466,217</u>	<u>501,494</u>	<u>35,277</u>
<i>Expenditures</i>				
Current				
Instruction	195,842	203,261	196,637	6,624
Support services - students	55,811	64,226	63,393	833
Support services - instruction	96,578	91,778	91,629	149
Support services - general administration	-	-	-	-
Operation and maintenance of plant	9,224	40,347	38,388	1,959
Student transportation	70,220	66,605	60,621	5,984
Other support services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>427,675</u>	<u>466,217</u>	<u>450,668</u>	<u>15,549</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>50,826</u>	<u>50,826</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>	-	-	50,826	50,826
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(95,525)</u>	<u>(95,525)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (44,699)</u>	<u>\$ (44,699)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 50,826
Adjustments to revenues for federal flowthrough accruals				(62,618)
Adjustments to expenditures for instructional and support services accruals				<u>11,792</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  
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, 2014

	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)	-	-	(1,255)	(1,255)
<i>Total other financing sources (uses)</i>	-	-	(1,255)	(1,255)
<i>Net change in fund balances</i>	-	-	(1,255)	(1,255)
<i>Fund balances - beginning of year</i>	-	-	1,255	1,255
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ (1,255)
Adjustments to revenues for permanent cash transfers				1,255
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 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, 2014

	<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	73,994	73,994	78,495	4,501
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>73,994</u>	<u>73,994</u>	<u>78,495</u>	<u>4,501</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	73,994	73,994	67,451	6,543
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>73,994</u>	<u>73,994</u>	<u>67,451</u>	<u>6,543</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>11,044</u>	<u>11,044</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>	-	-	11,044	11,044
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,957)</u>	<u>(1,957)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,087</u>	<u>\$ 9,087</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 11,044
Adjustments to revenues for federal flowthrough accruals				(2,550)
Adjustments to expenditures for support services accruals				(8,494)
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  
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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	(1)	(1)
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	(1)	(1)
<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>	-	-	(1)	(1)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	(8,286)	(8,286)
<i>Total other financing sources (uses)</i>	-	-	(8,286)	(8,286)
<i>Net change in fund balances</i>	-	-	(8,287)	(8,287)
<i>Fund balances - beginning of year</i>	-	-	8,287	8,287
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ (8,287)
Adjustments to revenues for permanent cash transfer				8,287
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  
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, 2014

	<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)	-	-	10	10
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>10</u>	<u>10</u>
<i>Net change in fund balances</i>	-	-	10	10
<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>\$ -</u>	<u>\$ -</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 10
No adjustments for revenue accruals				-
Adjustments for permanent transfers				<u>(10)</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  
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, 2014

	<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>				
<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>	<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)	-	-	14,749	14,749
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>14,749</u>	<u>14,749</u>
<i>Net change in fund balances</i>	-	-	14,749	14,749
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(14,749)</u>	<u>(14,749)</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)				\$ 14,749
No adjustments for revenue accruals				-
Adjustments for permanent transfers				<u>(14,749)</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  
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, 2014

	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)	-	-	(86)	(86)
<i>Total other financing sources (uses)</i>	-	-	(86)	(86)
<i>Net change in fund balances</i>	-	-	(86)	(86)
<i>Fund balances - beginning of year</i>	-	-	86	86
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ (86)
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ (86)

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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	1,909	-	(1,909)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	1,909	-	(1,909)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	1,909	1,909	-
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>	-	1,909	1,909	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(1,909)	(1,909)
<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>	-	-	(1,909)	(1,909)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,909)	\$ (1,909)
Net change in fund balances (non-GAAP budgetary basis)				\$ (1,909)
Adjustments to revenues for state flowthrough accruals				1,909
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  
2012 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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	16,587	16,587	8,612	(7,975)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	16,587	16,587	8,612	(7,975)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	16,587	16,587	16,587	-
Support services - general administration	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	16,587	16,587	16,587	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(7,975)	(7,975)
<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>	-	-	(7,975)	(7,975)
<i>Fund balances - beginning of year</i>	-	-	(1)	(1)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (7,976)	\$ (7,976)
Net change in fund balances (non-GAAP budgetary basis)				\$ (7,975)
Adjustments to revenues for state flowthrough accruals				7,976
Adjustments to expenditures for support service function accruals				(1)
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, 2014

	<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	-	84,998	96,713	11,715
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>84,998</u>	<u>96,713</u>	<u>11,715</u>
<i>Expenditures</i>				
Current				
Instruction	-	84,998	84,998	-
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>84,998</u>	<u>84,998</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>11,715</u>	<u>11,715</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>	-	-	11,715	11,715
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(25,727)</u>	<u>(25,727)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,012)</u>	<u>\$ (14,012)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 11,715
Adjustments to revenues for state flowthrough accruals				(19,380)
Adjustments to expenditures for instructional function accrual				13,210
Net change in fund balances (GAAP)				<u>\$ 5,545</u>

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, 2014

	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				-
Adjustments to expenditures for reversion to other entities				(7,422)
Net change in fund balances (GAAP)				\$ (7,422)

