

STATE OF NEW MEXICO
MOUNTAINAIR PUBLIC SCHOOLS
Annual Financial Report
June 30, 2013

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Official Roster
June 30, 2013

BOARD OF EDUCATION

| <u>NAME</u> | <u>TITLE</u> |
|------------------|----------------|
| Darrell Roberts | President |
| Eric Anaya | Vice President |
| Gabriel Chavez | Secretary |
| Frances Gonzales | Member |
| P. J. Lovato | Member |

AUDIT COMMITTEE

| <u>NAME</u> | <u>POSITION</u> |
|------------------|------------------|
| Mary Childers | Community Member |
| Frances Gonzales | Board Member |
| Loretta Moseley | Parent |
| Darrell Roberts | Board Member |

SCHOOL OFFICIALS

| <u>NAME</u> | <u>POSITION</u> |
|---------------|---|
| Jay Mortensen | Superintendent retired June 30, 2013 |
| Ron Hendrix | Superintendent as of July 1, 2013 |
| Tammy Zamora | Business Manager |

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FINANCIAL SECTION

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**CALHOON ACCOUNTING & TAX SERVICES
PO BOX 945
ESTANCIA, NEW MEXICO 87016**

INDEPENDENT AUDITOR'S REPORT

Hector H. Balderas, State Auditor
The Board of Education and
The Audit Committee of
Mountainair Public Schools
Mountainair, 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 the major special revenue funds of Mountainair Public Schools (the "District") as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. I have also audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons for the major capital project funds, debt service fund, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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Math 300: Introduction to Probability and Statistics, 10th Edition, by Sheldon Ross, © 2010 John Wiley & Sons, Inc.

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 Mountainair Public Schools, as of June 30, 2013, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity 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 nonmajor governmental fund of the District as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital projects funds, debt service funds, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization* and the other schedules required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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The Schedule of Expenditures of Federal Awards and other schedules required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In my opinion, the Schedule of Expenditures and other schedules required by 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 February 6, 2014 on my consideration of the Mountainair Public School 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 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 Mountainair Public School District's internal control over financial reporting and compliance.

Calhoon Accounting + Tax Services
Calhoon Accounting & Tax Services
Estancia, New Mexico
February 6, 2014

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**BASIC
FINANCIAL STATEMENTS**

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Net Position
As of June 30, 2013

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Assets | |
| Current Assets | |
| Cash and investments | \$ 669,647 |
| Property tax receivable | 36,266 |
| Due from other governmental units | 294,600 |
| Inventory | 2,660 |
| Total current assets | <u>1,003,173</u> |
| Noncurrent Assets | |
| Capital assets | 11,940,069 |
| Less: accumulated depreciation | <u>(4,596,670)</u> |
| Total capital assets less depreciation | 7,343,399 |
| Bond issuance costs, net of accumulated amortization of \$55,520 | 35,459 |
| Total noncurrent assets | <u>7,378,858</u> |
| Total assets | <u><u>\$ 8,382,031</u></u> |
| Liabilities and Net Assets | |
| Current Liabilities | |
| Deferred revenue-grants | \$ 43,000 |
| Accrued interest | 5,545 |
| Accrued compensated absences | 3,462 |
| Current portion of long-term obligations | <u>286,284</u> |
| Total current liabilities | 338,291 |
| Noncurrent Liabilities | |
| Noncurrent portion of long-term obligations | <u>1,027,382</u> |
| Total long-term liabilities | <u>1,027,382</u> |
| Total liabilities | <u>1,365,673</u> |
| Net Position | |
| Net investment in capital assets | 5,994,274 |
| Restricted for: | |
| Special projects | 160,688 |
| Capital projects | 403,886 |
| Debt service | 131,212 |
| Assigned | - |
| Committed | - |
| Unrestricted | <u>326,298</u> |
| Total net position | <u>7,016,358</u> |
| Total liabilities and net position | <u><u>\$ 8,382,031</u></u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Statement of Activities
 For the Year Ended June 30, 2013

| Functions/Programs | <u>Expenses</u> |
|----------------------------------|---------------------|
| Government activities: | |
| Instruction: | |
| Direct instruction | 1,933,236 |
| Support services: | |
| Students | 429,939 |
| Instruction | 113,131 |
| General administration | 217,939 |
| School administration | 277,499 |
| Central services | 65,796 |
| Operation & maintenance of plant | 525,756 |
| Student transportation | 318,092 |
| Other support services | 3,777 |
| Food services | 168,162 |
| Capital outlay | 333,103 |
| Interest on long-term debt | 48,227 |
| Total governmental activities | <u>\$ 4,434,657</u> |

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

| Charges for Service | Program Revenues | | Net (Expenses) Revenue and Changes in Net Assets |
|---------------------|------------------------------------|----------------------------------|--|
| | Operating Grants and Contributions | Capital Grants and Contributions | |
| 12,997 | 486,655 | 26,279 | \$(1,407,305) |
| 14,850 | 0 | 0 | (415,089) |
| 0 | 0 | 0 | (113,131) |
| 0 | 0 | 0 | (217,939) |
| 0 | 0 | 0 | (277,499) |
| 0 | 0 | 0 | (65,796) |
| 0 | 0 | 0 | (525,756) |
| 0 | 296,608 | 0 | (21,484) |
| 0 | 5,424 | 0 | 1,647 |
| 8,856 | 136,929 | 0 | (22,377) |
| 0 | 0 | 0 | (333,103) |
| 0 | 0 | 0 | (48,227) |
| <u>\$ 36,703</u> | <u>\$ 925,616</u> | <u>\$ 26,279</u> | <u>(3,446,059)</u> |

General Revenues:

Taxes:

| | |
|---|---------|
| Property taxes, levied for general purpose | 27,178 |
| Property taxes, levied for debt service | 281,330 |
| Property taxes, levied for capital projects | 163,291 |

State equalization guarantee 3,103,862

Interest and investment earnings 1,039

Total general revenues 3,576,700

Change in net position 130,641

Beginning net position 6,885,717

Ending net position \$ 7,016,358

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Balance Sheet - Governmental Funds
 As of June 30, 2013

| | General Fund | | |
|---|-----------------------|-----------------------|------------------------------------|
| | Operational | Transportation | Instructional Materials |
| Assets | | | |
| Current Assets | | | |
| Cash and investments | \$ 232,238 | \$ 166 | \$ 5,356 |
| Tax receivables | 2,397 | - | - |
| Due from grantor | - | - | - |
| Due from other funds | 24,230 | - | - |
| Inventory | - | - | - |
| Total assets | \$ 258,865 | \$ 166 | \$ 5,356 |
| | | | |
| Liabilities and Fund Balance | | | |
| Liabilities | | | |
| Due to other funds | \$ - | \$ - | \$ - |
| Deferred revenue - grants | - | - | - |
| Total liabilities | - | - | - |
| | | | |
| Fund balance | | | |
| Non-spendable | - | - | - |
| Restricted for: | | | |
| General fund | - | - | - |
| Special revenue funds | - | - | - |
| Capital outlay | - | - | - |
| Debt service | - | - | - |
| Committed for: | | | |
| General fund | - | - | - |
| Special revenue funds | - | - | - |
| Capital outlay | - | - | - |
| Assigned for: | | | |
| General fund | - | - | - |
| Special revenue funds | - | - | - |
| Capital outlay | - | - | - |
| Unassigned for: | | | |
| General fund | 258,865 | 166 | 5,356 |
| Special revenue funds | - | - | - |
| Total fund balance | 258,865 | 166 | 5,356 |
| Total liabilities and fund balance | \$ 258,865 | \$ 166 | \$ 5,356 |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Balance Sheet - Governmental Funds
 As of June 30, 2013

| | Title I | IDEA B - Entitlement | EE & ER Bonding Act |
|---|-------------------|---------------------------------|------------------------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and investments | \$ - | \$ - | 4,188 |
| Tax receivables | - | - | - |
| Due from grantor | 134,168 | 84,880 | - |
| Due from other funds | - | - | - |
| Inventory | - | - | - |
| Total assets | \$ 134,168 | \$ 84,880 | \$ 4,188 |
| Liabilities and Fund Balance | | | |
| Liabilities | | | |
| Due to other funds | \$ 134,168 | \$ 84,880 | \$ - |
| Deferred revenue - grants | - | - | - |
| Total liabilities | 134,168 | 84,880 | - |
| Fund balance | | | |
| Non-spendable | - | - | - |
| Restricted for: | | | |
| General fund | - | - | - |
| Special revenue funds | - | - | 4,188 |
| Capital outlay | - | - | - |
| Debt service | - | - | - |
| Committed for: | | | |
| General fund | - | - | - |
| Special revenue funds | - | - | - |
| Capital outlay | - | - | - |
| Assigned for: | | | |
| General fund | - | - | - |
| Special revenue funds | - | - | - |
| Capital outlay | - | - | - |
| Unassigned for: | | | |
| General fund | - | - | - |
| Special revenue funds | - | - | - |
| Total fund balance | - | - | 4,188 |
| Total liabilities and fund balance | \$ 134,168 | \$ 84,880 | \$ 4,188 |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Balance Sheet - Governmental Funds
 As of June 30, 2013

| <u>Capital Improvements SB-9</u> | <u>Debt Service</u> | <u>Non-Major Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|---|---|
| \$ 68,327 | 107,332 | \$ 252,040 | \$ 669,647 |
| 9,989 | 23,880 | - | 36,266 |
| - | - | 75,552 | 294,600 |
| 270,370 | - | - | 294,600 |
| - | - | 2,660 | 2,660 |
| <u>\$ 348,686</u> | <u>\$ 131,212</u> | <u>\$ 330,252</u> | <u>\$ 1,297,773</u> |
| \$ - | \$ - | \$ 75,552 | \$ 294,600 |
| - | - | 43,000 | 43,000 |
| - | - | 118,552 | 337,600 |
| - | - | - | - |
| - | - | - | - |
| - | - | 156,500 | 160,688 |
| 348,686 | - | 55,200 | 403,886 |
| - | 131,212 | - | 131,212 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | 264,387 |
| - | - | - | - |
| <u>348,686</u> | <u>131,212</u> | <u>211,700</u> | <u>960,173</u> |
| <u>\$ 348,686</u> | <u>\$ 131,212</u> | <u>\$ 330,252</u> | <u>\$ 1,297,773</u> |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Reconciliation of the Balance Sheet - Governmental Funds
 To the Statement of Net Assets
 As of June 30, 2013

| | | |
|--|--|------------|
| Total fund balances - governmental funds | | \$ 960,173 |
|--|--|------------|

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

| | | | |
|--|--------------------|--|-----------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. | \$ 11,940,069 | | |
| | <u>(4,596,670)</u> | | 7,343,399 |

| | | | |
|---|--|--|--------|
| Bond issuance costs are expensed for fund financial statements but amortized for government-wide financial statements. Bond issuance costs net of accumulated amortization. | | | 35,459 |
|---|--|--|--------|

