

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS
 JUNE 30, 2012

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 RUIDOSO MUNICIPAL SCHOOLS
 JUNE 30, 2012

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STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

OFFICIAL ROSTER

June 30, 2012

BOARD OF EDUCATION

Devin Marshall	President
Cecil Davis	Vice President
Curt Temple	Secretary
Rhonda Vincent	Member
Kerry Gladden Eastep	Member

SCHOOL OFFICIALS

Patty White	Interim Superintendent
Yvonne Perez	Director of Finance

Woodard, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Mr. Hector H Balderas
New Mexico State Auditor
The School Board
Ruidoso Municipal Schools

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Ruidoso Municipal Schools' (District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental, nonmajor and the budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012, as listed in the table of contents.

These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

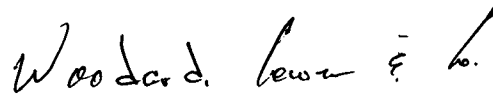
In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2012, and the respective budgetary 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 our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of each nonmajor governmental, of the District as of June 30, 2012, and the respective budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2012 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Portales: PO Box 445, 118 E. 2nd Street Portales NM, 88130 Phone: 575-356-8564 Fax: 575-356-2453
Clovis: PO Box 1874, 116 E. Grand Avenue Clovis NM, 88101 Phone: 575-762-3811 Fax: 575-762-3866

The District has omitted the MD&A which is required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements is required by GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the 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 Organizations*, and is not a required part of the financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Woodward Lewis & Co." with a stylized flourish at the end.

Portales, New Mexico
November 13, 2012

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF NET ASSETS

June 30, 2012

<u>ASSETS</u>	<u>Governmental Activities Primary Government</u>
Current:	
Cash	\$ 12,716,016
Due from other governments	370,935
Property Taxes Receivable	210,256
Inventory	6,358
Non-current:	
Capital assets, Net	<u>58,393,675</u>
Total assets	<u>\$ 71,697,240</u>

LIABILITIES

Current:	
Accounts Payable	1,144,961
Accrued Payroll	923,070
Accrued Interest Payable	506,953
Deferred Revenue	302,175
Debt due within one year	2,100,000
Non-current:	
Compensated Absences	94,056
Bond premium (net of amortization of \$20,653)	100,433
Debt due in more than one year	<u>32,355,850</u>
Total liabilities	<u>37,527,498</u>

NET ASSETS

Invested in capital assets, net of related debt	23,937,825
Restricted for:	
Debt Service	3,314,815
Bond Building	4,352,872
Senate Bill Nine	1,666,296
Athletics	48,450
Cafeteria	156,352
Instructional Materials	17,399
Unrestricted	<u>675,733</u>
Total net assets	<u>\$ 34,169,742</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue & Changes in Net Assets
	\$	\$	\$	\$	\$
Primary government:					
Governmental Activities:					
Instruction	10,598,888	33,370	1,105,293	-	(9,460,225)
Support Services	2,001,440	-	89,689	-	(1,911,751)
Support Services-Students	194,438	-	173,146	-	(21,292)
Support Services-Instruction	497,663	-	35,304	-	(462,359)
Support Services-General Administration	587,938	-	3,062	-	(584,876)
Support Services-School Administration	913,448	-	36,136	-	(877,312)
Central Services	488,047	-	-	-	(488,047)
Operation & Maintenance of Plant	6,217,469	-	-	-	(6,217,469)
Student Transportation	871,282	-	769,531	-	(101,751)
Community Services	28,464	-	8,614	-	(19,850)
Food Services-Operations	954,907	161,429	783,731	-	(9,747)
Bond Interest Paid	1,169,489	-	-	-	(1,169,489)
Depreciation-Unallocated	1,682,533	-	-	-	(1,682,533)
Total governmental activities	\$ 26,206,006	\$ 194,799	\$ 3,004,506	\$ -	\$ (23,006,701)
General Revenues:					
Property Taxes:					
Levied for General Purposes					209,297
Levied for Debt Service					3,541,823
Levied for Capital Projects					1,203,168
State Equalization Guarantee					14,312,715
State Capital Outlay Grants					657,417
Federal Sources					593,805
Loss on Equipment Sold					(14,032)
Interest Earnings					20,322
Private grants					-
Fees					95,720
Miscellaneous					250,107
			Total general revenues		20,870,342
			Change in net assets		(2,136,359)
			Net assets - beginning		35,898,375
			Restatement		407,726
			Restated Balance		36,306,101
			Net assets - ending	\$	34,169,742