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, 2014

	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>	-	-	17,337	17,337
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 17,337	\$ 17,337
Net change in fund balances (non-GAAP budgetary basis)				\$ -
No adjustments for revenue accruals				-
Adjustments to expenditures for reversion to other entities				(17,336)
Net change in fund balances (GAAP)				\$ (17,336)

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, 2014

	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				-
Adjustments to expenditures for reversion to other entities				(11,010)
Net change in fund balances (GAAP)				\$ (11,010)

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, 2014

	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)	-	-	1,126	1,126
<i>Total other financing sources (uses)</i>	-	-	1,126	1,126
<i>Net change in fund balances</i>	-	-	1,126	1,126
<i>Fund balances - beginning of year,</i>	-	-	(1,126)	(1,126)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 1,126
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ 1,126

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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	145,000	145,000	109,406	(35,594)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	145,000	145,000	109,406	(35,594)
<i>Expenditures</i>				
Current				
Instruction	99,877	99,877	90,349	9,528
Support services - students	11,053	11,053	10,887	166
Support services - instruction	-	-	-	-
Support services - general administration	7,341	7,341	7,340	1
Support services - school administration	-	-	-	-
Operation and maintenance of plant	15,334	15,334	14,892	442
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	145,000	145,000	134,800	10,200
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(25,394)	(25,394)
<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>	-	-	(25,394)	(25,394)
<i>Fund balances - beginning of year,</i>	-	-	(16,842)	(16,842)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (42,236)	\$ (42,236)
Net change in fund balances (non-GAAP budgetary basis)				\$ (25,394)
Adjustments to revenues for state flowthrough accruals				20,237
Adjustments to expenditures for instruction and support services accruals				5,156
Net change in fund balances (GAAP)				\$ (1)

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, 2014

	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				-
Adjustments to expenditures for reversion to other entities				(12,338)
Net change in fund balances (GAAP)				\$ (12,338)

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, 2014

	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				-
Adjustments to expenditures for reversion to other entities				(1,042)
Net change in fund balances (GAAP)				\$ (1,042)

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, 2014

	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				-
Adjustments to expenditures for reversion to other entities				(21)
Net change in fund balances (GAAP)				\$ (21)

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, 2014

	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				-
Adjustments to expenditures for reversion to other entities				(8,798)
Net change in fund balances (GAAP)				\$ (8,798)

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, 2014

	<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	-	269,321	281,900	12,579
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>269,321</u>	<u>281,900</u>	<u>12,579</u>
<i>Expenditures</i>				
Current				
Instruction	-	266,318	256,006	10,312
Support services - students	-	3,003	-	3,003
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>269,321</u>	<u>256,006</u>	<u>13,315</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>25,894</u>	<u>25,894</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>	-	-	25,894	25,894
<i>Fund balances - beginning of year,</i>	<u>-</u>	<u>-</u>	<u>(31,126)</u>	<u>(31,126)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,232)</u>	<u>\$ (5,232)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 25,894
Adjustments to revenues for state flowthrough accruals				(59,048)
Adjustments to expenditures for instruction function accruals				(4,048)
Net change in fund balances (GAAP)				<u>\$ (37,202)</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, 2014

	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)	-	-	6,018	6,018
<i>Total other financing sources (uses)</i>	-	-	6,018	6,018
<i>Net change in fund balances</i>	-	-	6,018	6,018
<i>Fund balances - beginning of year,</i>	-	-	(6,018)	(6,018)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (non-GAAP budgetary basis)				\$ 6,018
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				\$ 6,018

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
2013 School Bus 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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	83,569	83,569	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	83,569	83,569	-
<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>	-	83,569	83,569	-
<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  
New Mexico Grown FVV  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	591	591	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	591	591	-
<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>	-	591	591	-
<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, 2014

	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				-
Adjustments to expenditures for reversion to other entities				(4,226)
Net change in fund balances (GAAP)				\$ (4,226)

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, 2014

	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	-	10,000	17,500	7,500
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	10,000	17,500	7,500
<i>Expenditures</i>				
Current				
Instruction	-	10,000	4,669	5,331
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>	-	10,000	4,669	5,331
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	12,831	12,831
<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>	-	-	12,831	12,831
<i>Fund balances - beginning of year</i>	-	-	(13,186)	(13,186)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (355)	\$ (355)
Net change in fund balances (non-GAAP budgetary basis)				\$ 12,831
Adjustments to revenues for revenue accruals				(13,186)
Adjustments to expenditures for instructional function accruals				(826)
Net change in fund balances (GAAP)				\$ (1,181)

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, 2014

	<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)	-	-	4,316	4,316
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>4,316</u>	<u>4,316</u>
<i>Net change in fund balances</i>	-	-	4,316	4,316
<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>\$ -</u>	<u>\$ -</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 4,316
No adjustments for revenue accruals				-
Adjustments for permanent transfers				<u>(4,316)</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  
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, 2014

	<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	-	-	-	-
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)	-	-	(2,812)	(2,812)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(2,812)</u>	<u>(2,812)</u>
<i>Net change in fund balances</i>	-	-	(2,812)	(2,812)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,812</u>	<u>2,812</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)				\$ (2,812)
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ (2,812)</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, 2014