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

| | | | |
|------------------------------|----------------|--|--------------------|
| Bonds payable | (1,313,666) | | |
| Accrued interest payable | (5,545) | | |
| Compensated absences payable | <u>(3,462)</u> | | <u>(1,322,673)</u> |

| | | |
|--|--|---------------------|
| Total net assets-governmental activities | | <u>\$ 7,016,358</u> |
|--|--|---------------------|

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2013

| | General Fund | | |
|--|-------------------|----------------|----------------------------|
| | Operational | Transportation | Instructional Materials |
| Revenues: | | | |
| Local taxes | \$ 25,939 | \$ - | \$ - |
| Local sources | 8,497 | - | 80 |
| State sources | 3,130,141 | 296,608 | 18,858 |
| Federal sources | 9,924 | - | - |
| Interest | 997 | - | - |
| Total Revenues | <u>3,175,498</u> | <u>296,608</u> | <u>18,938</u> |
| Expenditures: | | | |
| Current | | | |
| Instruction | 1,610,059 | - | - |
| Support services-students | 347,903 | - | - |
| Support services-instruction | 109,202 | - | - |
| Support services-general administration | 209,593 | - | - |
| Support services-school administration | 275,722 | - | - |
| Central services | 65,796 | - | - |
| Operation and maintenance of plant | 507,253 | - | - |
| Student transportation | 21,485 | 296,607 | - |
| Other support services | 3,777 | - | - |
| Food services operations | - | - | - |
| Capital outlay | - | - | 18,628 |
| Debt service-principal | - | - | - |
| Debt service-interest | - | - | - |
| Total expenditures | <u>3,150,790</u> | <u>296,607</u> | <u>18,628</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>24,708</u> | <u>1</u> | <u>310</u> |
| Other financing sources (uses): | | | |
| Due To/From | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 24,708 | 1 | 310 |
| Fund balances - beginning of year | <u>232,918</u> | <u>165</u> | <u>5,046</u> |
| Fund balances - end of year | <u>\$ 257,626</u> | <u>\$ 166</u> | <u>\$ 5,356</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2013

| | Title I | IDEA - B Entitlement | EE & ER Bonding Act |
|--|----------------|-------------------------|------------------------|
| Revenues: | | | |
| Local taxes | \$ - | \$ - | \$ - |
| Local sources | 7 | - | - |
| State sources | - | - | 24,217 |
| Federal sources | 213,873 | 92,683 | - |
| Interest | - | - | 1 |
| Total Revenues | <u>213,880</u> | <u>92,683</u> | <u>24,218</u> |
| Expenditures: | | | |
| Current | | | |
| Instruction | 167,856 | 82,635 | - |
| Support services-students | - | 10,048 | - |
| Support services-instruction | 967 | - | - |
| Support services-general administration | 4,500 | - | - |
| Support services-school administration | - | - | - |
| Central services | - | - | - |
| Operation and maintenance of plant | - | - | - |
| Student transportation | - | - | - |
| Other support services | - | - | - |
| Food services operations | - | - | - |
| Capital outlay | 40,557 | - | 155,582 |
| Debt service-principal | - | - | 15,002 |
| Debt service-interest | - | - | 5,028 |
| Total expenditures | <u>213,880</u> | <u>92,683</u> | <u>175,612</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>(151,394)</u> |
| Other financing sources (uses): | | | |
| Due To/From | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | - | - | (151,394) |
| Fund balances - beginning of year | <u>-</u> | <u>-</u> | <u>155,582</u> |
| Fund balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,188</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2013

| Capital Improvements SB-9 | Debt Service | Other Governmental Funds | Total Governmental Funds |
|---------------------------------|-------------------|--------------------------------|--------------------------------|
| 118,471 | 281,330 | \$ - | \$ 425,740 |
| - | - | 62,439 | 71,023 |
| 20,603 | - | 32,800 | 3,523,227 |
| - | - | 226,550 | 543,030 |
| - | 8 | 33 | 1,039 |
| <u>139,074</u> | <u>281,338</u> | <u>321,822</u> | <u>4,564,059</u> |
| - | - | 69,919 | 1,930,469 |
| - | - | 71,988 | 429,939 |
| - | - | 2,962 | 113,131 |
| 1,134 | 2,712 | - | 217,939 |
| - | - | - | 275,722 |
| - | - | - | 65,796 |
| 0 | - | 18,503 | 525,756 |
| - | - | 2,767 | 320,859 |
| - | - | - | 3,777 |
| - | - | 168,162 | 168,162 |
| 101,126 | - | 9,325 | 325,218 |
| - | 355,000 | - | 370,002 |
| - | 43,199 | - | 48,227 |
| <u>102,260</u> | <u>400,911</u> | <u>343,626</u> | <u>4,794,997</u> |
| <u>36,814</u> | <u>(119,573)</u> | <u>(21,804)</u> | <u>(230,938)</u> |
| - | - | - | - |
| - | - | - | - |
| 36,814 | (119,573) | (21,804) | (230,938) |
| <u>311,872</u> | <u>250,785</u> | <u>233,504</u> | <u>1,189,872</u> |
| <u>\$ 348,686</u> | <u>\$ 131,212</u> | <u>\$ 211,700</u> | <u>\$ 958,934</u> |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Reconciliation of the Statement of Revenues, Expenditures and Changes in
 Fund Balances-Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2013

Total net change in fund balances - governmental funds. \$ (230,938)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays in the period.

| | |
|--|-----------|
| Depreciation expense | (309,202) |
| Capital outlays during the year which were capitalized | 325,218 |

In the Statement of Activities, certain operating expenses - compensated absences payable - are measured by the amounts incurred during the year. In the fund financial statements, however, expenditures are measured by the amount of financial resources used (essentially the amounts actually paid). The (increases) decreases in the liabilities for the year were:

| | |
|------------------------------|---------|
| Compensated absences payable | (1,777) |
|------------------------------|---------|

Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.

370,002

Because some property taxes will not be collected for several months after the fiscal year end, they are not considered available revenues in the governmental funds, and are instead counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities. The change in the liability for the year was:

1,239

Bond issuance costs are an expenditure in the governmental funds but are amortized in the government-wide financial statements

| | |
|--------------------------------|----------|
| Accrued interest expense | (5,545) |
| Current year bond amortization | (18,356) |

| | |
|---|------------|
| Change in net position of governmental activities | \$ 130,641 |
|---|------------|

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual
Operational Account - 11000
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|------------------|-------------------|--|
| Revenues: | | | | |
| Taxes | \$ 25,295 | \$ 25,295 | 25,939 | \$ 644 |
| Local and county sources | 4,500 | 6,741 | 8,497 | 1,756 |
| State sources | 3,107,246 | 3,107,246 | 3,130,141 | 22,895 |
| Federal sources | - | - | 9,924 | 9,924 |
| Interest | 3,500 | 3,500 | 997 | (2,503) |
| Total revenues | <u>3,140,541</u> | <u>3,142,782</u> | <u>3,175,498</u> | <u>32,716</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 1,784,997 | 1,784,997 | 1,610,059 | 174,938 |
| Support services-students | 335,296 | 349,256 | 347,903 | 1,353 |
| Support services-instruction | 139,825 | 111,920 | 109,202 | 2,718 |
| Support services-general administration | 244,740 | 233,115 | 209,593 | 23,522 |
| Support services-school administration | 278,674 | 297,724 | 275,722 | 22,002 |
| Central services | 84,492 | 84,492 | 65,796 | 18,696 |
| Operation and maintenance of plant | 542,195 | 531,907 | 507,253 | 24,654 |
| Student transportation | 6,850 | 23,399 | 21,485 | 1,914 |
| Other support services | 5,987 | 8,487 | 3,777 | 4,710 |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>3,423,056</u> | <u>3,425,297</u> | <u>3,150,790</u> | <u>274,507</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(282,515)</u> | <u>(282,515)</u> | <u>24,708</u> | <u>307,223</u> |
| Other financing sources (uses): | | | | |
| Due from Other Funds | - | - | (24,230) | (24,230) |
| Proceeds from bonds | - | - | - | - |
| Designated cash | 282,515 | 282,515 | - | (282,515) |
| Total other financing sources (uses) | <u>282,515</u> | <u>282,515</u> | <u>(24,230)</u> | <u>(306,745)</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>478</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>231,760</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 232,238</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 478 | |
| Adjustment to revenue for accruals and other deferrals | | | 24,230 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ 24,708</u> | |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual
Transportation Fund - 13000
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|----------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 286,085 | 296,608 | 296,608 | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>286,085</u> | <u>296,608</u> | <u>296,608</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | 286,085 | 296,608 | 296,607 | 1 |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>286,085</u> | <u>296,608</u> | <u>296,607</u> | <u>1</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>1</u> | <u>1</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>1</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>165</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 166</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 1 | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ 1</u> | |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual
Instructional Materials Fund - 14000
For the Year Ended June 30, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|-------------------------|-----------------|---|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ 80 | \$ 80 |
| State sources | 16,444 | 16,444 | 18,858 | 2,414 |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>16,444</u> | <u>16,444</u> | <u>18,938</u> | <u>2,494</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | 21,214 | 21,214 | 18,628 | 2,586 |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>21,214</u> | <u>21,214</u> | <u>18,628</u> | <u>2,586</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(4,770)</u> | <u>(4,770)</u> | <u>310</u> | <u>5,080</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | 4,770 | 4,770 | - | (4,770) |
| Total other financing sources (uses) | <u>4,770</u> | <u>4,770</u> | <u>-</u> | <u>(4,770)</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>310</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>5,046</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,356</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 310 | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ 310</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Title I Basic - Special Revenue Fund - 24101
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|--------------------|---------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ 7 | \$ 7 |
| State sources | - | - | - | - |
| Federal sources | 216,131 | 216,131 | 210,643 | (5,488) |
| Interest | - | - | - | - |
| Total Revenues | <u>216,131</u> | <u>216,131</u> | <u>210,650</u> | <u>(5,481)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 210,169 | 256,386 | 167,856 | 88,530 |
| Support services-students | - | - | - | - |
| Support services-instruction | 1,000 | 1,000 | 967 | 33 |
| Support services-general administration | 4,962 | 4,962 | 4,500 | 462 |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | 40,557 | 40,557 |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>216,131</u> | <u>262,348</u> | <u>213,880</u> | <u>89,025</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>(46,217)</u> | <u>(3,230)</u> | <u>83,544</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>(46,217)</u> | <u>(3,230)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(130,938)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ (46,217)</u> | <u>\$ (134,168)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (3,230) | |
| Adjustment to revenue for accruals and other deferrals | | | 3,230 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
IDEA-B Entitlement - Special Revenue Fund - 24106
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | 73,381 | 112,875 | 78,873 | (34,002) |
| Interest | - | - | - | - |
| Total Revenues | 73,381 | 112,875 | 78,873 | (34,002) |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 62,922 | 102,416 | 82,635 | 19,781 |
| Support services-students | 10,459 | 10,459 | 10,048 | 411 |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | 73,381 | 112,875 | 92,683 | 20,192 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | (13,810) | (13,810) |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | - | - | (13,810) | - |
| Cash balances - beginning of year | - | - | (71,070) | - |
| Cash balances - end of year | \$ - | \$ - | \$ (84,880) | \$ - |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (13,810) | |
| Adjustment to revenue for accruals and other deferrals | | | 13,810 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | \$ - | |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
EE & RE Bond Awards - Special Revenue Fund - 28197
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|------------------|---------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | 24,217 | 24,217 |
| Federal sources | - | - | - | - |
| Interest | - | - | 1 | 1 |
| Total Revenues | <u>-</u> | <u>-</u> | <u>24,218</u> | <u>24,218</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | 215,278 | 215,278 | 155,582 | 59,696 |
| Debt Service: | | | | |
| Principal | - | - | 15,002 | (15,002) |
| Interest | - | - | 5,028 | (5,028) |
| Total expenditures | <u>215,278</u> | <u>215,278</u> | <u>175,612</u> | <u>39,666</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(215,278)</u> | <u>(215,278)</u> | <u>(151,394)</u> | <u>63,884</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(151,394)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>155,582</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,188</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (151,394) | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ (151,394)</u> | |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Fiduciary Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2013

