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STATE OF NEW MEXICO  
Maxwell Municipal Schools  
June 30, 2014

Financial Statements and Supplementary Information  
As Of And For The Year Ended June 30, 2014  
With Independent Auditor's Report Thereon

*Sandra Rush*  
*Certified Public Accountant, PC*

*1101 E Llano Estacado*  
*Clovis, New Mexico 88101*

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STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS

Official Roster  
For the year ended June 30, 2014

Board of Education

Dustin Long	President
Mary Lou Kern	Vice-President
Eliza Galli	Secretary
Randy Casper	Member
Frank Taylor	Member

School Officials

Lynn Romero	Superintendent
Susan Robinson	Business Manager

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS

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## Financial Section

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## Independent Auditor's Report

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget and  
The Governing Board  
Maxwell Municipal Schools  
Maxwell, New Mexico

### **Report on Financial Statements**

I 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 funds of Maxwell Municipal 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. I also have audited the financial statements of each of the District's non major governmental, fiduciary funds and the budgetary comparisons for the major capital project 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 misstatements, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

## Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non major governmental, and fiduciary funds of the District as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the major capital project fund, and all non major 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's discussion and analysis that accounting principles generally accepted in the United States of America require be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

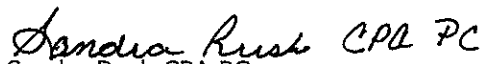
### *Other Information*

My 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 other schedules as required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated October 29, 2014 on my consideration of the District's internal control over financial reporting and on my 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 my 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.

  
Sandra Rush CPA PC  
Clovis, New Mexico  
October 29, 2014

## Basic Financial Statements

## Government Wide Financial Statements

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS

Statement of Net Position  
 June 30, 2014

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current assets:	
Cash	\$ 129,566
Receivables:	
Taxes	633
Due from grantor	71,129
Inventories	<u>2,137</u>
Total current assets	<u>203,465</u>
Noncurrent assets:	
Capital assets, net	<u>2,943,153</u>
Total non current assets	<u>2,943,153</u>
Total assets	<u><u>\$ 3,146,618</u></u>
 <u>LIABILITIES AND NET POSITION</u>	
Current liabilities:	
Accounts payable	2,714
Compensated absences	<u>8,298</u>
Total current liabilities	<u>11,012</u>
Net position:	
Net investment in capital assets	2,943,153
Restricted for:	
General fund	9,067
Special revenue funds	37,034
Capital project fund	37,896
Debt service fund	290
Unrestricted	<u>108,166</u>
Total net position	<u>3,135,606</u>
Total liabilities and net position	<u><u>\$ 3,146,618</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS

Statement of Activities  
 For the year ended June 30, 2014

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction	\$ 1,136,353	\$ 13,289	\$ 96,926	\$ -
Support services:				
Students	179,308	-	67,845	-
Instruction	101,664	-	55,713	-
General administration	167,483	-	3,026	-
School administration	129,332	-	-	-
Central services	52,856	-	-	-
Operation & maintenance of plant	185,240	8,850	-	-
Student transportation	81,832	-	77,645	-
Other support services	2,008	-	-	-
Food services	80,639	5,244	40,713	-
Revert to state	4,360	-	-	-
Capital outlay	42,858	-	21,454	-
Depreciation	173,579	-	-	-
Total governmental activities	<u>\$ 2,337,512</u>	<u>\$ 27,383</u>	<u>\$ 363,322</u>	<u>\$ -</u>

General revenues:

- Property Tax:
  - Levied for general purposes
  - Levied for debt service
  - Levied for capital projects
- Local:
  - Interest income
  - Miscellaneous
  - Equalization guarantee
  - Emergency supplement
  - Impact aid
  - Forest reserve

Total general revenues

Change in net position

Net position, beginning of period

Prior period adjustments

Net position, beginning of period, restated

Net position, end of period

The accompanying notes are an integral part of these financial statements



Net Program  
 [Expense]  
 Revenues  


---

 Governmental  
 Activities  


---

 Total  


---

\$ (1,026,138)

(111,463)

(45,951)

(164,457)

(129,332)

(52,856)

(176,390)

(4,187)

(2,008)

(34,682)

(4,360)

(21,404)

(173,579)

(1,946,807)

5,883

41

28,854

34

1,260

1,216,839

450,000

299

2,129

1,705,339

(241,468)

3,383,563

(6,489)

3,377,074

\$ 3,135,606

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## Fund Financial Statements

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS

Balance Sheet  
Governmental Funds  
June 30, 2014

	General	Special		
		Title I IASA 24101	IDEA - B Entitlement 24106	IDEA - B Risk Pool 24101
<u>ASSETS</u>				
Cash and cash equivalents	\$ 33,724	\$ -	\$ -	\$ -
Accounts receivable:				
Taxes	80	-	-	-
Due from grantor	-	9,111	14,090	29,313
Due from other funds	71,129	-	-	-
Other accounts	-	-	-	-
Inventory	-	-	-	-
Total assets	<u>\$ 104,933</u>	<u>\$ 9,111</u>	<u>\$ 14,090</u>	<u>\$ 29,313</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 2,714	\$ -	\$ -	\$ -
Due to other funds	-	9,111	14,090	29,313
Total liabilities	<u>2,714</u>	<u>9,111</u>	<u>14,090</u>	<u>29,313</u>
<u>DEFERRED INFLOWS</u>				
Unavailable revenue - state grants	-	9,111	14,090	-
<u>FUND BALANCE</u>				
Non-spendable	-	-	-	-
Restricted for:				
General fund	9,067	-	-	-
Special revenue funds	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Unassigned:				
General fund	93,152	-	-	-
Special revenue funds	-	(9,111)	(14,090)	-
Total fund balance	<u>102,219</u>	<u>(9,111)</u>	<u>(14,090)</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 104,933</u>	<u>\$ 9,111</u>	<u>\$ 14,090</u>	<u>\$ 29,313</u>

The accompanying notes are an integral part of these financial statements.

Revenue		Capital Outlay	Other	Total
New Mexico Reads to Lead 27114	Wellness Center 29123	Senate Bill - 9 31700	Governmental Funds	Governmental Funds
\$ -	\$ 41,945	\$ 37,348	\$ 16,549	\$ 129,566
-	-	548	5	633
18,121	-	-	494	71,129
-	-	-	-	71,129
-	-	-	-	-
-	-	-	2,137	2,137
<u>\$ 18,121</u>	<u>\$ 41,945</u>	<u>\$ 37,896</u>	<u>\$ 19,185</u>	<u>\$ 274,594</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,714
18,121	-	-	494	71,129
<u>18,121</u>	<u>-</u>	<u>-</u>	<u>494</u>	<u>73,843</u>
-	-	-	111	23,312
-	-	-	2,137	2,137
-	-	-	-	9,067
-	41,945	-	16,264	58,209
-	-	37,896	-	37,896
-	-	-	290	290
-	-	-	-	93,152
-	-	-	(111)	(23,312)
-	41,945	37,896	18,580	177,439
<u>\$ 18,121</u>	<u>\$ 41,945</u>	<u>\$ 37,896</u>	<u>\$ 19,185</u>	<u>\$ 274,594</u>

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STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS  
 Reconciliation of the Balance Sheet  
 All Governmental Funds to the  
 Statement of Net Position  
 June 30, 2014

Amounts reported for governmental activities in the statement of net position are different because:

Fund balance - total governmental funds		\$	177,439
Revenue earned but not collected within sixty days. Liability on modified balance sheet, revenue in statement of activities			23,312
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds financial statement, but are reported in the governmental activities of the statement of net position			
Capital assets	\$	6,233,358	
Accumulated depreciation		<u>(3,290,205)</u>	2,943,153
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds			<u>(8,298)</u>
Net position of governmental activities in the statement of net position			<u>\$ 3,135,606</u>

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
For the year ended June 30, 2014

		Special		
	General	Title I IASA 24101	IDEA - B Entitlement 24106	IDEA - B Risk Pool 24101
Revenues:				
Local sources	\$ 18,506	\$ -	\$ -	\$ -
State sources	1,751,067	-	-	-
Federal sources	2,428	17,804	20,043	29,386
Total revenues	<u>1,772,001</u>	<u>17,804</u>	<u>20,043</u>	<u>29,386</u>
Expenditures:				
Current				
Instruction	963,403	26,846	29,728	29,386
Support services				
Students	123,573	-	4,405	-
Instruction	64,701	-	-	-
General administration	166,964	-	-	-
School administration	129,332	-	-	-
Central services	52,901	-	-	-
Operation & maintenance of plant	185,405	-	-	-
Student transportation	81,936	-	-	-
Other support services	2,008	-	-	-
Operation of non-instructional services				
Food services operations	31,213	-	-	-
Capital outlay	2,541	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,803,977</u>	<u>26,846</u>	<u>34,133</u>	<u>29,386</u>
Excess (deficiency) of revenues over expenditures	(31,976)	(9,042)	(14,090)	-
Other financing sources (uses):				
Operating transfers in (out)	6,620	-	-	-
Revert to state	(4,291)	(69)	-	-
Total other financing sources (uses)	<u>2,329</u>	<u>(69)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(29,647)	(9,111)	(14,090)	-
Fund balance, beginning of year	138,454	-	-	-
Prior period adjustments	(6,588)	-	-	-
Fund balance, beginning of year restated	<u>131,866</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 102,219</u>	<u>\$ (9,111)</u>	<u>\$ (14,090)</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