	<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	-	3,000	6,500	3,500
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,000</u>	<u>6,500</u>	<u>3,500</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	3,000	2,875	125
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>2,875</u>	<u>125</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,625</u>	<u>3,625</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>	-	-	3,625	3,625
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,500)</u>	<u>(1,500)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,125</u>	<u>\$ 2,125</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 3,625
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ 3,625</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, 2014

	<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	-	22,500	3,000	(19,500)
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>22,500</u>	<u>3,000</u>	<u>(19,500)</u>
<i>Expenditures</i>				
Current				
Instruction	-	6,840	6,840	-
Support services - students	-	15,660	15,660	-
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>22,500</u>	<u>22,500</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,500)</u>	<u>(19,500)</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>	-	-	(19,500)	(19,500)
<i>Fund balances - beginning of year</i>	-	-	8,650	8,650
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,850)</u>	<u>\$ (10,850)</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (19,500)
No adjustments for revenue accruals				-
Adjustments to expenditures for accrual in instruction function				334
Net change in fund balances (GAAP)				<u>\$ (19,166)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
GRADS 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, 2014

	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	-	-	16,000	16,000
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>16,000</u>	<u>16,000</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>16,000</u>	<u>16,000</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>	-	-	16,000	16,000
<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>\$ 16,000</u>	<u>\$ 16,000</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 16,000
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ 16,000</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, 2014

	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, 2014

	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>	<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	147,356	147,356	11,100	136,256	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>147,356</u>	<u>147,356</u>	<u>11,100</u>	<u>136,256</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(147,356)</u>	<u>(147,356)</u>	<u>(11,100)</u>	<u>136,256</u>	<u>-</u>
<i>Other financing sources (uses)</i>					
Designated cash (budgeted increase in cash)	147,356	147,356	-	(147,356)	-
Transfers in (out)	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>147,356</u>	<u>147,356</u>	<u>-</u>	<u>(147,356)</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(11,100)	(11,100)	-
<i>Fund balances - beginning of year</i>	-	-	147,356	147,356	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,256</u>	<u>\$ 136,256</u>	<u>-</u>
Net change in fund balances (non-GAAP budgetary basis)					\$ (11,100)
No adjustments for revenue accruals					-
No adjustments for expenditure accruals					-
Net change in fund balances (GAAP)					<u>\$ (11,100)</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, 2014

	Budgeted Amounts			Variances
	Original	Final	Actual	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	-	15,963	15,963	-
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>15,963</u>	<u>15,963</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	-	15,963	15,963	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>15,963</u>	<u>15,963</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, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 142,579	\$ 142,579	\$ 146,533	\$ 3,954
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	232,205	232,205	179,978	(52,227)
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>374,784</u>	<u>374,784</u>	<u>326,511</u>	<u>(48,273)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	1,500	1,500	1,465	35
Support services - school administration	-	-	-	-
Operation and maintenance of plant	323,284	449,822	305,812	144,010
Capital outlay	200,000	75,000	-	75,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>524,784</u>	<u>526,322</u>	<u>307,277</u>	<u>219,045</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(150,000)</u>	<u>(151,538)</u>	<u>19,234</u>	<u>170,772</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	150,000	151,538	-	(151,538)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>150,000</u>	<u>151,538</u>	<u>-</u>	<u>(151,538)</u>
<i>Net change in fund balances</i>	-	-	19,234	19,234
<i>Fund balances - beginning of year</i>	-	-	151,537	151,537
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 170,771</u>	<u>\$ 170,771</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 19,234
Adjustments to revenues for property tax accruals				13,071
Adjustments to expenditures for capital outlay accruals				<u>(3,297)</u>
Net change in fund balances (GAAP)				<u>\$ 29,008</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, 2014

	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	200	200	503	303
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>200</u>	<u>200</u>	<u>503</u>	<u>303</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	125,000	260,000	99,970	160,030
Community services operations	-	-	-	-
Capital outlay	1,091,855	1,016,623	549,936	466,687
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,216,855</u>	<u>1,276,623</u>	<u>649,906</u>	<u>626,717</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,216,655)</u>	<u>(1,276,423)</u>	<u>(649,403)</u>	<u>627,020</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	566,655	626,423	-	(626,423)
Bond Proceeds	650,000	650,000	650,000	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,216,655</u>	<u>1,276,423</u>	<u>650,000</u>	<u>(626,423)</u>
<i>Net change in fund balances</i>	-	-	597	597
<i>Fund balances - beginning of year</i>	-	-	626,423	626,423
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 627,020</u>	<u>\$ 627,020</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 597
Adjustments to revenues for PSFA awards				412,064
Adjustments to expenditures for capital outlay accruals				<u>(368,619)</u>
Net change in fund balances (GAAP)				<u>\$ 44,042</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, 2014