Assets

Current Assets

| | |
|------|------------------|
| Cash | <u>\$ 37,751</u> |
|------|------------------|

| | |
|--------------|-------------------------|
| Total assets | <u><u>\$ 37,751</u></u> |
|--------------|-------------------------|

Liabilities

Current Liabilities

| | |
|--------------------------|------------------|
| Deposits held for others | <u>\$ 37,751</u> |
|--------------------------|------------------|

| | |
|-------------------|-------------------------|
| Total liabilities | <u><u>\$ 37,751</u></u> |
|-------------------|-------------------------|

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mountainair Public 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 in Estancia, New Mexico and the surrounding areas. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The 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 Mountainair Public School District's management who is responsible for their integrity and objectivity. The financial statements of the District conform to Generally Accepted Accounting Principles (GAAP) as applied to governmental units. Generally Accepted Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. *Financial Reporting Entity*

The District's financial statements include all entities over which the Board of Education exercises oversight responsibility. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component units or fiduciary units were included in the financial statements.

GAAP requires that financial statements present the District (primary government) and its component units. The District has no component units that are required to be presented in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, an amendment of GASB Statement No. 14.

1. Blended Component Units: The district does not have any component units reported as blended component units.
2. Discretely Presented Component Units: The district does not have any component units reported as discretely presented component units.

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 school district. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. 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 Districts 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.

The governmental fund statements are presented using a *current financial resource 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, 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.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The government reports the following major governmental funds:

The *Operational Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by district school tax levy, state equalization and earnings from investments. Expenditures include all costs associated with the daily operations of the schools except for those items included in other funds.

The *Transportation Fund* is used to account for the state equalization received from the State Public Education Department which is used to pay for the costs associated with transporting school age children.

The *Instructional Materials Fund* is used to account for the monies received from the State Public Education Department for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Title I Fund* is used to account for grant funds to be used for the purpose of improving educational opportunities for educationally deprived children.

The *IDEA-B Entitlement Fund* is used to account for resources provided to the school for the purpose of meeting the educational needs of the handicapped.

The *Energy Efficiency and Renewable Energy Bonding Act (EF & RE) Fund* is used to provide energy efficient and renewable energy facilities.

The *Capital Improvements SB-9 Capital Projects Fund* is used to account for the revenue derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Additionally, the government reports the following fund types:

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

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

The District's fiduciary funds (agency funds) are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. If the District had any component units similar to fiduciary funds, they would not be incorporated into the government-wide financial statements.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities and Net Position or 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.

Accounts Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, changes the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund 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 a tax levy in Torrance 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 2013 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2013.

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.

Inventories: Inventory is valued at cost utilizing the purchase basis of accounting. Inventory in the Food Services Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. The cost of purchased food is recorded as expenditures at the time individual inventory items are consumed. The USDA 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.

Capital Assets: Capital assets are recorded at historical cost and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair value at the date of donation. Software which meets the capitalization requirement is also capitalized. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The District does not capitalize interest in regards to its capital assets. Library books have been capitalized and are depreciated as a group.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

| | |
|------------------------------------|------------|
| Land improvements | 20 years |
| Buildings & building improvements | 40 years |
| Machinery and equipment, including | |
| Computer equipment and software | 3-10 years |
| Autos and vehicles | 10 years |
| Library books | 10 years |

Deferred 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 deferred 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 deferred revenues in the governmental fund financial statements. 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: It is the District's policy to permit the Superintendent to accumulate up to 30 days of earned but unused annual leave, which will be paid to the Superintendent upon the separation from the District's service. The amount for liability has been reported in the government-wide financial statements.

Long-term Debt: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discounts. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance:

- a. *Non-Spendable:* the non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.
- b. *Restricted:* Fund balance is reported as restricted when constraints placed on the use of resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.
- c. *Committed:* Amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the District’s Board of Education should be reported as committed fund balance. The committed amounts cannot be used for any other purpose unless the District’s Board of Education removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- d. *Assigned:* Assigned fund balance includes (a) all remaining amounts, except for negative balances, that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed and amounts in the general fund that are constrained by the District’s intent to be used for specific purposes, but are neither restricted nor committed. Intent, and removal of, is expressed by the Board of Education or the Finance Committee.
- e. *Unassigned:* The remaining fund balance, after all other classifications, within the general fund is reported as unassigned fund balance. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, a negative fund balance will be reported as unassigned fund balance.

When committed, assigned, and unassigned resources are available for use, it is the District’s policy to use committed first followed by assigned and unassigned resources as they are needed.

Net Position: Net position are presented on the statement of net position and may be presented in any of three components.

- a. *Invested in capital assets, net of related debt:* this component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances for any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- b. Restricted net position:* Net position are reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.
- c. Unrestricted net position:* Unrestricted net position consists of net position that does not meet the definition of “invested in capital assets, net of related debt” or “restricted.”

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

In the government environment, net position often is designated to indicate that management does not consider them to be available for general operations. In contrast to restricted net position, these types of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government should not be construed as an internal constraint.

Indirect Costs: the district’s General Fund receives indirect cost reimbursements from the various federal programs it administers. These reimbursements are for expenses incurred in performing administrative functions on behalf of the Special Revenue Funds. They are shown as expenditures in the Special Revenue Funds, and as other special federal revenue in the General Fund.

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

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.

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”.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The district received \$3,103,862 in state equalization guarantee distributions during the year ended June 30, 2013.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in tow 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 \$410,590 in tax revenues in the governmental fund financial statements during the year ended June 30, 2013. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Transportation Distribution: School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$296,608 in transportation distributions during the year ended June 30, 2013.

Instructional Materials: The district had allocations allowed by the State for the current year of \$18,858. The full amount of allocations used to purchase textbooks during the year was \$18,858. Allocations received and utilized are reflected in revenue and expenditures of the General Fund.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. *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 Public 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. 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 reserved portion of fund balance.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

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. Prior to April 15, (unless a later date is fixed by the Secretary of the Public Education Department) the local school board submits to the School Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the school district for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the Public Education Department by the school district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed operating budget will be reviewed and approved by the SBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.

The operating budget will be used by the District until it has been notified that the budget has been approved by the SBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.

3. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBPU.
4. No school board or officer or employee of a school district shall make any expenditures or incur any obligation for the expenditure of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division, but this does not prohibit the transfer of funds between line items within a series of a budget.
5. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.
6. Legal budget control for expenditures is by function.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Notes to the Financial Statements
 June 30, 2013

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

7. Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and any amendments.

B. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances lapse at the fiscal year end and are therefore not included as a reservation of fund balance. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

NOTE 3. CASH AND TEMPORARY INVESTMENTS

At June 30, 2013, the carrying amount of the District's deposits was \$707,398 and the bank balance was \$915,772 with the difference consisting of outstanding checks. Of this balance \$254,190 was covered by federal depository insurance and \$661,582 was covered by collateral held in joint safekeeping by a third party.

The collateral pledged is listed on page 119 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, District or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. 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.

NOTE 4. DUE FROM/ DUE TO BALANCES

As of June 30, 2013, several funds had borrowed from the Operational Fund and Capital Improvements SB-9 Fund to avoid negative cash balances.

| | <u>Due From Other Funds</u> | <u>Due To Other Funds</u> |
|--------------------------------|---------------------------------|-------------------------------|
| Major funds: | | |
| Capital Improvement SB-9 Fund | \$ 270,370 | |
| Operational Fund | 24,230 | |
| Title I Fund | | \$ 134,168 |
| IDEA-B Entitlement Fund | | 84,880 |
| Non-Major Special Revenue Fund | | <u>75,552</u> |
| Total | <u>\$ 294,600</u> | <u>\$ 294,600</u> |

These balances have been eliminated during the preparation of the government-wide financial statements.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Notes to the Financial Statements
 June 30, 2013

NOTE 5. INVENTORY

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of expendable supplies held for consumption. The cost is recorded as expenditures at the time individual inventory items are purchased. The reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

Inventories at June 30, 2013, consisted of the following:

| | |
|-----------------------|---------|
| Special Revenue Fund: | |
| Food Service | \$2,660 |

NOTE 6. RECEIVABLES

Receivables at June 30, 2013, consisted of the following:

| | <u>General</u> | <u>Debt Service</u> | <u>SB-9</u> | <u>Other Governmental Funds</u> |
|------------------------|-----------------|-------------------------|-----------------|---|
| Prop. Taxes receivable | \$ 2,397 | \$ 23,880 | \$ 9,989 | \$ - |
| Due from grantor | | - | - | 294,600 |
| Total | <u>\$ 2,397</u> | <u>\$ 23,880</u> | <u>\$ 9,989</u> | <u>\$ 294,600</u> |

Property taxes receivable are shown net of an allowance for uncollectible taxes of 10% of outstanding property taxes at year end. All other amounts are considered to be fully collectible. Property taxes not received within 60 days of the fiscal year end are shown as deferred property taxes in the fund financial statements.