Revenue		Capital Outlay	Other	Total
New Mexico Reads to Lead 27114	Wellness Center 29123	Senate Bill - 9 31700	Governmental Funds	Governmental Funds
\$ -	\$ -	\$ 28,854	\$ 21,095	\$ 68,455
51,843	-	21,454	40,628	1,864,992
-	-	-	69,624	139,285
<u>51,843</u>	<u>-</u>	<u>50,308</u>	<u>131,347</u>	<u>2,072,732</u>
19,015	-	-	67,975	1,136,353
	20,263	-	31,067	179,308
32,828	-	-	4,135	101,664
-	-	285	211	167,460
-	-	-	-	129,332
-	-	-	-	52,901
-	-	-	-	185,405
-	-	-	-	81,936
-	-	-	-	2,008
-	-	-	49,426	80,639
-	-	40,317	-	42,858
-	-	-	-	-
-	-	-	-	-
<u>51,843</u>	<u>20,263</u>	<u>40,602</u>	<u>152,814</u>	<u>2,159,864</u>
-	(20,263)	9,706	(21,467)	(87,132)
-	-	-	(6,620)	-
-	-	-	-	(4,360)
-	-	-	(6,620)	(4,360)
-	(20,263)	9,706	(28,087)	(91,492)
-	62,208	28,190	46,568	275,420
-	-	-	99	(6,489)
-	62,208	28,190	46,667	268,931
<u>\$ -</u>	<u>\$ 41,945</u>	<u>\$ 37,896</u>	<u>\$ 18,580</u>	<u>\$ 177,439</u>

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL 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	\$	(91,492)
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Governmental funds report capital outlays as expenditures. However,  
 in the statement of activities the cost of those assets are allocated  
 over their estimated useful lives and reported as depreciation expense

Depreciation expense	<u>\$ (173,579)</u>	(173,579)
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Revenue earned but not collected with sixty days, deferred in governmental fund statements, recognized as revenue in statement of activities		23,312
---	--	--------

Increases expenses on statement of activities. Liability on statement of  
 net position.

Compensated absences		<u>291</u>
----------------------	--	------------

Change in Net Position of Governmental Activities	<u>\$ (241,468)</u>
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STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
General Fund - Combining  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 10,155	\$ 10,155	\$ 18,756	\$ 8,601
State sources	1,740,419	1,751,255	1,751,067	(188)
Federal sources	253	2,382	2,428	46
Total revenues	<u>1,750,827</u>	<u>1,763,792</u>	<u>1,772,251</u>	<u>8,459</u>
Expenditures:				
Current				
Instruction	1,006,389	999,304	963,523	35,781
Support services				
Students	155,869	155,869	123,573	32,296
Instruction	60,391	67,191	64,333	2,858
General administration	164,187	167,117	167,078	39
School administration	132,342	132,342	129,366	2,976
Central services	57,577	57,577	52,901	4,676
Operation & maintenance of plant	190,186	194,069	185,656	8,413
Student transportation	72,208	81,936	81,936	-
Other support services	2,783	3,783	2,008	1,775
Operation of non-instructional services				
Food services operations	37,286	37,286	31,213	6,073
Capital outlay	7,537	7,537	2,541	4,996
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,886,755</u>	<u>1,904,011</u>	<u>1,804,128</u>	<u>99,883</u>
Excess (deficiency) of revenues over(under) expenditures	(135,928)	(140,219)	(31,877)	108,342
Other financing sources (uses):				
Operating transfers in (out)	-	-	(64,509)	(64,509)
Revert to state	-	-	(4,291)	(4,291)
Designated cash	135,928	140,219	-	(140,219)
Total other financing sources (uses)	<u>135,928</u>	<u>140,219</u>	<u>(68,800)</u>	<u>(209,019)</u>
Net change in cash balances	-	-	(100,677)	(100,677)
Cash balance, beginning of year	-	-	134,401	134,401
Prior period adjustment	-	-	-	-
Cash balance, beginning of year, restated	-	-	134,401	134,401
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,724</u>	<u>\$ 33,724</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (100,677)	
Adjustment to revenues for accruals & other deferrals			(250)	
Adjustment to expenditures for payables, prepaids & other accruals			71,280	
Net change in fund balance (GAAP Basis)			<u>\$ (29,647)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Major Special Revenue Fund - IASA Title I - 24101  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	18,611	27,091	33,156	6,065
Total revenues	<u>18,611</u>	<u>27,091</u>	<u>33,156</u>	<u>6,065</u>
Expenditures:				
Current				
Instruction	18,611	27,091	26,846	245
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>18,611</u>	<u>27,091</u>	<u>26,846</u>	<u>245</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	6,310	6,310
Other financing sources (uses):				
Operating transfers in (out)	-	-	(6,241)	(6,241)
Revert to state	-	-	(69)	(69)
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(6,310)</u>	<u>(6,310)</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			(9,111)	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (9,111)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Major Special Revenue Fund - IDEA-B Entitlement - 24106  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	34,816	30,776	(4,040)
Total revenues	-	34,816	30,776	(4,040)
Expenditures:				
Current				
Instruction	-	30,407	29,728	679
Support services				
Students	-	4,409	4,405	4
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	34,816	34,133	683
Excess (deficiency) of revenues over(under) expenditures	-	-	(3,357)	(3,357)
Other financing sources (uses):				
Operating transfers in (out)	-	-	3,357	3,357
Revert to state	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	3,357	3,357
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			(14,090)	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ (14,090)	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Major Special Revenue Fund - IDEA-B Risk Pool - 24120  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	29,526	73	(29,453)
Total revenues	-	29,526	73	(29,453)
Expenditures:				
Current				
Instruction	-	29,526	29,386	140
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	29,526	29,386	140
Excess (deficiency) of revenues over(under) expenditures	-	-	(29,313)	(29,313)
Other financing sources (uses):				
Operating transfers in (out)	-	-	29,313	29,313
Revert to state	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	29,313	29,313
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Major Special Revenue Fund - New Mexico Reads to Lead - 27114  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	51,880	33,722	(18,158)
Total revenues	-	51,880	33,722	(18,158)
Expenditures:				
Current				
Instruction	-	19,051	19,015	36
Support services				
Students	-	-	-	-
Instruction	-	32,829	32,828	1
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	51,880	51,843	37
Excess (deficiency) of revenues over(under) expenditures	-	-	(18,121)	(18,121)
Other financing sources (uses):				
Operating transfers in (out)	-	-	18,121	18,121
Revert to state	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	18,121	18,121
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Major Special Revenue Fund - Wellness Center - 29123  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	62,397	62,397	20,263	42,134
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>62,397</u>	<u>62,397</u>	<u>20,263</u>	<u>42,134</u>
Excess (deficiency) of revenues over(under) expenditures	(62,397)	(62,397)	(20,263)	42,134
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Revert to state	-	-	-	-
Designated cash	62,397	62,397	-	(62,397)
Total other financing sources (uses)	<u>62,397</u>	<u>62,397</u>	<u>-</u>	<u>(62,397)</u>
Net change in cash balances	-	-	(20,263)	(20,263)
Cash balance, beginning of year	-	-	62,208	62,208
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,945</u>	<u>\$ 41,945</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (20,263)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (20,263)</u>	

The accompanying notes are an integral part of these financial statements.



STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Statement of Fiduciary Assets and Liabilities - Agency Funds  
June 30, 2014

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 25,388
Total assets	<u>\$ 25,388</u>
<u>LIABILITIES</u>	
Deposits held for others	\$ 25,388
Total liabilities	<u>\$ 25,388</u>

The accompanying notes are an integral part of these financial statements.

## Notes to Financial Statements

**NOTE 1. Summary of Significant Accounting Policies**

Maxwell Municipal Schools (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.

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 who is responsible for their integrity and objectivity. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures. The more significant of the government's accounting policies are described below.

**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 Statement 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. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. 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 (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary 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 statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. These include fees for meals, lab fees and activity fees for the District. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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.

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

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

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. 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:

General Fund

The General Fund consists of four sub funds. The first is the Operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Teacherage Fund is to provide teachers affordable housing to entice them to teach there. The Transportation fund includes a state grant to provide transportation for students in the District. The

Instructional Materials fund accounts for a state grant to provide text books for students in the District

IASA Title I - Special Revenue Fund

This fund's major objectives are to provide supplemental educational opportunities for academically disadvantaged children in the area where they reside. 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; education need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for the 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.

IDEA-B Entitlement - Special Revenue Fund

The purpose of this program is to account for revenue used to help maximize the resources in meeting the objective of handicapped children. The federal revenues in this fund are received from and administered by the New Mexico Department of Education. Authority for the creation of this fund is Part B of the Handicapped Act, Public Law 105-17.

IDEA B, Risk Pool - Special Revenue Fund

To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

New Mexico Reads to Lead - Special Revenue Fund

The purpose of this grant is to assist the District to purchase informational text materials for grades K-3 in alignment with Common Core State Standards (CCSS).

Wellness Center - Special Revenue Fund

To account for resources received to provide for integrated primary care and behavioral health (mental health and substance abuse) services to all students in conjunction with the New Mexico Department of Health.