	<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	\$ 654,802	\$ 654,802	\$ 771,311	\$ 116,509
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Local grants	-	-	-	-
Oil and gas taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Bond Premiums	-	-	-	-
<i>Total revenues</i>	<u>654,802</u>	<u>654,802</u>	<u>771,311</u>	<u>116,509</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	6,700	7,700	7,714	(14)
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Debt service				
Principal	1,275,476	1,373,046	665,000	708,046
Interest	89,802	106,302	106,049	253
<i>Total expenditures</i>	<u>1,371,978</u>	<u>1,487,048</u>	<u>778,763</u>	<u>708,285</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(717,176)</u>	<u>(832,246)</u>	<u>(7,452)</u>	<u>824,794</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	717,176	832,246	-	(832,246)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>717,176</u>	<u>832,246</u>	<u>-</u>	<u>(832,246)</u>
<i>Net change in fund balances</i>	-	-	(7,452)	(7,452)
<i>Fund balances - beginning of year</i>	-	-	832,246	832,246
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 824,794</u>	<u>\$ 824,794</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (7,452)
Adjustments to revenue for property tax accruals				(10,947)
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ (18,399)</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, 2014

General Fund

	Operational	Teacherage	Pupil Transportation	Instructional Materials	Total General Fund
<b>Current assets</b>					
Cash and cash equivalents	\$ 390,210	\$ 6,797	\$ 114,700	\$ 8,017	\$ 519,724
Property taxes receivable	4,116	-	-	-	4,116
Intergovernmental receivables	44,566	-	-	-	44,566
Other receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Due from other funds	633,018	-	-	-	633,018
<i>Total assets</i>	<u>\$ 1,071,910</u>	<u>\$ 6,797</u>	<u>\$ 114,700</u>	<u>\$ 8,017</u>	<u>\$ 1,201,424</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>					
Accounts payable	\$ 82,168	\$ -	\$ 30,847	\$ -	\$ 113,015
Accrued payroll	182,873	-	18,964	-	201,837
Deferred revenue					
Due to special revenue funds	51,711	-	-	-	51,711
Due to other funds	-	-	-	-	-
<i>Total liabilities</i>	<u>316,752</u>	<u>-</u>	<u>49,811</u>	<u>-</u>	<u>366,563</u>
<i>Deferred inflows of resources</i>					
Unavailable revenue- property taxes	3,621	-	-	-	3,621
<i>Total deferred inflows of resources</i>	<u>3,621</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,621</u>
<i>Fund balances</i>					
Spendable					
Restricted for:					
Educational purposes	-	6,797	64,889	8,017	79,703
Committed for:					
Subsequent years expenditures	790,824	-	-	-	790,824
Unassigned	(39,287)	-	-	-	(39,287)
<i>Total fund balances</i>	<u>751,537</u>	<u>6,797</u>	<u>64,889</u>	<u>8,017</u>	<u>831,240</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,071,910</u>	<u>\$ 6,797</u>	<u>\$ 114,700</u>	<u>\$ 8,017</u>	<u>\$ 1,201,424</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, 2014

	General Fund				Total General Fund
	Operational	Teacherage	Pupil Transportation	Instructional Materials	
<i>Revenues</i>					
Property taxes	\$ 167,485	\$ -	\$ -	\$ -	\$ 167,485
Intergovernmental revenue:					
Federal flowthrough	32,384	-	-	-	32,384
State flowthrough	13,233	-	-	84,542	97,775
State direct	9,065,350	-	-	-	9,065,350
Local grants	79,020	-	-	-	79,020
Transportation distribution	-	-	625,376	-	625,376
Charges for services	18,794	6,400	-	-	25,194
Investment income	813	-	-	-	813
Miscellaneous	97,811	-	-	-	97,811
<i>Total revenues</i>	<u>9,474,890</u>	<u>6,400</u>	<u>625,376</u>	<u>84,542</u>	<u>10,191,208</u>
<i>Expenditures</i>					
Current:					
Instruction	5,594,133	-	-	76,561	5,670,694
Support services - students	1,026,736	-	-	-	1,026,736
Support services - instruction	332,923	-	-	-	332,923
Support services - general administration	198,196	-	-	-	198,196
Support services - school administration	566,273	-	-	-	566,273
Central services	234,459	-	-	-	234,459
Operation and maintenance of plant	1,677,395	7,884	-	-	1,685,279
Student transportation	-	-	607,647	-	607,647
Other support services	17,783	-	-	-	17,783
<i>Total expenditures</i>	<u>9,647,898</u>	<u>7,884</u>	<u>619,844</u>	<u>76,561</u>	<u>10,352,187</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(173,008)</u>	<u>(1,484)</u>	<u>5,532</u>	<u>7,981</u>	<u>(160,979)</u>
<i>Other financing sources (uses)</i>					
Transfers in/(out)	29,087	-	-	-	29,087
<i>Total other financing sources (uses)</i>	<u>29,087</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,087</u>
<i>Net change in fund balances</i>	(143,921)	(1,484)	5,532	7,981	(131,892)
<i>Fund balances - beginning</i>	<u>895,458</u>	<u>8,281</u>	<u>59,357</u>	<u>36</u>	<u>963,132</u>
<i>Fund balances - ending</i>	<u>\$ 751,537</u>	<u>\$ 6,797</u>	<u>\$ 64,889</u>	<u>\$ 8,017</u>	<u>\$ 831,240</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, 2014