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

BALANCE SHEET-- GOVERNMENTAL FUNDS

June 30, 2012

	<u>GENERAL</u>	<u>BOND BUILDING</u>	<u>SENATE BILL 9</u>
ASSETS			
Cash on Deposit	\$ 1,890,369	\$ 5,450,441	\$ 1,649,255
Due from Other Funds	361,234	-	-
Due from Other Agencies	9,701	-	-
Property Tax Receivable	9,425	-	50,943
Inventory	-	-	-
TOTAL ASSETS	<u>\$ 2,270,729</u>	<u>\$ 5,450,441</u>	<u>\$ 1,700,198</u>
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ 47,392	\$ 1,097,569	\$ -
Accrued Payroll	835,913	-	-
Deferred Revenue	6,438	-	33,902
Due to Other Funds	-	-	-
TOTAL LIABILITIES	<u>889,743</u>	<u>1,097,569</u>	<u>33,902</u>
FUND BALANCE			
Nonspendable	-	-	-
Restricted	-	4,352,872	-
Unassigned	1,380,986	-	1,666,296
TOTAL FUND BALANCE	<u>1,380,986</u>	<u>4,352,872</u>	<u>1,666,296</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,270,729</u>	<u>\$ 5,450,441</u>	<u>\$ 1,700,198</u>

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

<u>DEBT SERVICE</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 3,192,529	\$ 533,422	\$ 12,716,016
-	-	361,234
-	361,234	370,935
130,286	19,600	210,254
-	6,358	6,358
<u>3,322,815</u>	<u>\$ 920,614</u>	<u>\$ 13,664,797</u>
\$ -	\$ -	\$ 1,144,961
-	87,157	923,070
81,796	40,526	162,662
-	361,234	361,234
<u>81,796</u>	<u>488,917</u>	<u>2,591,927</u>
-	6,358	6,358
-	425,339	4,778,211
3,241,019	-	6,288,301
<u>3,241,019</u>	<u>431,697</u>	<u>11,072,870</u>
<u>3,322,815</u>	<u>\$ 920,614</u>	<u>\$ 13,664,797</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS

June 30, 2012

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

Fund balances - total governmental funds	\$ 11,072,870
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	58,393,675
Compensated absences	(94,056)
Property taxes receivable not available for current year expenditures and therefore are deferred in the funds	(139,513)
Accrued Interest Payable not reported in funds	(506,953)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(34,455,850)
Bond Premium not included in funds	<u>(100,431)</u>
Net assets of governmental activities	<u>\$ 34,169,742</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE-- GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	General	BOND BUILDING	Senate Bill 9
REVENUE			
Federal Programs	\$ 405,349	\$ -	\$ -
State Programs	860,388	-	48,267
State Equalization	14,312,715	-	-
Interest Earnings	4,713	8,349	1,635
Fees	95,720	-	-
Sale of Property	950	-	-
Miscellaneous	206,906	-	29,752
Sale of Bond Proceeds		9,000,000	-
Premium on Bond Sale		-	-
Local Property Taxes	209,297	-	1,203,168
TOTAL REVENUES	<u>16,096,038</u>	<u>9,008,349</u>	<u>1,282,822</u>
EXPENDITURES			
Current			
Instruction	9,490,418	-	-
Support Services	1,770,763	-	-
Support Services-Students	-	-	-
Support Services-Instruction	439,804	-	-
Support Services-General Administration	537,267	-	12,004
Support Services-School Administration	877,213	-	-
Central Services	488,047	-	-
Operation & Maintenance of Plant	2,256,798	-	-
Student Transportation	853,704	-	-
Food Services-Operations	-	-	-
Community Services-Operations	19,850	-	-
Acquisition & Construction	-	4,963,041	807,646
Debt Service			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	<u>16,733,864</u>	<u>4,963,041</u>	<u>819,650</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(637,826)	4,045,308	463,172
Other Financing Sources (uses)			
Transfers In/Out	(23,938)	-	-
Total Other Financial Sources	<u>(23,938)</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	<u>(661,764)</u>	<u>4,045,308</u>	<u>463,172</u>
FUND BALANCE			
June 30, 2011	<u>2,042,750</u>	<u>307,564</u>	<u>1,203,124</u>
Restatement	-	-	-
Restated Balance	<u>2,042,750</u>	<u>307,564</u>	<u>1,203,124</u>
FUND BALANCE June 30, 2012	<u><u>\$ 1,380,986</u></u>	<u><u>\$ 4,352,872</u></u>	<u><u>\$ 1,666,296</u></u>