Senate Bill-9 - Capital Projects Fund

To account for resources received through Senate Bill 9 and local tax levies obtained for the purpose of building remodeling, and equipping class room facilities. Also to account for resources received from the State of New Mexico General Fund.

Additionally, the government reports the following fund types:

Debt Service Fund

The fund is used to account for the resources for, and the payment of, principal, interest, and related cost.

Fiduciary Funds

The fund 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 inter-fund 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.

*D. Assets, Liabilities and Net Position or Equity*

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

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

Investments for the District are reported at fair value.

**Receivables and Payables:** Inter-fund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter fund transactions are treated as transfers. Transfers between governmental or between proprietary 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 tax levies in Colfax County. The funds are collected by the County Treasurers and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurers 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.

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.

**Instructional Materials:** The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the New Mexico Public Education Department "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. The districts are allowed to carry forward unused allocations from year to year.

**Inventory:** Inventory is valued at cost utilizing the purchase basis of accounting. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as expenditures at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused

commodities are reported as inventories. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Donated commodities for the year ended June 30, 2014 were \$3,714.

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government 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 costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction. Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Building and building improvements	5 - 50 Years
Furniture and equipment	5 - 20 Years
Land improvements	20 Years

**Unearned Revenues:** Accounting principles generally accepted in the United States of America require that grant revenue be recognized at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be "available" under the current financial resources measurement focus are reported as unearned revenues in the governmental fund financial statements.

**Deferred inflows/outflows of resources:** GASB 63 amended previous guidance on deferred revenues in the Government-Wide Financial Statements to include deferred outflow of resources, which is the consumption of net assets by the government that is applicable to a future reporting period and deferred inflow of resources, which is acquisition of net assets by the government that is applicable to a future reporting period.

**Compensated Absences:** Qualified employees are entitled to accumulate annual leave up to 20 days per fiscal year. All earned vacation must be taken within one year after it is earned. Upon termination, employees will be paid for accrued annual leave up to 20 days.

**Long-term Obligations:** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond issuance costs are reflected as a current period expense per GASB 65. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Fund Equity:** Restricted fund balance represents amounts that are constrained either by: 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance represents amounts that are useable only for specific purposes by formal action of the government's highest level of decision-making authority.

Assigned fund balance represents amounts that are intended to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the governing body or a subordinate high-level body or official whom the governing body has delegated.

Unassigned fund balance is the residual classification for the general fund and represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes.

The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**Reclassifications:** Certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

**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.

#### E. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration: 1) early childhood education; 2) basic education; 3) special education; 4) bilingual multicultural education; 5) size of district, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$1,216,839 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. 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 \$34,778 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.



**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-12 attending public school within the school district. The District received \$77,645 in transportation distributions during the year ended June 30, 2014.

**Instructional Materials:** The District had allocations allowed by the State for the current year of \$6,583. The full amount of allocations used to purchase textbooks during the year was \$6,583. Allocations received and utilized are reflected in revenue and expenditures of the General Fund.

## **NOTE 2. Stewardship, Compliance and Accountability**

### *Budgetary Information*

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

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

Actual expenditures may not exceed the budget on a line item basis, i.e., (each budgeted expenditure must be within budgeted amounts). Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures. The School District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. 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 Department of Education.
5. 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.
6. Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.

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

**NOTE 3. Cash and Temporary Investments**

State statutes authorize the investment of the District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed state investment requirements as of June 30, 2014.

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 by collateral deposited as security or by bond given by the financial institution.

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.

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.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

**Deposits**

New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for a least one half of the amount on deposit with the institution. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Notes to the Financial Statements  
June 30, 2014

	Wells Fargo Bank Raton NM	Type
Total amount on deposit on June 30, 2014		
Maxwell Municipal School Operational	\$ 240,306	Checking
Maxwell Municipal School Lunch	7,970	Checking
Maxwell Municipal School Activity	25,508	Checking
Total deposited	<u>273,784</u>	
Less FDIC coverage	<u>(250,000)</u>	
Total uninsured public funds	<u>23,784</u>	
50% collateral requirement		
as per Section 6-10-17, NMSA 1978	<u>11,892</u>	
Pledged securities		
FNMA FNMS	<u>41,442</u>	
Over (under)	<u>\$ 29,550</u>	
Custodial Credit Risk - Deposits		
Account Balance	\$ 273,784	
FDIC Insured	250,000	
Collateral		
Collateral held by the pledging bank, not in the District's name	41,442	
Uninsured and uncollateralized	<u>(17,658)</u>	
Total Deposits	<u>\$ 273,784</u>	

Pledged Collateral: FNMA Pool FNAR2636, CUISP 3138NY4W2, maturity date 2/1/2043, market value \$41,442 held at BNY Mellon, New York, New York, securities not held in District's name, collateral segregated on District's behalf.

Custodial credit risk is the risk that in the event of a bank failure, the governments' deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2014, none of the District's bank balance of \$276,809 was exposed to custodial credit risk.

**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 investments 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 the securities underlying an overnight repurchase agreement, or a joint safekeeping receipt to be issued to the District for at least one hundred and two percent of the fair value of the securities underlying overnight repurchase accounts invested with the institution.

At June 30, 2014, the District had no investment balances therefore there was no custodial credit risk.

**NOTE 4 Accounts Payables and Accrued Expenses**

Accounts payable as of June 30, 2014, was \$2,714

**NOTE 5. Interfund Receivables, Payables, and Transfers**

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received.

The composition of interfund balances during the year ended June 30, 2014 is as follows:

	Inter-fund Receivable	Inter-fund Payable	Total
Operational - 11000	\$ 71,129	\$ -	\$ 71,129
Title 1 - 24101	-	(9,111)	(9,111)
IDEA-B Entitlement - 24106	-	(14,090)	(14,090)
IDEA-B Risk Pool - 24120	-	(29,313)	(29,313)
Teacher/Principal Training - 24154	-	(331)	(331)
Dual Credit - 27103	-	(28)	(28)
2012 GO Bonds library - 27107	-	(111)	(111)
NM Read to Lead - 27114	-	(18,121)	(18,121)
2012 GO Bonds Library - 27107	-	(24)	(24)
	<u>\$ 71,129</u>	<u>\$ (71,129)</u>	<u>\$ -</u>

These funds are part of pooled cash, so the General Fund is deemed to have loaned it money until reimbursements are received.

**NOTE 6. Accounts Receivable**

Accounts Receivable as of June 30, 2014, are as follows:

	General Fund	SB-9 Fund	Debt Service Fund	Other Governmental Funds	Totals
Property tax receivable	\$ 80	\$ 548	\$ 5	\$ -	\$ 633
Due from grantor					
IDEA-B Risk Pool - 24120	-	-	-	29,313	
Teacher/Principal Training - 24154	-	-	-	331	
Dual Credit - 27103	-	-	-	28	
NM Read to Lead - 27114	-	-	-	18,121	
2012 GO Bonds Library - 27107	-	-	-	24	47,817
	<u>\$ 80</u>	<u>\$ 548</u>	<u>\$ 5</u>	<u>\$ 47,817</u>	<u>\$ 48,450</u>

**NOTE 7. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2014, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land is not subject to depreciation.

	Beginning Balances	Increase	Adjustments/ Decrease	Ending Balances
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 307,309	\$ -	\$ -	\$ 307,309
Capital assets being depreciated				
Buildings and improvements	5,061,265	-	-	5,061,265
Land improvements	297,918	-	-	297,918
Furniture and equipment	566,866	-	-	566,866
-	-	-	-	-
Total assets	<u>6,233,358</u>	<u>-</u>	<u>-</u>	<u>6,233,358</u>
Less accumulated depreciation				
Buildings and improvements	(2,527,951)	(124,305)	-	(2,652,256)
Land improvements	(222,344)	(10,170)	-	(232,514)
Furniture and equipment	(366,331)	(39,104)	-	(405,435)
Total accumulated depreciation	<u>(3,116,626)</u>	<u>(173,579)</u>	<u>-</u>	<u>(3,290,205)</u>
Governmental activity capital assets, net	<u>\$ 3,116,732</u>	<u>\$ (173,579)</u>	<u>\$ -</u>	<u>\$ 2,943,153</u>

Capital assets, net of depreciation, at June 30, 2014 appear in the Statement of Net Position as follows:

Governmental activities                      \$2,943,153

Depreciation expense for the year ended June 30, 2014 was \$173,579 and was not allocated by function.

**NOTE 8. Long-term Debt**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. For the year ending June 30, 2014 the District has no outstanding general obligation bonds.

**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 to 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 \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$100,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 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 balance

Title 1 IASA - 24101	\$ (9,111)
IDEA-B Entitlement - 24106	(14,090)
2012 GO Bonds Library - 2017	<u>(111)</u>
	<u>\$ (23,312)</u>

B. Excess Expenditures over budget.

SB-9 - 31700

County collection cost	\$ (5)
------------------------	--------

C. Designated cash appropriations in excess of available balances.

None

**NOTE 11. Pension Plan- Educational Retirement Board**

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

***Funding Policy***

**Member contributions**

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

**Employer Contributions**

In the fiscal year 2014, the District was required to contribute 13.15% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 10.1% of the gross covered salary for employees whose annual salary is more than \$20,000.