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ 31,233	\$ 31,233	\$ 37,883	\$ 6,650
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	29,000	29,000	-	(29,000)
State direct	9,069,146	9,069,146	9,065,350	(3,796)
Local grants	79,000	79,000	47,687	(31,313)
Charges for services	-	-	18,794	18,794
Investment income	1,058	1,058	813	(245)
Miscellaneous	100,000	100,000	97,811	(2,189)
<i>Total revenues</i>	<u>9,309,437</u>	<u>9,309,437</u>	<u>9,268,338</u>	<u>(41,099)</u>
<i>Expenditures</i>				
Current				
Instruction	5,585,893	5,748,925	5,413,439	335,486
Support services - students	980,478	1,096,318	1,005,641	90,677
Support services - instruction	336,004	339,504	333,586	5,918
Support services - general administration	216,332	225,928	210,608	15,320
Support services - school administration	557,129	566,193	566,273	(80)
Central services	256,361	271,361	252,166	19,195
Operation and maintenance of plant	1,668,858	1,754,058	1,686,945	67,113
Other support services	21,627	21,627	19,305	2,322
Community services operations	-	-	-	-
<i>Total expenditures</i>	<u>9,622,682</u>	<u>10,023,914</u>	<u>9,487,963</u>	<u>535,951</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(313,245)</u>	<u>(714,477)</u>	<u>(219,625)</u>	<u>494,852</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	313,245	714,477	-	(714,477)
Transfers in (out)	-	-	(105,274)	(105,274)
<i>Total other financing sources (uses)</i>	<u>313,245</u>	<u>714,477</u>	<u>(105,274)</u>	<u>(819,751)</u>
<i>Net change in fund balances</i>	-	-	(324,899)	(324,899)
<i>Fund balances - beginning of year</i>	-	-	1,348,127	1,348,127
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,023,228</u>	<u>\$ 1,023,228</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (324,899)
Adjustments to revenue for property tax accrual and local sources accrual				242,783
Adjustments to expenditures for various function accruals				(61,805)
Net change in fund balances (GAAP)				<u>\$ (143,921)</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, 2014

	Budgeted Amounts		Actual	Variations 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	-	-	6,400	6,400
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>6,400</u>	<u>6,400</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	-	8,281	7,884	397
Other support services	-	-	-	-
Community services operations	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,281</u>	<u>7,884</u>	<u>397</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(8,281)</u>	<u>(1,484)</u>	<u>6,797</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	8,281	-	(8,281)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>8,281</u>	<u>-</u>	<u>(8,281)</u>
<i>Net change in fund balances</i>	-	-	(1,484)	(1,484)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,281</u>	<u>8,281</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,797</u>	<u>\$ 6,797</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (1,484)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balances (GAAP)				<u>\$ (1,484)</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, 2014

Statement C-5

	Budgeted Amounts		Actual	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	671,253	673,795	652,711	(21,084)
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	671,253	673,795	652,711	(21,084)
<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	-	-	-	-
Student transportation	669,753	684,796	610,513	74,283
<i>Total expenditures</i>	671,253	694,879	621,898	72,981
<i>Excess (deficiency) of revenues over expenditures</i>	-	(21,084)	30,813	51,897
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	21,084	-	(21,084)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	21,084	-	(21,084)
<i>Net change in fund balances</i>	-	-	30,813	30,813
<i>Fund balances - beginning of year</i>	-	-	83,887	83,887
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 114,700	\$ 114,700
Net change in fund balances (non-GAAP budgetary basis)				\$ 30,813
No adjustments for revenue accruals				(27,335)
Adjustments to expenditures for student transportation accruals				2,054
Net change in fund balances (GAAP)				\$ 5,532

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, 2014

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	68,039	68,039	84,542	16,503
State direct	-	-	-	-
Local grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>68,039</u>	<u>68,039</u>	<u>84,542</u>	<u>16,503</u>
<i>Expenditures</i>				
Current				
Instruction	76,560	76,561	76,561	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
<i>Total expenditures</i>	<u>76,560</u>	<u>76,561</u>	<u>76,561</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(8,521)</u>	<u>(8,522)</u>	<u>7,981</u>	<u>16,503</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	8,521	8,522	-	(8,522)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>8,521</u>	<u>8,522</u>	<u>-</u>	<u>(8,522)</u>
<i>Net change in fund balances</i>	-	-	7,981	7,981
<i>Fund balances - beginning of year</i>	-	-	36	36
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,017</u>	<u>\$ 8,017</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 7,981
No adjustments for revenue accruals				-
No adjustments for expenditure accruals				-
Net change in fund balances (GAAP)				<u>\$ 7,981</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, 2014

Schedule I

Page 1 of 1

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
Hatch Elementary School	\$ 7,085	\$ 18,578	\$ 17,365	\$ 8,298
Garfield Elementary School	6,208	9,218	10,810	4,616
Rio Grande Elementary School	7,000	33,020	30,402	9,618
Hatch Middle School	9,632	55,547	46,815	18,364
Hatch High School	46,704	63,527	60,425	49,806
Athletics	5,508	6,818	4,734	7,592
	<u>\$ 82,137</u>	<u>\$ 186,708</u>	<u>\$ 170,551</u>	<u>\$ 98,294</u>

See independent auditors' report.