NOTE 7. CAPITAL ASSETS

For the year ended June 30, 2013 depreciation expense of \$309,201 was charged to the Governmental Activities-Education of the District. Land assets, totaling \$57,583 were not charged with depreciation in accordance with accounting principles generally accepted in the United States of America.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 7. CAPITAL ASSETS (continued)

The District's capital assets were as follows for the year ended June 30, 2013:

| | June 30, 2012 | | | June 30, 2013 |
|------------------------------------|---------------------|-------------------|--------------------|---------------------|
| | <u>Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> |
| Assets not being depreciated: | | | | |
| Land | \$ 57,583 | \$ - | \$ - | \$ 57,583 |
| Construction-in progress | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets not being depreciated | 57,583 | - | - | 57,583 |
| Assets being depreciated: | | | | |
| Land improvements | 798,780 | - | - | 798,780 |
| Buildings and improvements | 9,283,203 | 240,033 | - | 9,523,236 |
| Machinery and equipment | 1,051,364 | 34,750 | - | 1,086,114 |
| Library books | <u>423,921</u> | <u>50,435</u> | <u>-</u> | <u>474,356</u> |
| Total assets being depreciated | <u>11,557,268</u> | <u>325,218</u> | <u>-</u> | <u>11,882,486</u> |
| Total assets | <u>11,614,851</u> | <u>325,218</u> | <u>-</u> | <u>11,940,069</u> |
| Less accumulated depreciation: | | | | |
| Land improvements | (234,817) | | (39,939) | (274,756) |
| Buildings and improvements | (2,866,433) | | (202,063) | (3,068,496) |
| Machinery and equipment | (844,862) | | (48,976) | (893,838) |
| Library books | <u>(341,357)</u> | <u>-</u> | <u>(18,223)</u> | <u>(359,580)</u> |
| Total accumulated depreciation | <u>(4,287,469)</u> | <u>-</u> | <u>(309,201)</u> | <u>(4,596,670)</u> |
| Total | <u>\$ 7,327,382</u> | <u>\$ 325,218</u> | <u>(\$309,201)</u> | <u>\$ 7,327,399</u> |

NOTE 8. LONG-TERM DEBT

During the year ended June 30, 2013, the following changes occurred in the liabilities reported in the government-wide Statement of Net Position:

| | Balance | | | Balance | Due | Amounts |
|------------------------------|---------------------|------------------|------------------|----------------------|------------------|---------------------|
| | <u>July 1, 2012</u> | <u>Additions</u> | <u>Deletions</u> | <u>June 30, 2013</u> | <u>Within</u> | <u>considered</u> |
| | | | | | <u>One Year</u> | <u>Long-Term</u> |
| Bonds payable | \$ 1,683,668 | \$ - | \$370,002 | \$1,313,666 | \$286,284 | \$ 1,027,382 |
| Compensated Absences payable | <u>1,685</u> | <u>3,462</u> | <u>1,685</u> | <u>3,462</u> | <u>3,462</u> | <u>-</u> |
| Total | <u>\$ 1,685,353</u> | <u>\$ 3,462</u> | <u>\$371,687</u> | <u>\$1,317,128</u> | <u>\$289,746</u> | <u>\$ 1,027,382</u> |

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 8. LONG-TERM DEBT (continued)

General obligation bonds are repaid with property taxes which are collected by the Debt Service Fund. In prior years, the General Fund has been used to pay accrued compensated absences and will likely continue to do so.

General obligation bonds, authorized by the voters of the District, are issued for the purposes of erecting, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds. The following is a list of bonds issued and outstanding at June 30, 2013

| <u>Series</u> | <u>Date of Issue</u> | <u>Original Amount</u> | <u>Interest Rate</u> | <u>Balance</u> | <u>Due Within One Year</u> |
|---------------|----------------------|------------------------|----------------------|--------------------|----------------------------|
| 2000 | 10/01/00 | \$ 425,000 | 4.90-5.10% | \$ 25,000 | \$ 25,000 |
| 2007 | 05/11/07 | 750,000 | 2.72-2.82% | 460,000 | 200,000 |
| 2008 | 10/15/08 | 550,000 | 3.85-5.00% | 480,000 | 40,000 |
| 2012 | 01/13/12 | 363,668 | 1.27% | 348,666 | 21,284 |
| | | <u>\$2,088,668</u> | | <u>\$1,313,666</u> | <u>\$ 286,284</u> |

| <u>Fiscal Year Ending 6/30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|--------------------------------|--------------------|------------------|---------------------------|
| 2014 | \$286,284 | \$ 36,150 | \$ 322,434 |
| 2015 | 271,561 | 27,954 | 299,515 |
| 2016 | 136,902 | 20,206 | 157,108 |
| 2017 | 222,304 | 13,188 | 235,492 |
| 2018 | 157,779 | 6,166 | 163,945 |
| 2019-2023 | 238,836 | 18,123 | 256,959 |
| | <u>\$1,313,666</u> | <u>\$121,787</u> | <u>\$1,435,453</u> |

Interest expenditures included in direct expenses for the year ended June 30, 2013 were \$48,248.

Reconciliation of Long-term debt to the Statement of Net Position

| | |
|--------------------------|--------------------|
| Total Long-term Debt | \$1,313,666 |
| Net Bond Issuance Cost | (90,979) |
| Accumulated Amortization | 55,520 |
| | <u>\$1,278,207</u> |

NOTE 9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public School Insurance Authority (NMPSIA) was formed under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2013.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURE

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

- a. Deficit fund balance: There are no instances of deficit fund balances.
- b. Excess expenditures over budget: None.

NOTE 11. EDUCATION RETIREMENT BOARD (ERB) PENSION PLAN

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

Funding Policy:

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

Employer Contributions: In the fiscal year 2013, the District was required to contribute 12.4% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 10.9% of the gross covered salary for employees whose annual salary is more than \$20,000. In the future, the District will contribute the following percentages of the gross covered salary of employees: 13.5% of gross covered salary in fiscal year 2014; and 13.9% of gross covered salary in fiscal year 2015. The contribution requirements of plan members and the District are established in State statute under Chapter 2, 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, 2013, 2012 and 2011 were \$225,405 , \$202,354, and \$281,937, respectively, which equal the required contributions for each year.

NOTE 12. POST-RETIREMENT HEALTH CARE BENEFITS

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 12. POST-RETIREMENT HEALTH CARE BENEFITS (continued)

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 the 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; (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.

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, 2013, 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 1.00% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2013, 2012, and 2011 were \$40,061, \$38,140, and \$37,661 respectively, which equal the required contributions for each year.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 13. CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. 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 amounts, 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, 2013 was \$9,507.

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. JOINT VENTURE

Mountainair Public Schools is a member of Central Region Educational Cooperative, which was established by the New Mexico State Board of Education. This REC operates as an agency for school districts and provides cooperative services as its primary service. The REC administers several federal award programs for municipal schools. Central Region Educational Cooperative issues a separate, publicly available audited financial report that includes expenditures of federal awards and supplementary information. That report may be obtained by writing Central Region Educational Cooperative, P.O. Box 37440, Albuquerque, NM 87176.

NOTE 17. SUBSEQUENT ACCOUNTING STANDARD PRONOUNCEMENTS

The GASB issued Statement No. 65, *Financial reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and net Position* which is effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement 4 also identifies net position as the residual of all other elements presented in a statement of financial position.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Notes to the Financial Statements
June 30, 2013

NOTE 17. SUBSEQUENT ACCOUNTING STANDARD PRONOUNCEMENTS

This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The District is reviewing the effects of the implementation of this statement.

The GASB issued Statement No. 66, which is effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The objective of this statement is to amend Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, by removing the provision that limits fund-based reporting of a state and local government’s risk financing activities to the general fund and the internal service fund type. As a result, government would base their decisions about governmental fund type usage for risk financing activities on the definitions in State No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This statement also amends Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and that principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee. These changes would eliminate any uncertainty regarding the application of Statement No. 13, Accounting for Operating Leases with Schedule Rent Increases, and result in guidance that is consistent with the requirements in Statement No. 48, Sales of Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues, respectively. The District is reviewing the effects of the implementation of this statement.

NOTE 18. SUBSEQUENT EVENTS REVIEW

The District has evaluated subsequent events through February 6, 2014, which is the date the financial statements were available to be issued.

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**SUPPLEMENTARY INFORMATION
SECTION**

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

11/15/2011 10:00:00 AM

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

| | <u>Food Service</u> | <u>Athletics</u> | <u>Board Activity</u> | <u>IDEA - B Preschool</u> |
|--|-------------------------|-------------------|---------------------------|-------------------------------|
| Assets | | | | |
| Cash and investments | 70,972 | \$ 127 | \$ 12,655 | \$ - |
| Inventory | 2,660 | - | - | - |
| Due from grantor | - | - | - | 5,853 |
| Total assets | <u>\$ 73,632</u> | <u>\$ 127</u> | <u>\$ 12,655</u> | <u>\$ 5,853</u> |
| Liabilities and Fund Equity | | | | |
| Liabilities | | | | |
| Interfund payable | \$ - | \$ - | \$ - | \$ 5,853 |
| Deferred revenues - grants | - | - | - | - |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,853</u> |
| Fund balance | | | | |
| Restricted for special revenue funds | 73,632 | 127 | 12,655 | - |
| Restricted for capital outlay | - | - | - | - |
| Restricted for debt service | - | - | - | - |
| Assigned for special revenue funds | - | - | - | - |
| Total fund balance | <u>73,632</u> | <u>127</u> | <u>12,655</u> | <u>-</u> |
| Total liabilities and fund equity | <u>\$ 73,632</u> | <u>\$ 127</u> | <u>\$ 12,655</u> | <u>\$ 5,853</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

| Fresh Fruits & Vegetables | EETT | Title V-A | Teacher/ Principal Train & Recruitment | Title IV-A |
|------------------------------|-----------------|---------------|--|---------------|
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| 839 | 2,257 | 634 | 39,764 | 617 |
| <u>\$ 839</u> | <u>\$ 2,257</u> | <u>\$ 634</u> | <u>\$ 39,764</u> | <u>\$ 617</u> |
| 839 | \$ 2,257 | \$ 634 | 39,764 | \$ 617 |
| - | - | - | - | - |
| <u>839</u> | <u>2,257</u> | <u>634</u> | <u>39,764</u> | <u>617</u> |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>\$ 839</u> | <u>\$ 2,257</u> | <u>\$ 634</u> | <u>\$ 39,764</u> | <u>\$ 617</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

| | <u>ARRA Title I Stimulus</u> | <u>Medicaid</u> | <u>CYFD Summer Lunch</u> |
|--|--------------------------------------|------------------|----------------------------------|
| Assets | | | |
| Cash and investments | \$ - | \$ 70,086 | \$ 14,173 |
| Inventory | - | - | - |
| Due from grantor | 476 | - | - |
| Total assets | <u>\$ 476</u> | <u>\$ 70,086</u> | <u>\$ 14,173</u> |
| | | | |
| Liabilities and Fund Equity | | | |
| Liabilities | | | |
| Interfund payables | \$ 476 | \$ - | \$ - |
| Deferred revenues - grants | - | - | 14,173 |
| Total liabilities | <u>476</u> | <u>-</u> | <u>14,173</u> |
| | | | |
| Fund balance | | | |
| Restricted for special revenue funds | - | 70,086 | - |
| Restricted for capital outlay | - | - | - |
| Restricted for debt service | - | - | - |
| Assigned for special revenue funds | - | - | - |
| Total fund balance | <u>-</u> | <u>70,086</u> | <u>-</u> |
| | | | |
| Total liabilities and fund equity | <u>\$ 476</u> | <u>\$ 70,086</u> | <u>\$ 14,173</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