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

<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental</u>
\$ -	\$ 2,279,587	\$ 2,684,936
-	52,985	961,640
-	-	14,312,715
5,007	618	20,322
-	194,799	290,519
-	-	950
-	13,449	250,107
-	-	9,000,000
81,866	-	81,866
<u>3,526,508</u>	<u>41,601</u>	<u>4,980,574</u>
<u>3,613,381</u>	<u>2,583,039</u>	<u>32,583,629</u>
-	1,090,584	10,581,002
-	230,677	2,001,440
-	194,438	194,438
-	57,859	497,663
35,142	3,525	587,938
-	36,235	913,448
-	-	488,047
-	2,416	2,259,214
-	17,578	871,282
-	954,907	954,907
-	8,614	28,464
-	145,781	5,916,468
1,700,000	590,000	2,290,000
<u>1,081,733</u>	<u>6,529</u>	<u>1,088,262</u>
<u>2,816,875</u>	<u>3,339,143</u>	<u>28,672,573</u>
796,506	(756,104)	3,911,056
-	23,938	-
-	23,938	-
<u>796,506</u>	<u>(732,166)</u>	<u>3,911,056</u>
<u>2,444,513</u>	<u>1,194,343</u>	<u>7,192,294</u>
<u>2,444,513</u>	<u>(30,480)</u>	<u>(30,480)</u>
<u>2,444,513</u>	<u>1,163,863</u>	<u>7,161,814</u>
<u>\$ 3,241,019</u>	<u>\$ 431,697</u>	<u>\$ 11,072,870</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCE OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2012

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

Net change in fund balance - total governmental funds	\$ 3,911,056
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year.	275,680
Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues in the governmental funds, and are instead reported as deferred revenues. They are however, recorded as revenues in the Statement of Activities.	(26,284)
Bond issuance Cost	-
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds	
Bond issuance proceeds	(9,000,000)
Bond Premium	(81,866)
PSFA Direct Payment	609,150
Expenses in the statement of activities which do not require use of current financial resources	
Basis in Equipment Sold	(14,982)
Increase in interest Payable	(77,840)
Increase in compensated absences	(17,886)
Bond Principal	2,290,000
Bond Premium Amortization	(3,387)
Change in Net Assets	<u>\$ (2,136,359)</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
COMBINED STATEMENT OF REVENUE AND EXPENDITURES--BUDGET
(NON-GAAP) AND ACTUAL-GENERAL FUND
Year Ended June 30, 2012