**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Schedule of Collateral Pledged by Depository For Public Funds  
June 30, 2014

Schedule II

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2014
<b>Wells Fargo</b>				
	FNMA-PT	7/1/2043	3138W9AZ3	\$ 568,906
	Total Wells Fargo Bank			<u>568,906</u>
Name and location of safekeeper for above pledged collateral: BNY Mellon, One Wall Street, Fourth Floor, New York, NY 10286				
<b>Bank of the West</b>				
	FNMA CONV 30 YR SF	9/1/2042	3138MAKS6	446,250
	GNMA2 Single Family 30 YR	10/20/2041	36202FX76	168,612
	GNMA2 Single Family 30 YR	8/20/2042	36179MK66	15,178
	GNMA2 Single Family 30 YR	4/15/2042	36176XKP3	923,471
	GNMA2 ARM MULTIPLE	4/20/2043	36179NBY3	43,640
	GNMA2 ARM MULTIPLE	4/20/2043	36179NBR8	<u>1,063,418</u>
	Total Bank of the West			<u>2,660,570</u>
Name and location of safekeeper for above pledged collateral: 2527 Camino Ramon, San Ramon, CA 94583				
	<b>Total Pledged Collateral</b>			<b><u>\$ 3,229,476</u></b>

See independent auditors' report.

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Cash Reconciliation  
June 30, 2014

	Operational Fund 11000	Teacherage Fund 12000	Transportation Fund 13000	Instructional Materials Fund 14000
Cash, June 30, 2013	\$ 714,477	\$ 8,281	\$ 67,183	\$ 35
Add:				
2013-14 receipts	9,301,965	6,400	673,795	84,542
Repayment of loans	-	-	-	-
Loans from other funds	-	-	-	-
Total cash available	10,016,442	14,681	740,978	84,577
Less:				
2013-14 expenditures	(9,070,813)	(7,884)	(624,158)	(76,560)
Transfers	(105,274)	-	(21,084)	-
Loans to other funds	(633,018)	-	-	-
Cash, June 30, 2014	<u>\$ 207,337</u>	<u>\$ 6,797</u>	<u>\$ 95,736</u>	<u>\$ 8,017</u>
Plus:				
Held checks	182,873	-	18,964	-
Cash per financial statement	<u>\$ 390,210</u>	<u>\$ 6,797</u>	<u>\$ 114,700</u>	<u>\$ 8,017</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
\$ 264,400	\$ 4,719	\$ -	\$ -	\$ 86	\$ -
877,245	32,676	1,566,488	587,992	-	580,791
-	-	91,494	5,219	-	7,144
-	-	557,618	44,699	-	71,365
1,141,645	37,395	2,215,600	637,910	86	659,300
(1,105,074)	(35,196)	(2,252,779)	(641,307)	-	(605,029)
-	-	-	-	(86)	-
-	-	-	-	-	-
<u>\$ 36,571</u>	<u>\$ 2,199</u>	<u>\$ (37,179)</u>	<u>\$ (3,397)</u>	<u>\$ -</u>	<u>\$ 54,271</u>
18,445	-	39,107	12,484	-	7,923
<u>\$ 55,016</u>	<u>\$ 2,199</u>	<u>\$ 1,928</u>	<u>\$ 9,087</u>	<u>\$ -</u>	<u>\$ 62,194</u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Cash Reconciliation  
June 30, 2014

	State Direct Fund 28000	Bond Building Fund 31100	Public School Capital Outlay Fund 31200	Spec. Cap. Outlay-State Fund 31300
Cash, June 30, 2013	\$ -	\$ 626,423	\$ 1,316	\$ 147,356
Add:				
2013-14 receipts	43,000	650,503	-	-
Repayment of loans	1,504	-	-	-
Loans from other funds	12,040	-	-	-
	56,544	1,276,926	1,316	147,356
Total cash available				
Less:				
2013-14 expenditures	(37,584)	(649,906)	-	(11,100)
Transfers	-	-	-	-
Loans to other funds	-	-	-	-
	18,960	627,020	1,316	136,256
Cash, June 30, 2014	\$ 18,960	\$ 627,020	\$ 1,316	\$ 136,256
Plus:				
Held checks	-	-	-	-
Cash per financial statement	\$ 18,960	\$ 627,020	\$ 1,316	\$ 136,256

See independent auditors' report

Spec. Cap. Outlay-State Fund 31400	Cap. Improve. SB-9 Fund 31700	Debt Service Fund 41000	Total
\$ -	\$ 151,539	\$ 832,245	\$ 2,818,060
15,963	326,511	771,311	15,519,182
-	-	-	105,361
-	-	-	685,722
15,963	478,050	1,603,556	19,128,325
(15,963)	(307,279)	(778,762)	(16,219,394)
-	-	-	(126,444)
-	-	-	(633,018)
<u>\$ -</u>	<u>\$ 170,771</u>	<u>\$ 824,794</u>	<u>\$ 2,149,469</u>
-	-	-	279,796
<u>\$ -</u>	<u>\$ 170,771</u>	<u>\$ 824,794</u>	<u>\$ 2,429,265</u>