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

The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to the ERB for the years ended June 30, 2014, 2013 and 2012 were \$268,208, \$202,017, and \$109,253, respectively, which equal the required contributions for each year.

**NOTE 12. Post-Employment Benefits-State Retiree Healthcare Plan**

*Plan description:* The District contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit post-employment 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 Retiree Health Care Act on the person's behalf, unless that person retires before the employer's NMRHCA effective date, in which event the time period required for the employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; or (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 RCHA 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 RCHA or viewed on their website at [www.nmrhca.stat.nm.us](http://www.nmrhca.stat.nm.us).

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plan 3, 4 or 5; municipal fire member coverage plan 3, 4, or 5; municipal detention office member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.0% of each 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, 2014, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2014, 2013 and 2012 were \$34,668, \$30,605, and \$27,376, respectively, which equal the required contributions for each year.

**NOTE 13. Contingent Liabilities**

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

**NOTE 14. 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 \$3,714.

**NOTE 15. Surety Bond**

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



**NOTE 16. Memorandum of Understanding**

District

Purpose: To allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the USDE under the Education of the Handicapped Act, Part B, PL 94-142 among others.

Participants: Regional Education Cooperative and Maxwell Municipal Schools

Responsible Party for Operation and Audit: Regional Education Cooperative

Beginning and Ending Date of Agreement: July 1, 1995 until the end of any fiscal year during which the school gives notice of intent to terminate.

Total Estimated Amount of Project and Actual Amount Contributed: The REC paid expenditures on behalf of the District in the amount of \$30,301.

Luna Community College Dual Enrollment Agreement

Purpose: Luna Community College will provide higher education to qualified Maxwell High School junior and senior students in both technical and arts and science courses.

Participants: Luna Community College and Maxwell Municipal Schools.

Responsibility: Maxwell Municipal Schools will be responsible for tuition and enrollment fees for the enrolled students.

Beginning and ending dates of agreement: Extended indefinitely until terminated by either party.

Estimated costs: Total costs are dependent on the number of enrolled students and is the sole responsibility of Maxwell Municipal Schools.

**NOTE 17. Subsequent Accounting Standard Pronouncements**

Statement No. 67, Financial Reporting for Pension Plans. This statement also amends Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trust or equivalent arrangements. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered plans that provide postemployment benefits other than pensions. This Statement is effective for financial statements for the fiscal years beginning after June 15, 2013 with earlier application encouraged. The District has reviewed the statement and has determined that this does not apply to the District.

Statement No. 68, Accounting and Financial Reporting for Pensions. The statement replaces the requirements of GASBS 27, Accounting for Pensions by State and Local Governmental Employers, and the requirements of GASBS 50 Pension Disclosures, as they related to pensions that are provided through pension plans administered as trusts. The requirements of Statements 27 and 50 remain applicable for pensions that are covered by GASBS 68. This statement is effective for financial statements for fiscal years beginning after June 15, 2014. The District is reviewing the effects of the implementation of this statement.

Statement No. 69, Government Combinations and Disposals of Government Operations. This statement establishes accounting and financial reporting standards related to government mergers, acquisitions, and transfers of operations. The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013 and should be applied on a prospective basis. The District has reviewed the statement and has determined that this does not apply to the District.

Statement No. 70, Accounting and Financial Reporting for Non-exchange Financial Guarantees. This statement establishes accounting and financial reporting standards for financial guarantees that are non exchange transactions extended or received by a state or local government. A non-exchange financial guarantee is a guarantee of an obligation of a legally separate entity or individual, including a blended or discretely presented component unit, which requires the guarantor to indemnify a third-party obligation holder under specified conditions. This statement is effective for financial statements for reporting periods beginning after June 15, 2013. The District has reviewed the statement and has determined that this does not apply to the District.

**NOTE 18. Restatement of Net Position**

GASB 65 requires a restatement of bond issuance costs and related amortization to Net Position as it has been determined that such costs should be expensed in the year of acquisition.

Beginning Net Position	\$ 3,383,563
Prior year inventory	(6,572)
Prior year account receivable	(300)
Prior years accounts payable	<u>383</u>
Beginning Net Position, Restated	<u><u>\$ 3,377,074</u></u>

**NOTE 19. Subsequent Events Review**

The District has evaluated subsequent events through October 29, 2014, which is the date the financial statements were available to be issued. There were no events identified.

## Supplementary Information Related to Major Funds

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Major Capital Project Fund - Senate Bill Nine - 31700  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 27,952	\$ 27,952	\$ 28,520	\$ 568
State sources	-	22,945	21,454	(1,491)
Federal sources	-	-	-	-
Total revenues	<u>27,952</u>	<u>50,897</u>	<u>49,974</u>	<u>(923)</u>
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	280	280	285	(5)
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	65,755	88,700	40,317	48,383
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>66,035</u>	<u>88,980</u>	<u>40,602</u>	<u>48,378</u>
Excess (deficiency) of revenues over(under) expenditures	(38,083)	(38,083)	9,372	47,455
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	38,083	38,083	-	(38,083)
Total other financing sources (uses)	<u>38,083</u>	<u>38,083</u>	<u>-</u>	<u>(38,083)</u>
Net change in cash balances	-	-	9,372	9,372
Cash balance, beginning of year	-	-	27,976	27,976
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,348</u>	<u>\$ 37,348</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 9,372	
Adjustment to revenues for accruals & other deferrals			334	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ 9,706</u>	

The accompanying notes are an integral part of these financial statements.

Supplementary Information Related to  
Nonmajor Governmental Funds

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

The Special Revenue Funds are used to account for Federal, State, and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Grants accounted for in the Special Revenue Funds include:

#### **Food Service - 21000**

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

#### **Athletics - 22000**

To account for revenue and expenditures associated with the District's budgeted athletic activities. NMAC 6.20.2.

#### **IDEA-B Preschool - 24109**

The objective of the Assistance to State 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

#### **Teacher/Principal Training and Recruiting - 24154**

The objective of the Improving Teacher Quality State Grants program is to provide funds to State educational agencies (SEAs), local educational agencies (LEAs), State agencies for higher education (SAHEs), and partnerships comprised of institutions of higher education (IHEs), high-need LEAs and other entities to increase the academic achievement of all students by helping schools and school districts to: (1) improve teacher and principal quality (including hiring teachers to reduce class size) and (2) ensure that all teachers are highly qualified. Authority for creation of this fund is Title II, Part A of the Elementary and Secondary Education Act (ESEA) of 1965, as amended by the No Child Left Behind Act of 2001 (NCLB) (Pub. L. No. 107-110).

#### **Medicaid - 25153**

To provide 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.

#### **Rural Education Achievement Program - 25203**

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

#### **Dual Credit – 27103**

HB-2 – SB943(2007) & SB31 (2008) create a dual credit program that allows public high school students in school districts to earn both high school and college credit for qualifying dual credit courses. Courses must be academic or career technical in nature, which means they must apply toward a degree or certificate program. Authority for creation of this fund is authorization of the New Mexico Public Education Department, via the New Mexico General Appropriation Act.

#### **2010 G.O. Bond Student Library - 27106**

Must be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Authority for the creation of this fund is the New Mexico Public Education Department.

#### **2012 GO Bond Student Library - 27107**

Must be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Authority for the creation of this fund is the New Mexico Public Education Department.

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## **NONMAJOR GOVERNMENTAL FUNDS**

### 2010 GO Bonds Instructional Materials - 27171

To account for monies received from New Mexico Public Education Department to be used to acquire books and instructional materials.

### STEM Teacher Incentive - 27181

The purpose of these funds is to provide a \$5,000 stipend per year to 125 highly effective STEM teachers to teach Science, Technology, Engineering, or Mathematics (grades 7-12) for two years to serve in hard to staff (low performing (D/F), rural, urban) schools. Authority for the creation of this fund is the New Mexico Public Education Department.

### New Mexico Farm Grown Vegetables - 27183

To account for funds provided by New Mexico Public Education Department to purchase New Mexico locally grown fresh fruits and vegetables for school meal programs.

### Next Generation Assessments - 27185

To account for funds provided by the New Mexico Public Education Department to remediate deficiencies in computer devices compliant with the Partnership for Assessment of Readiness for College and Career assessment requirements.

### Lange Foundation - 29102

To account for a comprehensive grant for school reform with the commitment to improve teaching and learning. The main focus areas for this grant is experiential learning and professional development. Funds are provided by a private grant.

## **Debt Service Fund**

### Debt Service Fund - 41000

The fund is used to account for the resources for, and the payment of, principal, interest, and related cost.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
All Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2014

	Food Service 21000	Athletics 22000	IDEA - B Preschool 24109	Teacher / Principal Training & Recruiting 24154
<u>ASSETS</u>				
Cash and cash equivalents	\$ 7,970	\$ 3,025	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from grantor	-	-	-	331
Inventory	2,137	-	-	-
	<u>10,107</u>	<u>3,025</u>	<u>-</u>	<u>331</u>
Total assets	<u>\$ 10,107</u>	<u>\$ 3,025</u>	<u>\$ -</u>	<u>\$ 331</u>
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	331
	<u>-</u>	<u>-</u>	<u>-</u>	<u>331</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>331</u>
<u>FUND BALANCE</u>				
Non-spendable	2,137	-	-	-
Restricted for:				
Special revenue funds	7,970	3,025	-	-
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
	<u>10,107</u>	<u>3,025</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>10,107</u>	<u>3,025</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 10,107</u>	<u>\$ 3,025</u>	<u>\$ -</u>	<u>\$ 331</u>

The accompanying notes are an integral part of these financial statements.