| Underage Drinking | REAP SRSA | Dual Credit Instructional Materials | GO Student Library Bonds | GO Bond Senate Bill 1 Laws 2010 |
|----------------------|-----------------|---|--------------------------------|---------------------------------------|
| \$ 21 | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| - | 5,539 | 37 | 381 | 2,962 |
| <u>\$ 21</u> | <u>\$ 5,539</u> | <u>\$ 37</u> | <u>\$ 381</u> | <u>\$ 2,962</u> |
| \$ - | \$ 5,539 | \$ 37 | \$ 381 | \$ 2,962 |
| 21 | - | - | - | - |
| <u>21</u> | <u>5,539</u> | <u>37</u> | <u>381</u> | <u>2,962</u> |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>\$ 21</u> | <u>\$ 5,539</u> | <u>\$ 37</u> | <u>\$ 381</u> | <u>\$ 2,962</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

| | GO Bond | Breakfast for Elem Students | Schools on the Rise |
|--|----------------|--|--------------------------------|
| Assets | | | |
| Cash and investments | \$ - | \$ - | \$ - |
| Inventory | - | - | - |
| Due from grantor | 1,506 | 2,944 | 4,000 |
| Total assets | \$ 1,506 | \$ 2,944 | \$ 4,000 |
| Liabilities and Fund Equity | | | |
| Liabilities | | | |
| Interfund payables | \$ 1,506 | \$ 2,944 | \$ 4,000 |
| Deferred revenues - grants | - | - | - |
| Total liabilities | 1,506 | 2,944 | 4,000 |
| Fund balance | | | |
| Restricted for special revenue funds | - | - | - |
| Restricted for capital outlay | - | - | - |
| Restricted for debt service | - | - | - |
| Assigned for special revenue funds | - | - | - |
| Total fund balance | - | - | - |
| Total liabilities and fund equity | \$ 1,506 | \$ 2,944 | \$ 4,000 |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

| Science Instructional Materials | NMYCCC | NM Arts Grant | School Based Health Center | Bond Building | Total |
|--|-----------------|--------------------------|---|--------------------------|-------------------|
| \$ - | \$ 1,300 | \$ - | 27,506 | 55,200 | \$ 252,040 |
| - | - | - | - | - | 2,660 |
| 4,569 | - | 3,174 | - | - | 75,552 |
| <u>\$ 4,569</u> | <u>\$ 1,300</u> | <u>\$ 3,174</u> | <u>\$ 27,506</u> | <u>\$ 55,200</u> | <u>\$ 330,252</u> |
| 4,569 | \$ - | \$ 3,174 | \$ - | \$ - | \$ 75,552 |
| - | 1,300 | - | 27,506 | - | 43,000 |
| <u>4,569</u> | <u>1,300</u> | <u>3,174</u> | <u>27,506</u> | <u>-</u> | <u>118,552</u> |
| - | - | - | - | - | 156,500 |
| - | - | - | - | 55,200 | 55,200 |
| - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>55,200</u> | <u>211,700</u> |
| <u>\$ 4,569</u> | <u>\$ 1,300</u> | <u>\$ 3,174</u> | <u>\$ 27,506</u> | <u>\$ 55,200</u> | <u>\$ 330,252</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Combining Statement of Revenues, Expenditures
And Changes In Fund Balance Nonmajor Governmental Funds
For the Year Ended June 30, 2013

| | 21000 | 22000 | 23000 | 24109 |
|--|-------------------------|------------------|---------------------------|-------------------------------|
| | <u>Food Service</u> | <u>Athletics</u> | <u>Board Activity</u> | <u>IDEA - B Preschool</u> |
| Revenues: | | | | |
| Local and county sources | 19,662 | \$ 14,620 | \$ 230 | \$ - |
| State sources | - | - | - | - |
| Federal sources | 126,123 | - | - | 6,615 |
| Interest | 33 | - | - | - |
| Total revenues | <u>\$ 145,818</u> | <u>\$ 14,620</u> | <u>\$ 230</u> | <u>\$ 6,615</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 11,820 | \$ 2,846 | \$ 6,615 |
| Support services - students | - | - | - | - |
| Support services - instruction | - | - | - | - |
| Support services - general administration | - | - | - | - |
| Support services - school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | 2,767 | - | - |
| Food services operations | 139,521 | - | - | - |
| Capital Outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>139,521</u> | <u>14,587</u> | <u>2,846</u> | <u>6,615</u> |
| Excess (deficiency) of revenues over expenditures | 6,297 | 33 | (2,616) | - |
| Other financing sources (uses): | | | | |
| Transfers | - | - | - | - |
| Net changes in fund balances | 6,297 | 33 | (2,616) | - |
| Fund balance, beginning of year | <u>67,335</u> | <u>94</u> | <u>15,271</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 73,632</u> | <u>\$ 127</u> | <u>\$ 12,655</u> | <u>\$ -</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Combining Statement of Revenues, Expenditures
 And Changes In Fund Balance Nonmajor Governmental Funds
 For the Year Ended June 30, 2013

| 24118 Fresh Fruits and Vegetables | 24133 EETT | 24150 Title V-A | 24154 Teacher/ Principal Training & Rec |
|--|---------------|--------------------|--|
| \$ - | \$ - | \$ - | \$ - |
| - | - | - | - |
| 5,981 | - | - | 40,247 |
| - | - | - | - |
| <u>\$ 5,981</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 40,247</u> |
| \$ - | \$ - | \$ - | \$ 40,247 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 5,981 | - | - | - |
| - | - | - | - |
| - | - | - | - |
| <u>5,981</u> | <u>-</u> | <u>-</u> | <u>40,247</u> |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Combining Statement of Revenues, Expenditures
And Changes In Fund Balance Nonmajor Governmental Funds
For the Year Ended June 30, 2013

| | 24157 | 24201 | 25153 |
|--|-------------------|-----------------------------|------------------|
| | <u>Title IV-A</u> | <u>Title I Stimulus</u> | <u>Medicaid</u> |
| Revenues: | | | |
| Local and county sources | \$ - | \$ - | \$ - |
| State sources | - | - | - |
| Federal sources | - | - | 27,868 |
| Interest | - | - | - |
| Total revenues | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 27,868</u> |
| Expenditures: | | | |
| Current | | | |
| Instruction | \$ - | \$ - | \$ - |
| Support services - students | - | - | 44,061 |
| Support services - instruction | - | - | - |
| Support services - general administration | - | - | - |
| Support services - school administration | - | - | - |
| Central services | - | - | - |
| Operation and maintenance of plant | - | - | - |
| Student transportation | - | - | - |
| Food services operations | - | - | - |
| Capital Outlay | - | - | - |
| Debt Service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>44,061</u> |
| Excess (deficiency) of revenues over expenditures | - | - | (16,193) |
| Other financing sources (uses): | | | |
| Transfers | <u>-</u> | <u>-</u> | <u>-</u> |
| Net changes in fund balances | - | - | (16,193) |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>86,279</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 70,086</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Combining Statement of Revenues, Expenditures
And Changes In Fund Balance Nonmajor Governmental Funds
For the Year Ended June 30, 2013

| | <u>27145</u> | <u>27155</u> Breakfast for Elem. Students | <u>27164</u> Schools on the Rise |
|--|-----------------|---|--|
| | <u>GO Bonds</u> | | |
| Revenues: | | | |
| Local and county sources | \$ - | \$ - | \$ - |
| State sources | - | 2,944 | - |
| Federal sources | - | - | - |
| Interest | - | - | - |
| Total revenues | <u>\$ -</u> | <u>\$ 2,944</u> | <u>\$ -</u> |
| Expenditures: | | | |
| Current | | | |
| Instruction | \$ - | \$ - | \$ - |
| Support services - students | - | - | - |
| Support services - instruction | - | - | - |
| Support services - general administration | - | - | - |
| Support services - school administration | - | - | - |
| Central services | - | - | - |
| Operation and maintenance of plant | - | - | - |
| Student transportation | - | - | - |
| Food services operations | - | 2,944 | - |
| Capital Outlay | - | - | - |
| Debt Service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total expenditures | <u>-</u> | <u>2,944</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | - | - | - |
| Other financing sources (uses): | | | |
| Transfers | <u>-</u> | <u>-</u> | <u>-</u> |
| Net changes in fund balances | - | - | - |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Combining Statement of Revenues, Expenditures
 And Changes In Fund Balance Nonmajor Governmental Funds
 For the Year Ended June 30, 2013

| 27176 Science Instructional Materials | 28118 NMYCCC | 28131 NM Arts Grant | 29130 School Based Health Center | 31100 Bond Building | Total |
|--|------------------|---------------------------|---|---------------------------|-------------------|
| \$ - | \$ - | \$ - | \$ 27,927 | \$ - | \$ 62,439 |
| 4,569 | 18,503 | 3,269 | - | - | 32,800 |
| - | - | - | - | - | 226,550 |
| - | - | - | - | - | 33 |
| <u>\$ 4,569</u> | <u>\$ 18,503</u> | <u>\$ 3,269</u> | <u>\$ 27,927</u> | <u>\$ -</u> | <u>\$ 321,822</u> |
| 4,569 | \$ - | \$ 3,269 | \$ - | \$ - | \$ 69,919 |
| - | - | - | 27,927 | - | 71,988 |
| - | - | - | - | - | 2,962 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 18,503 | - | - | - | 18,503 |
| - | - | - | - | - | 2,767 |
| - | - | - | - | - | 168,162 |
| - | - | - | - | 9,325 | 9,325 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>4,569</u> | <u>18,503</u> | <u>3,269</u> | <u>27,927</u> | <u>9,325</u> | <u>343,626</u> |
| - | - | - | - | (9,325) | (21,804) |
| - | - | - | - | - | - |
| - | - | - | - | (9,325) | (21,804) |
| - | - | - | - | 64,525 | 233,504 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 55,200</u> | <u>\$ 211,700</u> |

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

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**NON-MAJOR
SPECIAL REVENUE FUNDS**

STATE OF CALIFORNIA - DEPARTMENT OF REVENUE - 2018-19 BUDGET - NON-MAJOR SPECIAL REVENUE FUNDS

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Non-Major Special Revenue Funds Summary
June 30, 2013

NON-MAJOR 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. Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specific purposes. Grants accounted for in the Special Revenue Funds include:

Food Service – This fund is utilized to account for the cost of operating a student breakfast, lunch, snack bar and summer lunch program and is financed with federal grants and fees paid by program users. Authority for the creation of this fund is NMSA 22-13-13.

Athletics – This fund is used to account for income from gross receipts and other proceeds from school athletic events and to provide for the payment of operating expenses of those activities. The authority for creation of this fund is SDE Regulation 6, NMAC 2.2.