## STATE OF NEW MEXICO

Schedule IV

Hatch Valley Public Schools

Schedule of Deposits

June 30, 2014

Bank Account	Checking	Checking	Totals
	Bank of the West	Wells Fargo Bank, N.A.	
Operational Account	\$ 30,000	\$ -	\$ 30,000
Sweep Account	165,306	-	165,306
Cafeteria Account	20,000	-	20,000
Sweep Account	14,880	-	14,880
Payroll Account	30,000	-	30,000
Sweep Account	1,042,567	-	1,042,567
Capital Projects Account	30,000	-	30,000
Sweep Account	905,363	-	905,363
Athletics	2,024	-	2,024
Activity Account	98,853	-	98,853
Insurance Account	3,173	-	3,173
Federal Funds Account	4,776	-	4,776
Budgetary Clearing Account	10,000	-	10,000
Sweep Account	42,785	-	42,785
Debt Service Account	-	824,795	824,795
Energy Efficient Account	-	5,283	5,283
Transportation Office Account	-	1,108	1,108
Total Deposits	2,399,727	831,186	3,230,913
Reconciling Items	(703,604)	-	(703,604)
Reconciled Balance June 30, 2014	\$ 1,696,123	\$ 831,186	2,527,309
Plus: Petty Cash			250
Less: Fiduciary Funds Cash			(98,294)
Cash and cash equivalents per Government-wide Financial Statements			\$ 2,429,265
Cash and cash equivalents per Exhibit A-1			\$ 1,588,471
Restricted cash and cash equivalents per Exhibit A-1			840,794
			\$ 2,429,265

See independent auditors' report.

**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, 2014, 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 23, 2014.

**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 deficiency described in the accompanying schedule of findings and questioned costs to be a material weaknesses as item FS 2012-001 (FS 2012-01).

*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 did not consider any of the deficiencies described in the accompanying schedule of finding and questioned costs to be a significant deficiency.



## 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 2008-005 (FS 08-05), FS 2013-002, FS 2014-001, FS 2014-002, and FS 2014-003.

## 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 23, 2014

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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, 2014. 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 is to express an opinion on 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, 2014.

## 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 23, 2014

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2014

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
<b>U.S. Department of Education</b>			
<i>Passed through New Mexico Public Education Department</i>			
Title I - IASA	24101	84.010	\$ 1,127,041
Migrant Children Education	24103	84.011	4,511
IDEA-B Entitlement	24106	84.027	(1) 307,899
IDEA-B Preschool	24109	84.173	(1) 14,226
IDEA-B "Risk Pool"	24120	84.027	(1) 2,455
IDEA-B Competitive	24108	84.027	(1) 8,513
Title III English Language Acquisition	24153	84.365A	38,581
Improving Teacher Quality	*	24154	84.367A 116,292
Rural and Low Income Schools	24160	84.358B	<u>24,710</u>
<b>Total U.S. Department of Education</b>			<u>1,644,228</u>
<b>U.S. Department of Health and Human Services</b>			
<i>Passed through Las Cruces Public Schools</i>			
Headstart	*	25127	93.600 <u>438,876</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>438,876</u>
<b>U.S. Department of Agriculture</b>			
<i>Federal Direct Payments</i>			
Forest Reserve	11000	10.665	32,384
<i>Passed through State of New Mexico</i>			
Child Nutrition Cluster	*	21000	10.553 and 10.555 <u>1,190,977</u>
<b>Total U.S. Department of Agriculture</b>			<u>1,223,361</u>
<b>Total Federal Financial Assistance</b>			<u><u>\$ 3,306,465</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, 2014

**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, 2014 was \$55,217 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	\$ 3,306,465
Total expenditures funded by other sources	<u>13,158,648</u>
Total expenditures	<u><u>\$ 16,465,113</u></u>

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2014

**SECTION I – SUMMARY OF AUDIT RESULTS**

*Financial Statements:*

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

*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   | Unmodified |
| 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:

CFDA Number	Federal Program
10.553 and 10.555	Child Nutrition Cluster
93.600	Headstart
84.367A	Improving Teacher Quality

- |   |           |
|---|-----------|
| 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, 2014

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**FS 2008-005 (FS 08-05) Budgetary Controls- (Other Matter)**

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

<u>Fund and Function</u>	<u>Amount</u>
<b>Fund 41000- Debt Service Fund</b>	
Support services- general administration	\$ 14
<b>Fund 24101-Title I-IASA Special Revenue Fund</b>	
Support services	\$ 70

*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:* One of the funds 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. The other fund overage was due to the posting of indirect overhead. This % amount is set by PED and calculated based on actual expenditures. Year end accruals created the overage after the BAR deadline.

**FS 2012-001 (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 for payroll functions. It was noted that the payroll specialist prepares payroll, initiates electronic signatures, resolves payroll matters, edits the master file, and reviews her own payroll preparation. Business Manager will review checks and direct deposits for the payperiod but this is done after checks are already printed and monies have been electronically deposited for the pay period.
- 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 implemented internal controls over review processes of bank reconciliation on a timely basis, but this review is not documented so auditors can see the timeliness of the review.

*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.

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Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2014

**FS 2012-001 (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, 2014

**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 10 travel disbursements tested, in which the District reimbursed an employee incorrectly. The District reimbursed for per diem for an overnight stay in the amount of \$112.50 when the employee should have been reimbursed for mileage only in the amount of \$116.00. The difference was \$3.50.