	General Fund			VARIANCE
	ORIGINAL BUDGET	BUDGET	ACTUAL	Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 196,024	\$ 196,024	\$ 208,908	\$ 12,884
Fees Activities	28,755	28,755	26,746	(2,009)
Fees-Users	28,834	28,834	51,474	22,640
Interest Income	1,200	1,200	4,713	3,513
State Equalization	14,947,741	15,071,176	15,082,246	11,070
State Flow Through Grants	79,786	88,189	90,224	2,035
Impact Aid	265,455	265,455	255,626	(9,829)
Rent	-	-	17,500	17,500
Sale of Property/Equipment	-	-	950	950
Access Board	45,000	45,000	52,127	7,127
Refunds	-	-	120,254	120,254
Charter School Admin	-	-	35,157	35,157
Forest Reserve	154,305	154,305	149,723	(4,582)
TOTAL REVENUE	<u>15,747,100</u>	<u>15,878,938</u>	<u>\$ 16,095,648</u>	<u>\$ 216,710</u>
Cash Balance Budgeted	<u>2,112,763</u>	<u>1,843,836</u>		
TOTAL REVENUE & CASH	<u>\$ 17,859,863</u>	<u>\$ 17,722,774</u>		
EXPENDITURES				
Current				
Instruction	\$ 9,936,002	\$ 9,728,334	\$ 9,491,024	\$ 237,310
Support Services	-	-	-	-
Support Services-Students	1,900,268	1,830,368	1,770,763	59,605
Support Services-Instruction	557,823	557,823	439,804	118,019
Support Services-General Administration	615,725	615,725	577,996	37,729
Support Services-School Administration	886,582	886,582	877,213	9,369
Central Services	583,248	583,248	488,047	95,201
Operation & Maintenance of Plant	2,550,745	2,550,745	2,251,464	299,281
Student Transportation	754,897	895,316	853,704	41,612
Other Support Services	29,952	30,012	-	30,012
Community Services-operations	44,621	44,621	19,850	24,771
TOTAL EXPENDITURES	<u>\$ 17,859,863</u>	<u>\$ 17,722,774</u>	<u>\$ 16,769,865</u>	<u>\$ 952,909</u>
Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts (budgetary basis)			\$ 16,095,648	
Differences-Budget to GAAP			2,988	
Current Year Receivable			(2,598)	
Prior Year Receivable				
Total Revenues (GAAP Basis)			<u>\$ 16,096,038</u>	
Uses/outflows of resources				
Actual amounts (budgetary basis)			\$ 16,769,865	
Differences-budget to GAAP			(83,393)	
Prior Year Interest Payable			47,392	
Current Year Interest Payable				
Total Expenditures (GAAP Basis)			<u>\$ 16,733,864</u>	

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--CAPITAL PROJECTS FUND--BOND BUILDING

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Interest Income	400	400	8,349	7,949
Bond Proceeds	-	9,000,000	9,000,000	-
TOTAL REVENUE	400	9,000,400	\$ 9,008,349	\$ 7,949
Cash Balance Budgeted	250,000	307,563		
TOTAL REVENUE & CASH	\$ 250,400	\$ 9,307,963		
EXPENDITURES				
Current				
Acquisition & Construction	250,400	9,307,963	3,865,472	5,442,491
TOTAL EXPENDITURES	\$ 250,400	\$ 9,307,963	\$ 3,865,472	\$ 5,442,491

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 9,008,349
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	\$ 9,008,349

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 3,865,472
Differences-budget to GAAP	
Current Year Payable	1,097,569
Total Expenditures (GAAP Basis)	\$ 4,963,041

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--CAPITAL PROJECTS FUND - SENATE BILL 9