Board Activity – This fund is utilized to account for resources designated by the Board of Education. Authority is Board of Education Resolution.

IDEA-B Preschool – To account for the operations of supplementary aid to students with disabilities ages 5-21. Funding authority is the U.S. Department of Education Public Law 99-457.

Fresh Fruits and Vegetables – To account for resources provided to combat childhood obesity by helping children learn healthier eating habits. The program is used primarily to purchase unique fresh fruit and vegetables and must be made available to all students. Authority for creation of this fund is Public Law 110-234.

EETT (Enhancing Education Through Technology) – To account for resources provided to facilitate the greater use of computers in the classroom. Funding authority is the U.S. Department of Education (P.L. 94-142).

Title V-A – To improve educational opportunities for all children. The funding authority is the U.S. Department of Education No Child Left Behind Act, 2002.

Teacher/Principal Training and Recruitment – To account for grant funds to be used for training and recruiting teachers and principals. The authority for creation of this fund is Title II of the Elementary and Secondary Education Act of 1965 as amended, Public Law 103-382.

Title IV-A – To account for operations to promote drug use prevention education, intervention and rehabilitation referral in public schools. Funding authority is the U.S. Department of Education Public Law 100-297.

Title I Stimulus – To account for federal stimulus funds allocated to Title I. The authority is ARRA.

Medicaid – This grant is to provide resources for the provision of medical services to children of low-income families. Funding authority is the U.S. Government.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
June 30, 2013

CYFD Summer Lunch – This grant is to account for summer lunches for school age children in the district area. Funding authority is the State of New Mexico Public Education Department.

Underage Drinking – To account for funds obtained to educate students about underage drinking problems. Funding authority is Title IV, Part A, ESEA, 1965.

Rural Education Achievement Program – 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. The Elementary and Secondary Education Act of 1965 (ESEA, Title VI, Part B, as amended).

2009 Dual Credit Instructional Materials – To account for instructional materials funds received from the state. Authority is the State of New Mexico Public Education Department.

2009 GO Student Library Funds – To account for library funds received from the state. Authority is the State of New Mexico Public Education Department.

GO Bond Public School Library Acquisition Award – To be used to acquire library books, equipment and library resources for public school libraries statewide. The authority is the State of New Mexico Public Education Department.

GO Bond – To account for resources provided by voter approval of a state general obligation (GO) bond issue for public school libraries. Authority is laws of 2004, Chapter 1117.

Breakfast for Elementary Students – To fund elementary breakfast. The authority is the United States Department of Agriculture through the New Mexico Public Education Department.

Schools on the Rise – To account for state grant used to provide for the improvement of the adequate yearly progress goals.

Science Instructional Materials – To account for state grant used to provide for the purchase of science instructional material and supplies.

NMYCC – This fund is to account for funds used by students to beautify and landscape parks and school grounds. (New Mexico Youth Conservation Corps, established by state statute.) Funding authority is New Mexico Energy, Minerals, and Natural Resources Department.

NM Arts Grant - To account for funds used for art given by the State of New Mexico. Authority is the State of New Mexico, Public Education Department.

School Based Health Center – A fund used to account for resources provided by the State of New Mexico Department of Health to implement a school-based health center. Authority is laws of 2005.

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Food Service - Special Revenue Fund
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ 7,150 | \$ 7,150 | \$ 8,856 | \$ 1,706 |
| State sources | - | - | - | - |
| Federal sources | 105,000 | 103,259 | 126,123 | 22,864 |
| Interest | - | - | 33 | 33 |
| Total Revenues | <u>112,150</u> | <u>110,409</u> | <u>135,012</u> | <u>24,603</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | 139,200 | 137,459 | 129,227 | 8,232 |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>139,200</u> | <u>137,459</u> | <u>129,227</u> | <u>8,232</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(27,050)</u> | <u>(27,050)</u> | <u>5,785</u> | <u>32,835</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | 27,050 | 27,050 | - | - |
| Total other financing sources (uses) | <u>27,050</u> | <u>27,050</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>5,785</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>65,187</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 70,972</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 5,785 | |
| Adjustment to revenue for accruals and other deferrals | | | 10,806 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | (10,294) | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ 6,297</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Athletics - Special Revenue Fund
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|---------------|--|
| Revenues: | | | | |
| Local and county sources | \$ 16,000 | \$ 16,000 | \$ 14,620 | \$ (1,380) |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>16,000</u> | <u>16,000</u> | <u>14,620</u> | <u>(1,380)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 15,493 | 15,493 | 11,820 | 3,673 |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | 3,725 | 3,725 | 2,767 | 958 |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>19,218</u> | <u>19,218</u> | <u>14,587</u> | <u>4,631</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(3,218)</u> | <u>(3,218)</u> | <u>33</u> | <u>3,251</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | 3,218 | 3,218 | - | - |
| Total other financing sources (uses) | <u>3,218</u> | <u>3,218</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>33</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>94</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 127</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 33 | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ 33</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Statement of Revenues, Expenditures and Changes In
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
 Board Activities - Special Revenue Fund
 For the Year Ended June 30, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|-------------------------|-------------------|---|
| Revenues: | | | | |
| Local and county sources | \$ 250 | \$ 250 | \$ 230 | \$ (20) |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>250</u> | <u>250</u> | <u>230</u> | <u>(20)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 15,557 | 15,557 | 2,846 | 12,711 |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>15,557</u> | <u>15,557</u> | <u>2,846</u> | <u>12,711</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(15,307)</u> | <u>(15,307)</u> | <u>(2,616)</u> | <u>12,691</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | <u>15,307</u> | <u>15,307</u> | - | - |
| Total other financing sources (uses) | <u>15,307</u> | <u>15,307</u> | - | - |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(2,616)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>15,271</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 12,655</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (2,616) | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ (2,616)</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
IDEA-B Preschool - Special Revenue Fund - 24109
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | 7,103 | 12,511 | 5,272 | (7,239) |
| Interest | - | - | - | - |
| Total Revenues | <u>7,103</u> | <u>12,511</u> | <u>5,272</u> | <u>(7,239)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 7,103 | 12,511 | 6,615 | 5,896 |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>7,103</u> | <u>12,511</u> | <u>6,615</u> | <u>5,896</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>(1,343)</u> | <u>(1,343)</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(1,343)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(4,510)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (5,853)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (1,343) | |
| Adjustment to revenue for accruals and other deferrals | | | 1,343 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Fresh Fruits and Vegetables - Special Revenue Fund - 24118
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-----------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | 6,069 | 6,069 | 5,142 | (927) |
| Interest | - | - | - | - |
| Total Revenues | <u>6,069</u> | <u>6,069</u> | <u>5,142</u> | <u>(927)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | 6,069 | 6,069 | 5,981 | 88 |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>6,069</u> | <u>6,069</u> | <u>5,981</u> | <u>88</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>(839)</u> | <u>(839)</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(839)</u> | <u>(839)</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (839)</u> | <u>\$ (839)</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (839) | |
| Adjustment to revenue for accruals and other deferrals | | | 839 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Enhancing Education Through Technology - Special Revenue Fund - 24133
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(2,257)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (2,257)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Title V-A - Special Revenue Fund - 24150
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-----------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(634)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (634)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Teacher/Principal Training & Recruitment - Special Revenue Fund - 24154
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|--------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | 34,277 | 44,455 | 22,093 | (22,362) |
| Interest | - | - | - | - |
| Total Revenues | <u>34,277</u> | <u>44,455</u> | <u>22,093</u> | <u>(22,362)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 34,277 | 44,455 | 40,247 | 4,208 |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>34,277</u> | <u>44,455</u> | <u>40,247</u> | <u>4,208</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>(18,154)</u> | <u>(18,154)</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(18,154)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(21,610)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (39,764)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (18,154) | |
| Adjustment to revenue for accruals and other deferrals | | | 18,154 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Title IV-A - Special Revenue Fund - 24157
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-----------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(617)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (617)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Title I Stimulus - Special Revenue Fund - 24201
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-----------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(476)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (476)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Medicaid - Special Revenue Fund - 25153
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|--------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | 27,868 | 27,868 |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>27,868</u> | <u>27,868</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | 90,580 | 90,580 | 44,061 | 46,519 |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>90,580</u> | <u>90,580</u> | <u>44,061</u> | <u>46,519</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(90,580)</u> | <u>(90,580)</u> | <u>(16,193)</u> | <u>74,387</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | 90,580 | 90,580 | - | (90,580) |
| Total other financing sources (uses) | <u>90,580</u> | <u>90,580</u> | <u>-</u> | <u>(90,580)</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(16,193)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>86,279</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 70,086</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (16,193) | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ (16,193)</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
CYFD Summer Lunch - Special Revenue Fund - 25171
For the Year Ended June 30, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|-------------------------|------------------|---|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | 25,045 | 25,045 | 24,071 | (974) |
| Interest | - | - | - | - |
| Total Revenues | <u>25,045</u> | <u>25,045</u> | <u>24,071</u> | <u>(974)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | 33,792 | 33,792 | 19,716 | 14,076 |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>33,792</u> | <u>33,792</u> | <u>19,716</u> | <u>14,076</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(8,747)</u> | <u>(8,747)</u> | <u>4,355</u> | <u>13,102</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>4,355</u> | <u>-</u> |
| Cash balances - beginning of year | <u>795</u> | <u>-</u> | <u>9,818</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ 795</u> | <u>\$ -</u> | <u>\$ 14,173</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 4,355 | |
| Adjustment to revenue for accruals and other deferrals | | | (4,355) | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Underage Drinking - Special Revenue Fund - 25187
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|--------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | - | - | 21 | - |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 21</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Rural Education Achievement Program - Special Revenue Fund - 25233
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(5,539)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (5,539)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Dual Credit Instructional Materials - Special Revenue Fund - 27103
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|---------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 656 | 826 | 553 | (273) |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | 656 | 826 | 553 | (273) |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 656 | 826 | 553 | 273 |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | 656 | 826 | 553 | 273 |
| Excess (deficiency) of revenues over (under) expenditures | - | - | - | - |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | - | - | - | - |
| Cash balances - beginning of year | - | - | (37) | - |
| Cash balances - end of year | \$ - | \$ - | \$ (37) | \$ - |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | \$ - | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
GO Student Library Bonds - Special Revenue Fund - 27105
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-----------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(381)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (381)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
GO Bond Senate Bill 1, Laws of 2010 - Special Revenue Fund - 27106
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 2,963 | 2,963 | 3,294 | 331 |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>2,963</u> | <u>2,963</u> | <u>3,294</u> | <u>331</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | 2,963 | 2,963 | 2,962 | 1 |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>2,963</u> | <u>2,963</u> | <u>2,962</u> | <u>1</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>332</u> | <u>332</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>332</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(3,294)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (2,962)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 332 | |
| Adjustment to revenue for accruals and other deferrals | | | (332) | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
GO Bond - Special Revenue Fund - 27145
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(1,506)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (1,506)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Breakfast For Elementary Students - Special Revenue Fund - 27155
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 2,944 | 2,944 | 3,440 | 496 |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>2,944</u> | <u>2,944</u> | <u>3,440</u> | <u>496</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | 2,944 | 2,944 | 2,944 | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>2,944</u> | <u>2,944</u> | <u>2,944</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>496</u> | <u>496</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>496</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(3,440)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (2,944)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 496 | |
| Adjustment to revenue for accruals and other deferrals | | | (496) | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Schools On The Rise - Special Revenue Fund - 27164
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(4,000)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (4,000)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ - | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
Science Instructional Materials k-12 - Special Revenue Fund - 27176
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 4,935 | 4,935 | 4,569 | 366 |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>4,935</u> | <u>4,935</u> | <u>4,569</u> | <u>366</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(4,935)</u> | <u>(4,935)</u> | <u>(4,569)</u> | <u>366</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(4,569)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (4,569)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (4,569) | |
| Adjustment to revenue for accruals and other deferrals | | | 4,569 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
NMYCC - Special Revenue Fund - 28118
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-----------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 45,370 | 45,370 | 33,363 | (12,007) |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>45,370</u> | <u>45,370</u> | <u>33,363</u> | <u>(12,007)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | 45,370 | 45,370 | 18,503 | 26,867 |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>45,370</u> | <u>45,370</u> | <u>18,503</u> | <u>26,867</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>14,860</u> | <u>14,860</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>14,860</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(13,559)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,300</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 14,860 | |
| Adjustment to revenue for accruals and other deferrals | | | (14,860) | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
NM Arts Grant - Special Revenue Fund - 28131
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | 3,269 | 3,269 | 6,596 | 3,327 |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>3,269</u> | <u>3,269</u> | <u>6,596</u> | <u>3,327</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | 3,269 | 3,269 | 3,269 | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>3,269</u> | <u>3,269</u> | <u>3,269</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | <u>3,327</u> | <u>3,327</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>3,327</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>(6,501)</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (3,174)</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 3,327 | |
| Adjustment to revenue for accruals and other deferrals | | | (3,327) | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes In
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
School Based Health Center - Special Revenue Fund - 29130
For the Year Ended June 30, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|-------------------------|------------------|---|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | 54,403 | 54,403 | 27,927 | 26,476 |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>54,403</u> | <u>54,403</u> | <u>27,927</u> | <u>26,476</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(54,403)</u> | <u>(54,403)</u> | <u>(27,927)</u> | <u>26,476</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | 54,403 | 54,403 | - | (54,403) |
| Total other financing sources (uses) | <u>54,403</u> | <u>54,403</u> | <u>-</u> | <u>(54,403)</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(27,927)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>55,433</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 27,506</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (27,927) | |
| Adjustment to revenue for accruals and other deferrals | | | 27,927 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ -</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual
Bond Building - 31100
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ - | \$ - | \$ - | \$ - |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | - | - | - | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | 61,496 | 61,496 | 9,325 | 52,171 |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>61,496</u> | <u>61,496</u> | <u>9,325</u> | <u>52,171</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(61,496)</u> | <u>(61,496)</u> | <u>(9,325)</u> | <u>52,171</u> |
| Other financing sources (uses): | | | | |
| Loan from other funds | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | 61,496 | 61,496 | - | - |
| Total other financing sources (uses) | <u>61,496</u> | <u>61,496</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(9,325)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>64,525</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 55,200</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ (9,325) | |
| Adjustment to revenue for accruals and other deferrals | | | - | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ (9,325)</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Capital Improvements SB-9 - 31700
For the Year Ended June 30, 2013