Medicaid 3 / 21 Years 25153	Rural Education Achievement Program 25233	Dual Credit Instructional Materials 27103	2010 GO Student Library 27106	2012 GOB Public School Library 27107	2010 GO Bonds Instructional Materials 22171
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	28	-	-	24
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	28	-	111	24
-	-	28	-	111	24
-	-	-	-	-	-
-	-	-	-	(111)	-
-	-	-	-	-	-
-	-	-	-	(111)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24</u>

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
All Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2014

	STEM Teacher Initiative 27181	New Mexico Fruits and Vegetables 27183	Next Generation Assessments 27185	Private Grant 29102
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 5,269
Accounts receivable				
Taxes	-	-	-	-
Due from grantor	-	-	-	-
Inventory	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,269</u>
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>				
Non-spendable	-	-	-	-
Restricted for:				
Special revenue funds	-	-	-	5,269
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,269</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,269</u>

The accompanying notes are an integral part of these financial statements.

Debt Service 41000	Total Non-major Governmental Funds
\$ 285	\$ 16,549
5	5
-	383
-	2,137
<u>\$ 290</u>	<u>\$ 19,074</u>
\$ -	\$ -
-	494
-	494
-	2,137
-	16,153
-	-
<u>290</u>	<u>290</u>
<u>290</u>	<u>18,580</u>
<u>\$ 290</u>	<u>\$ 19,074</u>

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
All Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the year ended June 30, 2014

	Food Service 21000	Athletics 22000	IDEA - B Preschool 24109	Teacher / Principal Training & Recruiting 24154
Revenues:				
Local sources	\$ 5,245	\$ 10,809	\$ -	\$ -
State sources	-	-	-	-
Federal sources	40,122	-	2,392	3,026
Total revenues	<u>45,367</u>	<u>10,809</u>	<u>2,392</u>	<u>3,026</u>
Expenditures:				
Current				
Instruction	-	10,115	2,392	2,816
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	210
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	48,835	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>48,835</u>	<u>10,115</u>	<u>2,392</u>	<u>3,026</u>
Excess (deficiency) revenues over expenditures	(3,468)	694	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,468)	694	-	-
Fund balance, beginning	13,575	2,331	-	-
Prior period adjustment	-	-	-	-
Fund balance, beginning restated	<u>13,575</u>	<u>2,331</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 10,107</u>	<u>\$ 3,025</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Medicaid 3 / 21 Years 25153	Rural Education Achievement Program 25233	Dual Credit Instructional Materials 27103	2010 GO Student Library 27106	2012 GOB Public School Library 27107	2010 GO Bonds Instructional Materials 22171
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31,067	-	187	-	2,995	24
-	24,084	-	-	-	-
<u>31,067</u>	<u>24,084</u>	<u>187</u>	<u>-</u>	<u>2,995</u>	<u>24</u>
-	24,084	187	-	-	24
31,067	-	-	-	-	-
-	-	-	-	3,106	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>31,067</u>	<u>24,084</u>	<u>187</u>	<u>-</u>	<u>3,106</u>	<u>24</u>
-	-	-	-	(111)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(111)	-
-	(92)	-	(7)	-	-
-	92	-	7	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (111)</u>	<u>\$ -</u>

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
All Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the year ended June 30, 2014

	STEM Teacher Initiative 27181	New Mexico Fruits and Vegetables 27183	Next Generation Assessments 27185	Private Grant 29102
<b>Revenues:</b>				
Local and county sources	\$ -	-	\$ -	\$ 5,000
State sources	5,000	591	764	-
Federal sources	-	-	-	-
<b>Total revenues</b>	<b>5,000</b>	<b>591</b>	<b>764</b>	<b>5,000</b>
<b>Expenditures:</b>				
<b>Current</b>				
Instruction	5,000	-	-	23,357
Support services				
Students	-	-	-	-
Instruction	-	-	764	265
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	591	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>5,000</b>	<b>591</b>	<b>764</b>	<b>23,622</b>
Excess (deficiency) revenues over expenditures	-	-	-	(18,622)
<b>Other financing sources (uses):</b>				
Operating transfers in (out)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	(18,622)
Fund balance, beginning				23,891
Prior period adjustment	-	-	-	-
<b>Fund balance, beginning, restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,891</b>
Fund balance, ending	\$ -	\$ -	\$ -	\$ 5,269

The accompanying notes are an integral part of these financial statements.



Debt Service 41000	Total Non-major Governmental Funds
\$ 41	\$ 21,095
-	40,628
-	69,624
<u>41</u>	<u>131,347</u>
-	67,975
-	31,067
-	4,135
1	211
-	-
-	-
-	-
-	-
-	49,426
-	-
-	-
<u>1</u>	<u>152,814</u>
40	(21,467)
<u>(6,620)</u>	<u>(6,620)</u>
<u>(6,620)</u>	<u>(6,620)</u>
(6,580)	(28,087)
6,870	46,568
-	99
<u>6,870</u>	<u>46,667</u>
<u>\$ 290</u>	<u>\$ 18,580</u>

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - Food Service - 21000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 1,501	\$ 1,501	\$ 5,245	\$ 3,744
State sources	-	-	-	-
Federal sources	41,657	41,657	36,408	(5,249)
Total revenues	<u>43,158</u>	<u>43,158</u>	<u>41,653</u>	<u>(1,505)</u>
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	55,660	55,660	45,815	9,845
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>55,660</u>	<u>55,660</u>	<u>45,815</u>	<u>9,845</u>
Excess (deficiency) of revenues over (under) expenditures	(12,502)	(12,502)	(4,162)	8,340
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	12,502	12,502	-	(12,502)
Total other financing sources (uses)	<u>12,502</u>	<u>12,502</u>	<u>-</u>	<u>(12,502)</u>
Net change in cash balances	-	-	(4,162)	(4,162)
Cash balance, beginning of year	-	-	12,132	12,132
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,970</u>	<u>\$ 7,970</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (4,162)	
Adjustment to revenues for accruals & other deferrals			3,714	
Adjustment to expenditures for payables, prepaids & other accruals			<u>(3,020)</u>	
Net change in fund balance (GAAP Basis)			<u>\$ (3,468)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - Athletics - 22000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 8,502	\$ 10,399	\$ 10,809	\$ 410
State sources	-	-	-	-
Federal sources	-	-	-	-
Total revenues	<u>8,502</u>	<u>10,399</u>	<u>10,809</u>	<u>410</u>
Expenditures:				
Current				
Instruction	9,698	12,730	10,115	2,615
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>9,698</u>	<u>12,730</u>	<u>10,115</u>	<u>2,615</u>
Excess (deficiency) of revenues over(under) expenditures	(1,196)	(2,331)	694	3,025
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	<u>1,196</u>	<u>2,331</u>	<u>-</u>	<u>(2,331)</u>
Total other financing sources (uses)	<u>1,196</u>	<u>2,331</u>	<u>-</u>	<u>(2,331)</u>
Net change in cash balances	-	-	694	694
Cash balance, beginning of year	-	-	<u>2,331</u>	<u>2,331</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,025</u>	<u>\$ 3,025</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 694	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ 694</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - IDEA-B Preschool - 24109  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	2,393	3,000	607
Total revenues	-	2,393	3,000	607
Expenditures:				
Current				
Instruction	-	2,393	2,392	1
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	2,393	2,392	1
Excess (deficiency) of revenues over(under) expenditures	-	-	608	608
Other financing sources (uses):				
Operating transfers in (out)	-	-	(608)	(608)
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	(608)	(608)
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - Teacher/Principal Training and Recruiting - 24154  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	3,458	5,626	2,695	(2,931)
Total revenues	<u>3,458</u>	<u>5,626</u>	<u>2,695</u>	<u>(2,931)</u>
Expenditures:				
Current				
Instruction	2,000	5,416	2,816	2,600
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,458	210	210	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>3,458</u>	<u>5,626</u>	<u>3,026</u>	<u>2,600</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	(331)	(331)
Other financing sources (uses):				
Operating transfers in (out)	-	-	331	331
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>331</u>	<u>331</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - Medicaid 3 - 21 Years - 25153  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	29,951	32,400	31,067	(1,333)
Federal sources	-	-	-	-
<b>Total revenues</b>	<b>29,951</b>	<b>32,400</b>	<b>31,067</b>	<b>(1,333)</b>
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	29,951	32,400	31,067	1,333
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>29,951</b>	<b>32,400</b>	<b>31,067</b>	<b>1,333</b>
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	-
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
<b>Net change in fund balance (GAAP Basis)</b>			<b>\$ -</b>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS  
 Special Revenue Fund - Rural Education Achievement Program - 25233  
 Statement of Revenues, Expenditures, and Changes in Cash  
 Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
 For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	1,356	29,775	24,084	(5,691)
Total revenues	1,356	29,775	24,084	(5,691)
Expenditures:				
Current				
Instruction	1,356	29,775	24,084	5,691
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,356	29,775	24,084	5,691
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - Dual Credit Instructional Materials - 27103  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	187	159	(28)
Federal sources	-	-	-	-
Total revenues	-	187	159	(28)
Expenditures:				
Current				
Instruction	-	187	187	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	187	187	-
Excess (deficiency) of revenues over(under) expenditures	-	-	(28)	(28)
Other financing sources (uses):				
Operating transfers in (out)	-	-	28	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	28	28
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements.



STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - 2012 GOB Public School Library - 27107  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	9,110	9,110	2,995	(6,115)
Federal sources	-	-	-	-
Total revenues	<u>9,110</u>	<u>9,110</u>	<u>2,995</u>	<u>(6,115)</u>
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	9,110	9,110	3,106	6,004
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>9,110</u>	<u>9,110</u>	<u>3,106</u>	<u>6,004</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	(111)	(111)
Other financing sources (uses):				
Operating transfers in (out)	-	-	111	111
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>111</u>	<u>111</u>
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			(111)	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (111)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - 2010 GO Bonds Instructional Materials - 27171  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	25	3,152	3,127
Federal sources	-	-	-	-
Total revenues	-	25	3,152	3,127
Expenditures:				
Current				
Instruction	-	25	24	1
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	25	24	1
Excess (deficiency) of revenues over(under) expenditures	-	-	3,128	3,128
Other financing sources (uses):				
Operating transfers in (out)	-	-	(3,128)	(3,128)
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	(3,128)	(3,128)
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - STEM Teacher Initiative - 27181  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	10,000	5,000	(5,000)
Federal sources	-	-	-	-
Total revenues	-	10,000	5,000	(5,000)
Expenditures:				
Current				
Instruction	-	10,000	5,000	5,000
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	10,000	5,000	5,000
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS  
 Special Revenue Fund - New Mexico Fruits and Vegetables - 27183  
 Statement of Revenues, Expenditures, and Changes in Cash  
 Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
 For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	591	591	-
Federal sources	-	-	-	-
Total revenues	-	591	591	-
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	591	591	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	591	591	-
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - Next Generation Assessment - 27185  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	923	764	(159)
Federal sources	-	-	-	-
Total revenues	-	923	764	(159)
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	923	764	159
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	923	764	159
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in cash balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Special Revenue Fund - Private Grant - 29102  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ 5,000	\$ 5,000	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Total revenues	-	5,000	5,000	-
Expenditures:				
Current				
Instruction	22,976	27,976	23,357	4,619
Support services				
Students	-	-	-	-
Instruction	588	588	265	323
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	23,564	28,564	23,622	4,942
Excess (deficiency) of revenues over(under) expenditures	(23,564)	(23,564)	(18,622)	4,942
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Designated cash	23,564	23,564	-	(23,564)
Total other financing sources (uses)	23,564	23,564	-	(23,564)
Net change in cash balances	-	-	(18,622)	(18,622)
Cash balance, beginning of year	-	-	23,891	23,891
Cash balance, end of year	\$ -	\$ -	\$ 5,269	\$ 5,269
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (18,622)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ (18,622)	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Debt Service Fund - Debt Service - 41000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 5	\$ 5	\$ 121	\$ 116
State sources	-	-	-	-
Federal sources	-	-	-	-
Total revenues	<u>5</u>	<u>5</u>	<u>121</u>	<u>116</u>
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	5	5	1	4
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	6,619	6,619	-	6,619
Interest	-	-	-	-
Total expenditures	<u>6,624</u>	<u>6,624</u>	<u>1</u>	<u>6,623</u>
Excess (deficiency) of revenues over (under) expenditures	(6,619)	(6,619)	120	6,739
Other financing sources (uses):				
Operating transfers in (out)	-	-	(6,620)	(6,620)
Designated cash	6,619	6,619	-	(6,619)
Total other financing sources (uses)	<u>6,619</u>	<u>6,619</u>	<u>(6,620)</u>	<u>(13,239)</u>
Net change in cash balances	-	-	(6,500)	(6,500)
Cash balance, beginning of year	-	-	6,785	6,785
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 285</u>	<u>\$ 285</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (6,500)	
Adjustment to revenues for accruals & other deferrals			(80)	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (6,580)</u>	

The accompanying notes are an integral part of these financial statements.

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## Combining General Funds

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS

All General Funds  
 Combining Balance Sheet  
 June 30, 2014

	Operational 11000	Teacherage 12000	Transportation 13000	Materials 14000
<b>ASSETS</b>				
Cash and cash equivalents	\$ 24,937	\$ 8,751	\$ -	\$ 36
Accounts receivable:				
Taxes - current	80	-	-	-
Taxes - delinquent taxes	-	-	-	-
Due from grantor	-	-	-	-
Due from other funds	71,129	-	-	-
Other accounts	-	-	-	-
Inventory	-	-	-	-
Total assets	<u>\$ 96,146</u>	<u>\$ 8,751</u>	<u>\$ -</u>	<u>\$ 36</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,695	\$ 19	\$ -	\$ -
Due from other funds	-	-	-	-
Total liabilities	<u>2,695</u>	<u>19</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>				
Non-spendable	-	-	-	-
Restricted for:				
General fund	299	8,732	-	36
Special revenue funds	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Unassigned:				
General fund	93,152	-	-	-
Total fund balance	<u>93,451</u>	<u>8,732</u>	<u>-</u>	<u>36</u>
Total liabilities and fund balances	<u>\$ 96,146</u>	<u>\$ 8,751</u>	<u>\$ -</u>	<u>\$ 36</u>

The accompanying notes are an integral part of these financial statements.

Total General Funds	
\$	33,724
	80
	-
	-
	71,129
	-
	-
	<u>104,933</u>
\$	2,714
	-
	<u>2,714</u>
	-
	9,067
	-
	-
	-
	<u>93,152</u>
	<u>102,219</u>
\$	<u>104,933</u>

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
All General Funds  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the year ended June 30, 2014

	Operational 11000	Teacherage 12000	Transportation 13000	Materials 14000
<b>Revenues:</b>				
Local sources	\$ 9,656	\$ 8,850	\$ -	\$ -
State sources	1,666,839	-	77,645	6,583
Federal sources	2,428	-	-	-
<b>Total revenues</b>	<b>1,678,923</b>	<b>8,850</b>	<b>77,645</b>	<b>6,583</b>
<b>Expenditures:</b>				
Current				
Instruction	954,301	-	-	9,102
Support services				
Students	123,573	-	-	-
Instruction	64,701	-	-	-
General administration	166,964	-	-	-
School administration	129,332	-	-	-
Central services	52,901	-	-	-
Operation & maintenance of plant	183,409	1,996	-	-
Student transportation	-	-	81,936	-
Other support services	2,008	-	-	-
Operation of non-instructional services				
Food services operations	31,213	-	-	-
Capital outlay	-	2,541	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>1,708,402</b>	<b>4,537</b>	<b>81,936</b>	<b>9,102</b>
Excess (deficiency) of revenues over expenditures	(29,479)	4,313	(4,291)	(2,519)
<b>Other financing sources (uses):</b>				
Operating transfers in (out)	6,620	-	-	-
Revert to state	-	-	(4,291)	-
<b>Total other financing sources (uses)</b>	<b>6,620</b>	<b>-</b>	<b>(4,291)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(22,859)</b>	<b>4,313</b>	<b>(8,582)</b>	<b>(2,519)</b>
Fund balance, beginning of year	122,898	4,419	8,582	2,555
Prior period adjustments	(6,588)	-	-	-
<b>Fund balance, beginning of year restated</b>	<b>116,310</b>	<b>4,419</b>	<b>8,582</b>	<b>2,555</b>
<b>Fund balance, end of year</b>	<b>\$ 93,451</b>	<b>\$ 8,732</b>	<b>\$ -</b>	<b>\$ 36</b>

The accompanying notes are an integral part of these financial statements

	Total General Funds
	<u>18,506</u>
	1,751,067
	<u>2,428</u>
	<u>1,772,001</u>
	963,403
	123,573
	64,701
	166,964
	129,332
	52,901
	185,405
	81,936
	2,008
	31,213
	2,541
	-
	-
	<u>1,803,977</u>
	(31,976)
	6,620
	<u>(4,291)</u>
	<u>2,329</u>
	(29,647)
	138,454
	<u>(6,588)</u>
	<u>131,866</u>
	<u>\$ 102,219</u>