Year Ended June 30 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
Residential/Non-Residential Taxes	\$ 1,134,626	\$ 1,134,626	\$ 1,200,382	\$ 65,756
Interest Income	330	330	1,635	1,305
State Flow Through Grants	-	46,533	48,267	1,734
Insurance Recoveries	-	-	29,752	29,752
TOTAL REVENUE	<u>1,134,956</u>	<u>1,181,489</u>	<u>\$ 1,280,036</u>	<u>\$ 98,547</u>
Cash Balance Budgeted	<u>1,091,595</u>	<u>1,188,869</u>		
TOTAL REVENUE & CASH	<u>\$ 2,226,551</u>	<u>\$ 2,370,358</u>		
EXPENDITURES				
Current				
Support Services-General Administration	\$ 20,000	\$ 20,000	\$ 12,004	\$ 7,996
Acquisition & Construction	2,206,551	2,350,358	809,623	1,540,735
TOTAL EXPENDITURES	<u>\$ 2,226,551</u>	<u>\$ 2,370,358</u>	<u>\$ 821,627</u>	<u>\$ 1,548,731</u>
Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts (budgetary basis)			\$ 1,280,036	
Differences-Budget to GAAP				
Property tax Receivable			17,041	
Prior Year Tax Receivables			(14,255)	
Total Revenues (GAAP Basis)			<u>\$ 1,282,822</u>	
Uses/outflows of resources				
Actual amounts (budgetary basis)			\$ 821,627	
Differences-budget to GAAP				
Prior Year Payable			(1,977)	
Total Expenditures (GAAP Basis)			<u>\$ 819,650</u>	

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF FIDUCIARY ASSETS & LIABILITIES--AGENCY FUND

June 30, 2012

ASSETS	
Cash on Deposit	\$ <u>251,926</u>
TOTAL ASSETS	\$ <u><u>251,926</u></u>
LIABILITIES	
Due to Operational	\$ 9,701
Due to Student Groups	<u>242,225</u>
TOTAL LIABILITIES	\$ <u><u>251,926</u></u>

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

I. Summary of Significant Accounting Policies

A. Reporting Entity

Ruidoso Municipal School 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 the Village of Ruidoso and surrounding area. 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 Ruidoso Municipal 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. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

There were no component units.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds. 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. 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, net of estimated refunds and estimated uncollectible amounts, in the year for which they are levied, even if not available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

I. Summary of Significant Accounting Policies (continued)

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

Property taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

General Funds – The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

SB 9 – To account for 2 mill levy restricted by board resolution for erecting, remodeling, making additions to, providing equipment for, furnishing school buildings, and improving school grounds and maintenance of school buildings and grounds exclusive of salary expense of employees. Authority for the creation of this fund is NMSA 1978, 22-25-1 to 22-25-10.

BOND BUILDING – To account for the costs of capital improvements, such as erecting, remodeling, making additions to, providing equipment for and furnishing school buildings, purchasing and improving school grounds funded from the sale of General Obligation Bonds.

Debt Service Fund – 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.

The government also reports the following fund types:

Governmental Funds:

Nonmajor Special Revenue Funds – The District accounts for resources restricted to, or designated for, a specific purpose by the District or a grantor in a special revenue fund.

Nonmajor Debt Service Funds – The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.

Nonmajor Capital Project Funds – The proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

Fiduciary Funds:

Agency Funds – The District accounts for resources held for others in a custodial capacity in agency funds. The District's Agency Fund is the Student Activity Fund.

Similar to private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments.

State statutes authorize the investment of the District's funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, and money market accounts. The District is also allowed to invest in United States Government obligations. All funds of the District must follow the investment policies listed below.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the school district. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

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

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

Investments for the District are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

The School District's property taxes are levied each year on the assessed valuation of property located in the School District as of the preceding January 1st. The assessed valuation for the 2011 fiscal year was \$216,621,083. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB - 9 Capital Improvements Fund, and Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

3. Inventories

The food inventories are valued at cost using the first-in/first-out (FIFO) method. USDA Commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity (continued)

4. Capital assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life that extends beyond a single reporting period. The District is capitalizing qualifying software and library books as required. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building Improvements	20
Vehicles and Equipment	5

5. Compensated absences

All District employees on a 12 month contract earn annual leave at a rate of 10 days per year. Twelve month District employees, upon receipt of a second consecutive 12 month contract earn 15 days per year. Employees shall not accumulate more than 15 days of annual leave upon termination, employees are paid for their accrued annual leave, up to a maximum of 15 days.

6. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net assets. Bond 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 sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as capital projects expenditures.