*Criteria:* According to NMAC 2.42.2.11(C) public officers and employees of local public bodies may be reimbursed for mileage accrued in the use of a private conveyance in the discharge of official duties, at the statutory rates unless such rates have been reduced by the governing bodies of the local public body pursuant to Section 10-8-5 (D) NMSA 1978.

*Effect:* Without proper reimbursement the District could be at risk of scrutiny of employees and public monies could be improperly expended.

*Cause:* Error occurred due to human error when the travel form was completed. Employee took the amount that would be reimbursed for per diem for overnight stays instead of the mileage reimbursement.

*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. Specifically, travel forms will be reviewed by additional personnel before being processed for payment.

**FS 2014-001 Campaign contribution disclosure and prohibition (Other Matter)**

*Condition:* In 2 of the 5 bids/request for proposals tested, it was noted that District did not obtain a campaign contribution forms from prospective contractors for request for proposals. In addition, the District does not maintain a formal written bid/ RFP listing for auditors review.

*Criteria:* According to New Mexico State Procurement Statutes Section 13-1-191.1 Campaign contribution disclosure and prohibition- a prospective contraction shall disclose all campaign contributions. The disclosure shall indicate the date, the amount and the nature and purpose of the contribution. Secondly, in cases where the government agency purchases more than \$500,000 annually the entity shall have promulgated regulations in regards to maintenance of bidders; lists.

*Effect:* The District could be conducting business with contractors in which may be seen given preferential treatment. In addition the District is not following all procurement statutes if bidder lists and maintenance of bidders is not accurate.

*Cause:* The District did not include the requirement in any of the request for proposal documents outlining the requirements for a proper proposal.

*Auditors' Recommendations:* We recommend the District follow all procurement statutes set forth by the State of New Mexico and ensure all requirements are written in bid/proposal documents.

*Agency's Response:* The District does have a central control for bid documents to track bid numbers. We will develop a checklist and review process to avoid this exception in the future.

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2014

**FS 2014-002 Employee vs. Contractor (Other Matter)**

*Condition:* In 1 of the 5 instances where Form 1099 was submitted for amounts in excess of \$600 it was noted that a payment was made to an individual for gas reimbursement in the amount of \$86.05 which was present on the 1099. In addition, this same employee is considered an employee of the District and receives a W-2 as well as a 1099 for contracted work performed. The District does not have an additional contract for additional services and is very closely related to the job tasks that the District already employs the individual. Total amount expended for additional services was \$1,880.

*Criteria:* According to IRS publication 15-A, there are three characteristics to determine the relationship between independent contractors and employees, which are behavioral control, financial control and type of relationship. If the employee does not meet the characteristics of these characteristics the individual is an employee.

*Effect:* The District could be at risk for potential tax penalties for misclassified employees.

*Cause:* The District does not follow a checklist to identify employees versus contractor or have individual complete Form SS-8 for guidance.

*Auditors' Recommendations:* We recommend the District implement a checklist or other means to determine the status of employee versus contractor relationships.

*Agency's Response:* The District will require preliminary 1099 reports to be reviewed by the Business Manager to review for employee reimbursements. In addition, contracts will secured for any employees that also provide services through the District as a contractor when appropriate.

**FS 2014-003 – Cash Appropriations in Excess of Available Cash Balances – (Other Matter)**

*Condition:* The District maintained a deficit budget in excess of available cash balances in the following funds:

<u>Special Revenue Funds</u>	<u>Designated Cash</u>	<u>Beginning Year Cash &amp; AR Available</u>	<u>Cash Appropriation in Excess of Available Cash</u>
General Fund- Instructional Materials	\$ 8,521	\$ 36	\$ 8,485

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

*Effect:* The District will have to supplement the budget deficit with other funds, which may lead to financial difficulties and deplete the budget in other funds.

*Cause:* The District does not have internal controls in place to ensure sufficient beginning cash balances exist to absorb budget deficits.

*Auditors' Recommendations:* Budget deficits for future years should be reviewed to insure all funds have adequate budget authority and sufficient cash balances for budgeted deficits. Greater attention should be given to the budget monitoring process end-of-the-year cash balance estimates.

*Agency's Response:* The District failed to review cash balances once the final audit was presented. This will be done without fail in the future.

**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Schedule of Findings and Questioned Costs  
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**SECTION III – FEDERAL AWARD FINDINGS**

NONE

**SECTION IV – PRIOR YEAR AUDIT FINDINGS**

**Financial Statement Findings**

FS 2008-005 (FS 08-05): Budgetary Controls- (Noncompliance) - Repeated and Modified

FS 2012-001 (FS 2012-01) Internal Control Structure Standards- (Significant Deficiency) - Repeated and Modified

FS 2012-005 (FS 2012-05) Inactive Funds- (Significant Deficiency) - Resolved

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

FS 2013-002 Compliance over Travel and Per Diem- (Other Matter) - Repeated and Modified

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

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**STATE OF NEW MEXICO**  
Hatch Valley Public Schools  
Other Disclosures  
For the Year Ended June 30, 2014

**Exit Conference**

An exit conference was held on October 23, 2014. 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

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.