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
General Fund - Operational - 11000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 5,955	\$ 5,955	\$ 9,906	\$ 3,951
State sources	1,662,544	1,667,028	1,666,839	(189)
Federal sources	253	2,382	2,428	46
Total revenues	<u>1,668,752</u>	<u>1,675,365</u>	<u>1,679,173</u>	<u>3,808</u>
Expenditures:				
Current				
Instruction	998,167	990,167	954,421	35,746
Support services				
Students	155,869	155,869	123,573	32,296
Instruction	60,391	67,191	64,333	2,858
General administration	164,187	167,117	167,078	39
School administration	132,342	132,342	129,366	2,976
Central services	57,577	57,577	52,901	4,676
Operation & maintenance of plant	186,881	190,764	183,679	7,085
Student transportation	-	-	-	-
Other support services	2,783	3,783	2,008	1,775
Operation of non-instructional services				
Food services operations	37,286	37,286	31,213	6,073
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,795,483</u>	<u>1,802,096</u>	<u>1,708,572</u>	<u>93,524</u>
Excess (deficiency) of revenues over(under) expenditures	(126,731)	(126,731)	(29,399)	97,332
Other financing sources (uses):				
Operating transfers in (out)	-	-	(64,509)	(64,509)
Revert to state	-	-	-	-
Designated cash	126,731	126,731	-	(126,731)
Total other financing sources (uses)	<u>126,731</u>	<u>126,731</u>	<u>(64,509)</u>	<u>(191,240)</u>
Net change in cash balances	-	-	(93,908)	(93,908)
Cash balance, beginning of year	-	-	118,845	118,845
Prior period adjustment	-	-	-	-
Cash balance, beginning of year, restated	-	-	118,845	118,845
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,937</u>	<u>\$ 24,937</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (93,908)	
Adjustment to revenues for accruals & other deferrals			(250)	
Adjustment to expenditures for payables, prepaids & other accruals			71,299	
Net change in fund balance (GAAP Basis)			<u>\$ (22,859)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
General Fund - Teacherage - 12000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 4,200	\$ 4,200	\$ 8,850	\$ 4,650
State sources	-	-	-	-
Federal sources	-	-	-	-
Total revenues	<u>4,200</u>	<u>4,200</u>	<u>8,850</u>	<u>4,650</u>
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	3,305	3,305	1,977	1,328
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	7,537	7,537	2,541	4,996
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>10,842</u>	<u>10,842</u>	<u>4,518</u>	<u>6,324</u>
Excess (deficiency) of revenues over(under) expenditures	(6,642)	(6,642)	4,332	10,974
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Revert to state	-	-	-	-
Designated cash	6,642	6,642	-	(6,642)
Total other financing sources (uses)	<u>6,642</u>	<u>6,642</u>	<u>-</u>	<u>(6,642)</u>
Net change in cash balances	-	-	4,332	4,332
Cash balance, beginning of year	-	-	4,419	4,419
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,751</u>	<u>\$ 8,751</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 4,332	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			(19)	
Net change in fund balance (GAAP Basis)			<u>\$ 4,313</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
General Fund - Transportation - 13000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	72,208	77,645	77,645	-
Federal sources	-	-	-	-
Total revenues	<u>72,208</u>	<u>77,645</u>	<u>77,645</u>	<u>-</u>
Expenditures:				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	72,208	81,936	81,936	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>72,208</u>	<u>81,936</u>	<u>81,936</u>	<u>-</u>
Excess (deficiency) of revenues over(under) expenditures	-	(4,291)	(4,291)	-
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Revert to state	-	-	(4,291)	(4,291)
Designated cash	-	4,291	-	(4,291)
Total other financing sources (uses)	<u>-</u>	<u>4,291</u>	<u>(4,291)</u>	<u>(8,582)</u>
Net change in cash balances	-	-	(8,582)	(8,582)
Cash balance, beginning of year	-	-	8,582	8,582
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (8,582)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (8,582)</u>	

The accompanying notes are an integral part of these financial statements.



STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
General Fund - Instructional Materials - 14000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	5,667	6,582	6,583	1
Federal sources	-	-	-	-
<b>Total revenues</b>	<b>5,667</b>	<b>6,582</b>	<b>6,583</b>	<b>1</b>
Expenditures:				
Current				
Instruction	8,222	9,137	9,102	35
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>8,222</b>	<b>9,137</b>	<b>9,102</b>	<b>35</b>
Excess (deficiency) of revenues over(under) expenditures	(2,555)	(2,555)	(2,519)	36
Other financing sources (uses):				
Operating transfers in (out)	-	-	-	-
Revert to state	-	-	-	-
Designated cash	2,555	2,555	-	(2,555)
<b>Total other financing sources (uses)</b>	<b>2,555</b>	<b>2,555</b>	<b>-</b>	<b>(2,555)</b>
Net change in cash balances	-	-	(2,519)	(2,519)
Cash balance, beginning of year	-	-	2,555	2,555
Cash balance, end of year	\$ -	\$ -	\$ 36	\$ 36
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (2,519)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
<b>Net change in fund balance (GAAP Basis)</b>			<b>\$ (2,519)</b>	

The accompanying notes are an integral part of these financial statements.

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Supplementary Information  
Related to Fiduciary Funds

## AGENCY FUNDS

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

The District has the following funds classified as Agency Funds:

Activity - To account for assets held by the District until distributed to various organizations at the schools.

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS  
 Agency Funds  
 Statement of Changes in Assets and Liabilities  
 June 30, 2014

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>ASSETS</u>				
Student activity groups	\$ 28,294	\$ 35,230	\$ 38,136	\$ 25,388
Total assets	<u>\$ 28,294</u>	<u>\$ 35,230</u>	<u>\$ 38,136</u>	<u>\$ 25,388</u>
<u>LIABILITIES</u>				
Funds handled on behalf of:				
Student activity groups	\$ 28,294	\$ 35,230	\$ 38,136	\$ 25,388
Total liabilities	<u>\$ 28,294</u>	<u>\$ 35,230</u>	<u>\$ 38,136</u>	<u>\$ 25,388</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS  
 Agency Funds - Activity  
 Statement of Changes in Assets and Liabilities  
 June 30, 2014

	Beginning Balance	Additions	Deductions	Ending Balance
<b>ASSETS</b>				
General	\$ 766	\$ 25	\$ 216	\$ 575
Senior	1	4,925	4,896	30
Junior	1,571	563	1,104	1,030
Sophomore	945	1,755	586	2,114
Freshman	1,386	-	1,386	-
Student Council	34	1,341	937	438
Booster Club	12	3,308	2,660	660
Pee Wee Sports	6,198	14,367	10,584	9,981
Cheerleaders - Pee Wee	1,947	73	459	1,561
FFA	4,879	2,105	945	6,039
Library	916	557	323	1,150
Boys basketball	-	2,482	2,482	-
Vocational	17	174	174	17
FCCLA	6,347	3,411	9,495	263
Annual	60	-	-	60
School Mall	1,918	35	588	1,365
Teachers Association	1,297	109	1,301	105
Total assets	<u>\$ 28,294</u>	<u>\$ 35,230</u>	<u>\$ 38,136</u>	<u>\$ 25,388</u>
<b>LIABILITIES</b>				
Due to student groups	<u>\$ 28,294</u>	<u>\$ 35,230</u>	<u>\$ 38,136</u>	<u>\$ 25,388</u>
Total liabilities	<u>\$ 28,294</u>	<u>\$ 35,230</u>	<u>\$ 38,136</u>	<u>\$ 25,388</u>

The accompanying notes are an integral part of these financial statements.

## Other Supplemental Information

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Cash Reconciliation - All Funds  
For the year ended June 30, 2014

	<u>Beginning Cash</u>	<u>Receipts</u>	<u>Distributions</u>	<u>Other</u>
Maxwell Municipal Schools				
Operational	\$ 118,845	\$ 1,679,173	\$ (1,708,572)	\$ (64,509)
Teacherage	4,419	8,850	(4,518)	-
Transportation	8,582	77,645	(81,936)	(4,291)
Instructional Materials	2,555	6,583	(9,102)	-
Food Services	12,132	41,653	(45,815)	-
Athletics	2,331	10,809	(10,115)	-
Federal Flowthrough	-	69,700	(95,783)	26,083
Federal Direct	-	55,151	(55,151)	-
State Flowthrough	-	46,383	(61,515)	15,132
Wellness Center / Lange Foundation	86,099	5,000	(43,885)	-
Capital Improvement SB-9	27,976	49,974	(40,602)	-
Debt Service	6,785	121	(1)	(6,620)
	<u>269,724</u>	<u>2,051,042</u>	<u>(2,156,995)</u>	<u>(34,205)</u>
Fund - Student Activities	<u>28,294</u>	<u>35,230</u>	<u>(38,136)</u>	<u>-</u>
Total Maxwell Municipal Schools	<u>\$ 298,018</u>	<u>\$ 2,086,272</u>	<u>\$ (2,195,131)</u>	<u>\$ (34,205)</u>

<u>Account Name</u>	<u>Account Type</u>	<u>Bank Name</u>	<u>Bank Amount</u>
Maxwell Municipal Schools			
Operational	Checking	Wells Fargo	\$ 240,306
	Checking	Wells Fargo	7,970
	Checking	Wells Fargo	3,025
Reconciling items - outstanding deposit			7,466
Reconciling items - outstanding checks			<u>(129,201)</u>
Total governmental funds			129,566
	Checking	Wells Fargo	\$ 25,508
Reconciling items - outstanding deposit			-
Reconciling items - outstanding checks			<u>(120)</u>
Total student activities			<u>\$ 25,388</u>



<u>Net Cash End of Period</u>	<u>Adjustments to the Report</u>	<u>Total Cash on Report</u>
\$ 24,937	\$ -	\$ 24,937
8,751	-	8,751
-	-	-
36	-	36
7,970	-	7,970
3,025	-	3,025
-	-	-
-	-	-
-	-	-
47,214	-	47,214
37,348	-	37,348
285	-	285
129,566	-	129,566
25,388	-	25,388
\$ 154,954	\$ -	\$ 154,954

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS  
 Schedule of Revenue  
 For the year ended June 30, 2014