7. Fund equity

For the government-wide financial statements, net assets are reported as restricted when constraints are placed on net asset use are either 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws and regulations of other governments; 2) Imposed by law through constitutional provisions or enabling legislation.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, and net assets or equity (continued)

8. Comparative data/reclassifications

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

9. Indirect Costs

The School 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.

10. Salaries and Wages

The School District pays all salaries and wages due teachers on or before June 30th of each year.

11. 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.

12. 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 cost".

A school district's program costs are determined through the use of various formulas using "program units" which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$14,312,715 in state equalization guarantee distributions during the year ended June 30, 2012.

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 \$769,531 in transportation distributions during the year ended June 30, 2012.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between fund *balance total governmental funds and net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, long-term liabilities, including bonds payable, is not due and payable in the current period and therefore is not reported in the funds." The details of the \$26,390,000 difference are as follows:

Bonds Payable	\$ 33,100,000
Note Payable to PSFA	1,355,850
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 34,455,850</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances - total governmental funds and changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$2,240,680 difference are as follows:

Capital Outlay	\$ 3,923,213
Depreciation expense	<u>1,682,533</u>
Net adjustment to increase net changes in fund balances – total government funds to arrive at changes in net assets of governmental activities	<u>\$ 2,240,680</u>

Another element of that reconciliation states "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$2,290,000 difference are as follows:

Principal repayments: General obligation debt	\$ 2,290,000
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 2,290,000</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

III. Stewardship, compliance, and accountability

A. Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the 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 reappropriated 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. The legal level of budgetary control is at the function level.

Actual expenditures may not exceed the budget on the function level, 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:

- In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
- In May or June, the budget is approved by the Board of Education
- The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.
- The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
- Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.
- The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2012 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 17,859,863	\$ 17,722,774
Special Revenue Fund	3,028,435	3,249,331
Debt Service	5,279,637	5,786,338
Capital Projects Fund	2,370,438	2,370,438
	<u>\$ 28,538,373</u>	<u>\$ 29,128,881</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

III. Stewardship, compliance, and accountability (continued)

B. Deficit fund equity

There were not any deficit fund balances at June 30, 2012.

IV. Detailed notes on all funds

A. Cash and temporary investments

At June 30, 2012, the carrying amount of the District's deposits was \$12,044,872 and the bank balance was \$13,148,362. Of this balance \$250,000 was covered by federal depository insurance and \$12,898,362 was covered by collateral held in the District's name in joint safekeeping by a third party.

New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution.

The collateral pledged is identified in the Supplementary Information 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.

Custodial Credit Risk – Deposits

Custodial Credit Risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial risk. As of June 30, 2012, none of the government's bank balance of \$13,148,362 was exposed to custodial risk as follows:

Uninsured and Uncollateralized

\$-0-

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

IV. Detailed notes on all funds (continued)

B. Receivables

Receivables as of year end for the government's individual major funds and non-major funds in the aggregate, including the following:

	Due From Other Agencies	Property Taxes Receivable
General Funds	\$ -	\$ 9,425
Senate Bill Nine	-	50,943
Debt Service	-	130,286
Ed Tech Debt Service	-	19,600
Title I	172,082	
Entitlement	97,960	-
Preschool	11,001	
Early Intervention	22,514	
Risk Pool	3,315	
Teacher/Principal Training	26,757	-
Rural and Low Income Schools	11,377	-
2009 Dual Credit Instructional Materials	5,375	
2008 GO Bond Library	277	-
2010 GO Bond Student Library	10,576	
Due from Activity	9,101	
Totals	<u>\$ 370,335</u>	<u>\$ 210,254</u>

Governmental funds reported *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Amounts due to the District from delinquent property tax due to the County Treasurer were not available. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>
Grant draw downs prior to meeting all eligibility requirements	\$ 162,662
Property Taxes – Delinquent	<u>139,513</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 302,175</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