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|------------------|------------------|--|
| Revenues: | | | | |
| Local and county sources | \$ 107,126 | \$ 127,729 | \$ 113,427 | \$ (14,302) |
| State sources | 26,336 | 26,336 | 20,603 | (5,733) |
| Federal sources | - | - | - | - |
| Interest | - | - | - | - |
| Total Revenues | <u>133,462</u> | <u>154,065</u> | <u>134,030</u> | <u>(20,035)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | 1,100 | 1,313 | 1,134 | 179 |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | 385,051 | 397,051 | 101,126 | 295,925 |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total expenditures | <u>386,151</u> | <u>398,364</u> | <u>102,260</u> | <u>296,104</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(252,689)</u> | <u>(244,299)</u> | <u>31,770</u> | <u>276,069</u> |
| Other financing sources (uses): | | | | |
| Due From Other Funds | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | 147,980 | 147,980 | - | - |
| Total other financing sources (uses) | <u>147,980</u> | <u>147,980</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>31,770</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>36,557</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 68,328</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$ 31,770 | |
| Adjustment to revenue for accruals and other deferrals | | | 5,044 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$ 36,814</u> | |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Debt Service - 41000
For the Year Ended June 30, 2013

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|-------------------------|--------------------|---|
| Revenues: | | | | |
| Local and county sources | \$ 398,221 | \$ 398,221 | \$ 271,224 | \$ (126,997) |
| State sources | - | - | - | - |
| Federal sources | - | - | - | - |
| Interest | 20 | 20 | 8 | (12) |
| Total Revenues | <u>398,241</u> | <u>398,241</u> | <u>271,232</u> | <u>(127,009)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Instruction | - | - | - | - |
| Support services-students | - | - | - | - |
| Support services-instruction | - | - | - | - |
| Support services-general administration | 2,712 | 2,712 | 2,712 | - |
| Support services-school administration | - | - | - | - |
| Central services | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - |
| Student transportation | - | - | - | - |
| Other support services | - | - | - | - |
| Food services operations | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt Service: | | | | |
| Principal | 355,000 | 355,000 | 355,000 | - |
| Interest | 43,241 | 43,241 | 43,199 | 42 |
| Total expenditures | <u>400,953</u> | <u>400,953</u> | <u>400,911</u> | <u>42</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(2,712)</u> | <u>(2,712)</u> | <u>(129,679)</u> | <u>(129,967)</u> |
| Other financing sources (uses): | | | | |
| Operating transfers | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Designated cash | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>(129,679)</u> | <u>-</u> |
| Cash balances - beginning of year | <u>-</u> | <u>-</u> | <u>216,531</u> | <u>-</u> |
| Cash balances - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 86,851</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary basis) | | | \$(129,679) | |
| Adjustment to revenue for accruals and other deferrals | | | 10,106 | |
| Adjustment to expenditures for payables, prepaids and other accruals | | | - | |
| Net changes in fund balance (GAAP basis) | | | <u>\$(119,573)</u> | |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2013

| | <u>Balance June 30, 2012</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 2013</u> |
|--------------------------|--------------------------------------|-----------------------|-------------------------|--------------------------------------|
| <u>Assets</u> | | | | |
| High School | \$ 23,801 | \$ 84,290 | \$ (80,638) | \$ 27,453 |
| Elementary School | 11,565 | 18,127 | (19,394) | 10,298 |
| Total Assets | <u>\$ 35,366</u> | <u>\$ 102,417</u> | <u>\$ (100,032)</u> | <u>\$ 37,751</u> |
| Liabilities | | | | |
| Deposits held for others | <u>35,366</u> | <u>102,417</u> | <u>\$ (100,032)</u> | <u>37,751</u> |
| Total Liabilities | <u>\$ 35,366</u> | <u>\$ 102,417</u> | <u>\$ (100,032)</u> | <u>\$ 37,751</u> |

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

State of New Mexico
Mountainair Public Schools
 Schedule of Expenditures of Federal Awards
 June 30, 2013

| <u>Federal Grantor/Pass Through Grantor/Program Title</u> | <u>Pass- Through Number</u> | <u>CFDA Number</u> | <u>Federal Expenditures</u> |
|---|-------------------------------------|------------------------|---------------------------------|
| <u>United States Department of Education:</u> | | | |
| Passed Through the New Mexico Department of Education | | | |
| Title I | 24101 | 84.010 | \$ 213,873 |
| Entitlement | 24106 | 84.027 | 92,683 |
| Preschool | 24109 | 84.173 | 6,615 |
| Title II | 24154 | 84.367 | 40,247 |
| Total US Department of Education | | | <u>353,418</u> |
| | | | |
| <u>United States Department of Agriculture:</u> | | | |
| Passed Through the New Mexico Department of Education | | | |
| Forest Reserve | 11000 | 10.665 | 5,424 |
| National School Lunch/Breakfast | 21000 | 10.555 | 139,521 |
| Fresh Fruits & Vegetables | 24118 | 10.582 | 5,981 |
| CYFD Summer Lunch | 25171 | 10.558 | 19,716 |
| Total US Department of Agriculture | | | <u>170,642</u> |
| | | | |
| <u>United States Department of Health and Human Services:</u> | | | |
| Passed Through the New Mexico Department of Health | | | |
| U.S.D.A Commodities | 21000 | 10.550 | 10,806 |
| Medicaid Title XIX | 25153 | 93.778 | 44,061 |
| Total US Department of Health and Human Services | | | <u>54,867</u> |
| | | | |
| Total Expenditures of Federal Awards | | | <u><u>\$ 578,927</u></u> |

State of New Mexico
Mountainair Public Schools
Schedule of Expenditures of Federal Awards (Continued)
June 30, 2013

Notes to Schedule of Expenditures of Federal Awards

1 Basis of Presentation

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

2 Non-Cash Assistance

The District expended \$10,806 worth of U.S.D.A Commodities received for the year.