	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000
Revenues:				
Local sources:				
Taxes levied / assessed	\$ 5,883	\$ -	\$ -	\$ -
Payment in lieu of taxes	-	-	-	-
Interest	30	-	-	-
Fees	2,411	-	-	-
Rentals	72	8,850	-	-
Miscellaneous	1,260	-	-	-
Private grant	-	-	-	-
Total local sources	9,656	8,850	-	-
State sources:				
Equalization guarantee	1,216,839	-	-	-
Emergency supplement	450,000	-	-	-
Flow through grants	-	-	-	-
Transportation	-	-	77,645	-
Instructional materials	-	-	-	6,583
Total local sources	1,666,839	-	77,645	6,583
Federal sources:				
Direct grants	-	-	-	-
Flow through grants	2,428	-	-	-
Access board (e-rate)	-	-	-	-
Total federal sources	2,428	-	-	-
Total	<u>\$ 1,678,923</u>	<u>\$ 8,850</u>	<u>\$ 77,645</u>	<u>\$ 6,583</u>

<u>Food Service 21000</u>	<u>Athletics 22000</u>	<u>IASA Title I 24101</u>	<u>IDEA - B Entitlement 24106</u>	<u>IDEA - B Preschool 24109</u>	<u>IDEA - B Risk Pool 24109</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1	3	-	-	-	-
5,244	10,806	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,245</u>	<u>10,809</u>	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,122</u>	-	17,804	20,043	2,392	29,386
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,122</u>	-	<u>17,804</u>	<u>20,043</u>	<u>2,392</u>	<u>29,386</u>
<u>\$ 45,367</u>	<u>\$ 10,809</u>	<u>\$ 17,804</u>	<u>\$ 20,043</u>	<u>\$ 2,392</u>	<u>\$ 29,386</u>

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Schedule of Revenue  
For the year ended June 30, 2014

	Teacher / Principal Training & Recruiting 24154	Medicaid 3 / 21 Years 25153	Rural Education Achievement Program 25233	Dual Credit Instructional Materials 27103
Revenues:				
Local sources:				
Taxes levied / assessed	\$ -	\$ -	\$ -	\$ -
Payment in lieu of taxes	-	-	-	-
Interest	-	-	-	-
Fees	-	-	-	-
Rentals	-	-	-	-
Miscellaneous	-	-	-	-
Private grant	-	-	-	-
Total local sources	-	-	-	-
State sources:				
Equalization guarantee	-	-	-	-
Emergency supplement	-	-	-	-
Flow through grants	-	31,067	-	187
Transportation	-	-	-	-
Instructional materials	-	-	-	-
Total state sources	-	31,067	-	187
Federal sources:				
Direct grants	3,026	-	24,084	-
Flow through grants	-	-	-	-
Access board (e-rate)	-	-	-	-
Total federal sources	3,026	-	24,084	-
Totals	<u>\$ 3,026</u>	<u>\$ 31,067</u>	<u>\$ 24,084</u>	<u>\$ 187</u>

<u>2012 GOB Public School Library 27107</u>	<u>New Mexico Reads to Lead 27114</u>	<u>2010 GO Bonds Instructional Materials 27171</u>	<u>STEM Teacher Initiative 27181</u>	<u>New Mexico Fruit and Vegetables 27183</u>	<u>Next Generation Assessment 27185</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,995	51,843	24	5,000	591	764
-	-	-	-	-	-
-	-	-	-	-	-
2,995	51,843	24	5,000	591	764
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,995</u>	<u>\$ 51,843</u>	<u>\$ 24</u>	<u>\$ 5,000</u>	<u>\$ 591</u>	<u>\$ 764</u>

STATE OF NEW MEXICO  
 MAXWELL MUNICIPAL SCHOOLS  
 Schedule of Revenue  
 For the year ended June 30, 2014

	Private Grant 29102	Wellness Center 29123	Capital Outlay Senate Bill - 9 31700
Revenues:			
Local sources:			
Taxes levied / assessed	\$ -	\$ -	\$ 28,854
Payment in lieu of taxes	-	-	-
Interest	-	-	-
Fees	-	-	-
Rentals	-	-	-
Miscellaneous	-	-	-
Private grant	5,000	-	-
Total local sources	5,000	-	28,854
State sources:			
Equalization guarantee	-	-	-
Emergency supplement	-	-	-
Flow through grants	-	-	21,454
Transportation	-	-	-
Instructional materials	-	-	-
Total state sources	-	-	21,454
Federal sources:			
Direct grants	-	-	-
Flow through grants	-	-	-
Access board (e-rate)	-	-	-
Total federal sources	-	-	-
Totals	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 50,308</u>

Debt Service 41000	Totals
\$ 41	\$ 34,778
-	-
-	34
-	18,461
-	8,922
-	1,260
-	5,000
41	68,455
-	1,216,839
-	450,000
-	113,925
-	77,645
-	6,583
-	1,864,992
-	136,857
-	2,428
-	-
-	139,285
<u>\$ 41</u>	<u>\$ 2,072,732</u>

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## Compliance Section

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

Independent Auditor's Report

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget and  
The Governing Board  
Maxwell Municipal Schools  
Maxwell, New Mexico

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, of Maxwell Municipal 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 my report thereon dated October 29, 2014.

**Internal Control Over Financial Reporting**

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

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be 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 responses, I identified certain deficiencies in internal control over financial reporting that I 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. I consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses. 2014-001

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. I consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies. 2014-002

### **Compliance and Other Matters**


As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 responses as item 2014-003.

### **The District's Response to Findings**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my 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.

  
Sandra Rush CPA PC  
Clovis, New Mexico  
October 29, 2014

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Schedule of Findings and Responses  
June 30, 2014

Prior Year Audit Findings: None

Current Year Findings:

2014-001 Capital Asset Listing - Internal Control & Compliance - Material Weakness

Condition

For the year ended June 30, 2014, the District did not maintained a capital asset listing that was in compliance with the GASB 34. Also the District did not conduct an annual inventory of movable chattel and equipment on the inventory list at the end of the physical year, nor did the District certify the correctness of the inventory after the physical inventory.

Criteria

Section 12-6-10(A) NMSA 1978 requires each agency prepare and maintain an accurate listing of fixed assets. The District must have a capital assets management policy to provide accountability for the safeguarding of assets in accordance with GASB 34 and Section 12-6-10(A) NMSA 1978. Also, the District is required to conduct an annual physical inventory of movable chattel and equipment on the inventory list at the end of the physical year. The agency shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the auditor.

Cause

There are no procedures in place to ensure that all capital assets are accounted for in a capital asset inventory listing. The list does not indicate which fund purchased the asset or which function the depreciation is charged to.

Effect

Lack of sufficient records results in assets that are not properly safeguarded. Asset identification and location are essential in the prevention of theft and loss of assets due to fraudulent activity. Capital assets cannot be correctly depreciated due to lack of information being maintained. As a result, the financial statements of the District are not in compliance with GASB 34 and Section 12-6-10(A) NMSA 1978.

Recommendation

The District must conduct a physical inventory of its capital assets and certify its correctness in accordance with its capitalization policy and update the inventory annually. The inventory report must include asset identification, location, historical cost, fund and function that purchased the asset . This process will also assist the District in the determination of obsolete equipment.

Response

Physical inventory will be taken at the end of the physical year. The Fixed Asset records are being reviewed and updated to include the fund and function that purchased the asset. It is anticipated that this process will be completed in the coming months. The certification process will be implemented as well.

STATE OF NEW MEXICO  
MAXWELL MUNICIPAL SCHOOLS  
Schedule of Findings and Responses  
June 30, 2014

2014-002 Budget - Internal Control & Compliance - Significant Deficiency

Condition

The District maintained an expenditures at the function level in which actual expenditures exceeded budgetary authority in the following funds: SB-9 expenditures for county collection cost exceeded the budget \$5.

Criteria

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

Cause

Actual revenues exceed projected revenues, therefore actual county collection fee expenditure of the District exceed the projected 1% of projected applicable revenue.

Effect

As a result, the district is not in compliance with New Mexico regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978.

Recommendation

The District must establish a policy of budgetary review and make necessary budget adjustments.

Response

The business manager will work with county treasurer to determine the delinquent tax amounts and budget the 1% county tax collection fee accordingly.

2014-003 Late Audit Contract-Other Matter

Condition

The completed IPA recommendation form and signed contract was not received by the Office of the State Auditor by the required due date of May 1, 2014.

Criteria

Paragraph (6) of Subsection G of 2.2.2.8 NMAC requires the IPA recommendation form and signed contract be received by the Office of the State Auditor by May 1, 2014.

Cause

The District was unaware of the deadline

Effect

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

Recommendation

The District should submit the completed IPA recommendation form and signed contract by the due date.

Agency Response

We will contract with an approved auditor and submit the IPA recommendation and signed contract in a timely manner.

Financial Statement Preparation

Although it would be preferred and desirable for the District to prepare its own GAAP-basis financial statements, it is felt that the District's personnel did not have the time to prepare them. Therefore, the outside auditor prepared the GAAP basis financial statements and footnotes for inclusion in the annual audit report from the original books and records provided to them by the management of the District. Management of the District has reviewed and approved these financial statements and related notes and believe they are adequately supported by the books and records of the government.

Exit Conference

The contents of this report were discussed with, Kris Forrester, Superintendent, Randy Casper board member, Will Ward board member, Susan Robinson, business manager, Yolanda Trujillo administrative assistant, and Sandra Rush, CPA, in an exit conference on October 29, 2014.