IV. Detailed notes on all funds (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2012, was as follows:

	Balance 06/30/11	Adjustments	Increases	Decreases	Balance 06/30/12
Governmental Activities					
Capital Assets not being depreciated					
Land	\$ 1,340,817	\$ -	\$ -	\$ -	\$ 1,340,817
Construction in Progress	34,823,960	(34,823,960)	1,759,079	-	1,759,079
Total Capital Assets not being depreciated	36,164,777	(34,823,960)	1,759,079	-	3,099,896
Capital Assets being depreciated					
Buildings & Improvements	31,351,376	33,745,862	11,228	361,953	64,746,513
Land Improvements	2,736,023	1,516,304	2,073,997	-	6,326,324
Equipment	2,395,008	(774,858)	78,909	94,816	1,604,243
Total Capital Assets being depreciated	36,482,407	34,487,308	2,164,134	456,769	72,677,080
Less: Accumulated Depreciation					
Buildings & Improvements	13,250,148	-	1,419,475	346,971	14,322,652
Land Improvements	1,739,396	-	164,508	-	1,903,904
Equipment	1,927,869	(774,858)	98,550	94,816	1,156,745
Total Accumulated Depreciation	16,917,413	(774,858)	1,682,533	441,787	17,383,301
Net Capital Assets being depreciated	19,564,994	35,262,166	481,601	14,982	55,293,779
Total Net Capital Assets	\$ 55,729,771	\$ 438,206	\$ 2,240,680	\$ 14,982	\$ 58,393,675

The Schedule of General Capital Assets by Function and Activity, and the Schedule of Changes in General Capital Assets by Function and Activity have not been prepared because the detailed information is unavailable.

Depreciation expense was not charged to function/programs of the School District because the detail information was not available due to historical date not being available.

The amounts in the adjustments column represent \$34,823,960 of construction in progress reclassified to new buildings and land improvements. The amount of \$774,858 represents equipment previously disposed of, but not removed from the capital asset inventory.

The increases in land improvements include \$1,965,000 in a legal settlement with a dirt contractor for the construction of the new middle school. Of this amount, \$609,150 was paid by PSFA and the remaining \$1,355,850 is payable by the District.

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

IV. Detailed notes on all funds (continued)

D. Long-term debt – General Obligation Bonds

Series	Original Amount	Interest Rate	Balance 6/30/2011	Additions	Retirements	Balance 6/30/2012	Amount Due in One Year
2005	6,225,000	2.75-3.00%	2,000,000	-	1,000,000	1,000,000	1,000,000
2006	14,500,000	5.00%	13,850,000	-	400,000	13,450,000	600,000
2007	8,500,000	5.00%	7,500,000	-	200,000	7,300,000	200,000
2008	3,000,000	4.00%	2,450,000	-	100,000	2,350,000	100,000
2009	650,000	2.50%	650,000	-	650,000	-	-
2010	590,000	1.55%	590,000	-	590,000	-	-
		2.00%-					
2011	9,000,000	2.875%	-	9,000,000	-	9,000,000	200,000
Total	\$ 42,465,000		\$ 26,390,000	\$ 9,000,000	2,290,000	\$ 33,100,000	\$ 2,100,000

Fiscal Year	Principal	Interest	Total
2013	\$ 2,100,000	\$ 1,181,625	\$ 3,281,625
2014	2,000,000	1,105,938	3,105,938
2015	2,000,000	1,025,688	3,025,688
2016	2,100,000	944,438	3,044,438
2017	2,150,000	859,756	3,009,756
2018-2022	14,050,000	2,807,525	16,857,525
2023-2026	8,700,000	455,875	9,155,875
	\$ 33,100,000	\$ 8,380,844	\$ 41,480,844

Legal Debt Margin

The legal debt margin is specified by Article IX Section 11 of the Constitution of the State of New Mexico as not greater than 6% of the assessed value of the taxable property within the School District. Based on these criteria, the maximum general obligation debt permissible is \$35,669,525 including \$33,100,000 debt outstanding based on the 2012 valuation.