3 Subrecipients

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

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SUPPORTING SCHEDULES

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Schedule of Cash Reconciliations
 For the Year Ended June 30, 2013

| | Operational Account 11000 | Transportation Account 13000 | Instructional Materials 14000 | Food Services Account 21000 |
|--|---------------------------------|------------------------------------|-------------------------------------|-----------------------------------|
| Cash per June 30, 2012 | \$ 231,760 | \$ 165 | \$ 5,046 | \$ 65,187 |
| Current year revenue | 3,175,498 | 296,608 | 18,938 | 135,012 |
| Loans from other funds | - | | | |
| Cash transfers in | | | | |
| Prior year warrants voided | | | | |
| Current year expenditures | (3,150,790) | (296,607) | (18,628) | (129,227) |
| Loans to other funds | (24,230) | | | |
| Adjustment | - | | | |
| Total cash and investments 06/30/2013 | <u>\$ 232,238</u> | <u>\$ 166</u> | <u>\$ 5,356</u> | <u>\$ 70,972</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Schedule of Cash Reconciliations
 For the Year Ended June 30, 2013

| Athletics Account 22000 | Non-Instruct. Fund 23000 | Federal Flowthrough Fund 24000 | Federal Direct Fund 25000 | State Flowthrough Fund 27000 | State Direct Fund 28000 | Local/State Fund 29000 |
|-------------------------------|--------------------------------|---|------------------------------------|---------------------------------------|----------------------------------|------------------------------|
| \$ 94 | \$ 15,271 | \$ - | \$ 96,118 | \$ - | \$ 155,582 | \$ 55,433 |
| 14,620 | 230 | 322,030 | 51,939 | 7,287 | 64,177 | - |
| | | 37,375 | - | 3,741 | - | |
| (14,587) | (2,846) | (359,405) | (63,777) | (11,028) | (197,385) | (27,927) |
| | | - | - | - | (16,886) | |
| | | - | | - | | |
| <u>\$ 127</u> | <u>\$ 12,655</u> | <u>\$ -</u> | <u>\$ 84,280</u> | <u>\$ -</u> | <u>\$ 5,488</u> | <u>\$ 27,506</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Schedule of Cash Reconciliations
 For the Year Ended June 30, 2013

| | Bond Building 31100 | Cap. Improv. SB-9 31700 | Debt Service Fund 41000 | Governmental |
|---|---------------------------|-------------------------------|-------------------------------|-------------------|
| Audited net cash and Investments, 06/30/12 | \$ 64,525 | \$ 36,557 | \$ 237,011 | \$ 962,749 |
| Current year revenue | - | 134,030 | 271,232 | 4,491,601 |
| Loans from other funds | - | - | | 41,116 |
| Cash transfers in | | | | - |
| Prior year warrants voided | | | | - |
| Current year expenditures | (9,325) | (102,260) | (400,911) | (4,784,703) |
| Loans to other funds | - | - | | (41,116) |
| Adjustment | | | | - |
| Total cash and investments 06/30/2013 | <u>\$ 55,200</u> | <u>\$ 68,327</u> | <u>\$ 107,332</u> | <u>\$ 669,647</u> |

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

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Schedule of Cash Reconciliations
 For the Year Ended June 30, 2013

| | Account Name | Type of Account | Bank Balance June 30, 2013 | Reconciled Balance, June 30, 2013 |
|--|---------------------------|--------------------|-------------------------------|---|
| My Bank, Belen, NM | General Operating | Checking | \$ 367,651 | \$ 276,898 |
| | School Lunch | Checking | 79,012 | 79,012 |
| | Payroll Clearing | Checking | 155,130 | 38,286 |
| | Bond Proceeds | Savings | 194,039 | 194,039 |
| | High School Activities | Checking | 28,292 | 27,580 |
| | Elementary Activities | Checking | 10,363 | 10,298 |
| | Investment | Savings | 66,525 | 66,525 |
| | Investment | Savings | 10,570 | 10,570 |
| | Investment | Savings | 2 | 2 |
| | Investment | Savings | 4,188 | 4,188 |
| | Total cash balance | | <u>\$ 915,772</u> | <u>\$ 707,398</u> |
| | | | | |
| Cash and investments per financial statements: | | | | |
| | All governmental funds | | | \$ 669,647 |
| | Agency funds | | | <u>37,751</u> |
| | Total | | | <u>\$ 707,398</u> |

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

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
 Schedule of Pledged Collateral
 June 30, 2013

New Mexico statutes provide that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage for each financial institution.

Securities which are obligations of the State of New Mexico, its agencies, institutions, counties, or municipalities or other subdivisions are accepted as security at par value; all other securities are accepted as security at market value.

The following is a description of cash on deposit by financial institutions and the related pledged collateral at June 30, 2013:

My Bank, Belen, New Mexico:

| | |
|----------------------------|-------------------|
| Total bank deposits | \$ 911,582 |
| Amount insured by FDIC | <u>(250,000)</u> |
| Uninsured public funds | <u>\$ 661,582</u> |
| 50% Collateral requirement | <u>\$ 330,791</u> |

Amount collateralized with the following securities held by The Independent Banker's Bank, Dallas, Texas:

| <u>CUSIP#</u> | <u>Security Description</u> | <u>Date</u> | <u>Maturity Rate</u> | <u>Pledged Value</u> |
|---------------|-----------------------------|-------------|----------------------|----------------------|
| 189414HB4 | Clovis NM MSD | 08/01/14 | 2.00% | \$463,481 |
| 550340DL4 | Luna County NM SD | 08/01/16 | 3.60% | <u>325,248</u> |
| | | | Total Pledged | <u>\$788,729</u> |

The Mountainair Public Schools are fully pledged and collateralized as of June 30, 2013.

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Schedule of Joint Powers Agreement
For the Year Ended June 30, 2013

Parties Involved: District and State of New Mexico, Public School Facilities Authority (PSFA)

Responsible Party: PSFA

Beginning Date: 7/1/2010

Ending Date: 6/30/2015

Amount Applicable: n/a

Amount Contributed: n/a

Amount Responsibility: District

Note: This joint power agreement does not have a monetary amount within it but enables PSFA to work with the District.

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COMPLIANCE SECTION

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CALHOON ACCOUNTING & TAX SERVICES
PO BOX 945
ESTANCIA, NEW MEXICO 87016

**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**

Mr. Hector H. Balderas, State Auditor
The Board of Education and
The Audit Committee of
Mountainair Public Schools

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 the Mountainair Public Schools as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Mountainair Public Schools basic financial statements, and the combining and individual funds and related budgetary comparisons of Mountainair Public Schools, presented as supplemental information, and have issued my report thereon dated February 6, 2014.

Internal Control over Financial Reporting

In planning and performing my audit, of the financial statements, I considered Mountainair Public Schools 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 Mountainair Public Schools internal control. Accordingly, I do not express an opinion on the effectiveness of Mountainair Public Schools internal control.

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

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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 deficiency described as finding 2004-01 in the accompanying schedule of findings and questioned costs to be a material weakness.

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 as findings 2012-02, 2013-01 in the accompanying schedule of findings and questioned costs to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mountainair Public Schools 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 our 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 questioned costs as items 2012-02 and 2013-01.

Mountainair Public Schools Response to Findings

Mountainair Public School's responses to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs. Mountainair Public Schools response was 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

This 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Calhoon Accounting + Tax Services

Calhoon Accounting & Tax Services
Estancia, New Mexico
February 6, 2014

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CALHOON ACCOUNTING & TAX SERVICES
PO BOX 945
ESTANCIA, NEW MEXICO 87016

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

Mr. Hector H. Balderas, State Auditor
The Board of Education and
The Audit Committee of
Mountainair Public Schools

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination on Mountainair Public Schools compliance.

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Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

Calhoon Accounting & Tax Services
Calhoon Accounting & Tax Services
Estancia, New Mexico
February 6, 2014

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness (es) identified? yes _____ no

Significant deficiencies identified that are
not considered to be material weaknesses: yes _____ no

Noncompliance material to financial statements

Noted? _____ yes no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ yes no

Significant deficiencies identified that are
not considered to be material weaknesses: _____ yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified.

Any audit findings disclosed that are required
to be reported in accordance with section 510(a)
of Circular A-133? _____ yes no

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Identification of major programs:

| CFDA Number(s) | Name of Federal Program or Cluster |
|----------------|------------------------------------|
| 84.010 | Title I |
| 84.173 | Preschool |
| 10.665 | Forest Reserve |
| 10.582 | Fresh Fruits & Vegetables |
| 10.558 | CYFD Summer Lunch |
| 10.550 | USDA Commodities |
| 93.778 | Title XIX |

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee yes no

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

FINANCIAL STATEMENT FINDINGS

2004-01 Bank Accounts Not Reconciled-Material Weakness

Condition: The Operational Checking Account, Payroll Clearing Account, and Food Service bank accounts are not being reconciled to the General Ledger on a monthly basis. Twelve out of twelve months on all three accounts were not reconciled on a timely basis.

Criteria: Per good internal control practices, all bank accounts should be reconciled to the balances per books each month.

Effect: Internal control is weakened.

Cause: This area did not receive proper attention.

Recommendation: Bank accounts should be reconciled to the balance per books each month. All bank accounts should be reconciled each month, and the payroll clearing account should be reconciled to zero. A supervisor should review and initial the reconciliation's, indicating review oversight.

Management's response: The District has currently resolved issue. The Administration is providing the Board of Education monthly reconciled reports to ensure this is resolved.

2012-02 Timeliness of Audit Report-Significant Deficiency, non-compliance

Condition: The New Mexico State Auditor requires the audit to be completed and submitted to his office by November 15, 2013, the report is past due.

Criteria: Governmental entities, agencies, and committees review the reports and prefer to do so in a timely manner. The SAO Rule, NMAC 2.2.2.9 A establishes a due date of November 15 for the audit reports of school districts.

Effect: The audit was considered late.

Cause: The District was not ready for the auditor when originally scheduled due to water damage to the central office which caused and the office to be temporarily relocated for several months.

Recommendation: The District and its auditor will work together to get the next years audit submitted timely.

Management's response: We concur with the auditor's recommendation.

State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

FINANCIAL STATEMENT FINDINGS (continued)

Current Year Audit Findings

2013-01 Negative Cash Balances-Significant Deficiency, non-compliance

Condition: The District has pooled bank accounts where some of the funds have negative cash. The Operating Fund and the SB-9 Capital Outlay Fund have been deemed to have loaned money to the other funds. The Operational Fund has loaned various special revenue funds a total of \$24,230 and the Capital Improvements SB-9 Fund has loaned various special revenue funds a total of \$270,370.

Criteria: A governmental accounting system must make it possible to present fairly and with full disclosure the funds of the government unit in conformity with generally accepted accounting principles.

Effect: Due to the negative cash balances in the special revenue funds, other funds are in effect making loans without proper approval.

Cause: Overspending in special revenue funds or not requesting revenue reimbursement on a timely basis.

Recommendation: Monitor cash balances on a monthly basis. Any variances or negative cash balances need to be investigated and resolved immediately.

Management's response: The District will work to monitor cash balances on a monthly basis and make adjustments with board approval when necessary.

Federal Award Finding and Questioned Costs

None were reported.

Prior Year Audit Findings

2004-01 – Bank Accounts not reconciled – Repeated
2012-01 – Excess Expenditures over Budget – Resolved
2012-02 – Timeliness of Audit Report - Repeated

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State of New Mexico
MOUNTAINAIR PUBLIC SCHOOLS
Other Disclosures
For the Year Ended June 30, 2013

AUDITOR PREPARED FINANCIAL STATEMENTS

Management is responsible for the content of the report and financial statements. It would be preferred and desirable for the District to prepare its own GAAP-basis financial statements; although the District is capable, with guidance, of preparing, reviewing and approving the financial statements, it is felt that the District's personnel do 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.

EXIT CONFERENCE

An exit conference was held in the offices of the Superintendent of Mountainair Public Schools in Mountainair, New Mexico on February 6, 2014. Those attending were Ron Hendrik, Superintendent, Darrell Roberts, Board Member, Loretta Moseley, Audit Committee Member, Mary Childers, Audit Committee Member, Tammy Zamora, Business Manager, and Renea L. Calhoon CPA. The financial statements and audit report were discussed.

The financial statements presented in this report were prepared by the auditor, Calhoon Accounting and Tax Services.