Liability for Compensated Absences

Balance June 30, 2011	Vacation Used	Vacation Accrued	Balance June 30, 2012	Amount Due in One Year
\$76,170	\$56,264	\$74,150	\$94,056	\$94,056

The operational fund, which is a part of the general fund, has typically been used in the past to liquidate other long term liabilities such as compensated absences.

V. Other information

A. 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 Schools Insurance Authority (NMSIA) was formed on April 5, 1985, 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, 2012.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

V. Other information (continued)

B. 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 that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

As the result of a legal settlement with a contractor on the construction of the new middle school, the District has a settlement liability of \$1,355,850 which is due June 30, 2014. This liability is included in the debt due in more than one year on the statement of net assets.

C. Subsequent events

Subsequent to year-end the District relieved the superintendent of duty. The District paid the superintendent \$75,000 to buy out the superintendent's contract plus paid \$8,695 for unused compensated absences.

D. Employee retirement plan

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

Funding Policy. Plan members earning \$20,000 or less annually are required by statute to contribute 7.9% of their gross salary. Plan members earning over \$20,000 annually were required to contribute 11.15% of their gross salary in fiscal year 2012 and will be required to contribute 9.40% of their gross salary in fiscal year 2013. The District has been and is required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, in fiscal years 2012 and 2013. In fiscal year 2012 the District contributed 9.15% of the gross covered salary of employees earning more than \$20,000 annually. In fiscal year 2013 the District will contribute 10.9% of the gross covered salary of employees earning more than \$20,000 annually. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2012, 2011, and 2010, were \$975,188, \$1,257,225, and \$1,280,751, respectively, which equal the amount of the required contributions for each fiscal year.

E. Post-retirement health care benefits

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

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

V. Other information (continued)

E. Post-retirement health care benefits (continued)

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

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

The 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. During the fiscal year ended June 30, 2012, the statute required each participating employer to contribute 1.834% of each participating employee's annual salary; each participating employee was required to contribute .917% of their salary. In the fiscal year ending June 30, 2013 the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan the contribution rates will be:

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY13	2.000%	1.000%

Also, employers joining the program after January 1, 1998, are required to make a surplus amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

The District's contributions to the RHCA for the years ended June 30, 2012, 2011 and 2010 were \$192,046, \$183,526 and \$159,456, respectively, which equal the required contributions for each year.

F. Interfund Balances

Due from	Due to Operational
Title I	172,082
Entitlement	97,960
Preschool	11,001
Early Intervention	22,514
Risk Pool	3,315
Teacher/Principal Training	26,757
Rural and Low Income Schools	11,377
2009 Dual Credit Instructional Materials	5,375
2008 GO Bond Library	277
2010 GO Bond Student Library	10,576
Due from Activity	9,101
	\$ 370,335

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

V. Other information (continued)

G. Fund Balances Classified

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented here.

Fund Balances	General Fund	Bond Building	Senate Bill 9	Debt Service	Non-Major Governmental Funds	Total
Non-Spendable:						
Inventory	\$ -	\$ -	\$ -	\$ -	\$ 6,358	\$ 6,358
Total Nonspendable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,358</u>	<u>6,358</u>
Restricted for:						
Debt Service	-	-	-	3,241,019	73,796	3,314,815
Capital Improvements	-	4,352,872	1,666,296	-	22,270	6,041,438
Athletics	-	-	-	-	48,450	48,450
Cafeteria	-	-	-	-	149,994	149,994
Instructional Materials	17,399	-	-	-	-	17,399
Total restricted	<u>17,399</u>	<u>4,352,872</u>	<u>1,666,296</u>	<u>3,241,019</u>	<u>294,510</u>	<u>9,572,096</u>
Unassigned	1,363,587	-	-	-	130,829	1,494,416
Total Fund Balances	<u>\$ 1,380,986</u>	<u>\$ 4,352,872</u>	<u>\$ 1,666,296</u>	<u>\$ 3,241,019</u>	<u>\$ 431,697</u>	<u>\$ 11,072,870</u>

H. Restatement of Net Assets

Balance July 1, 2010	\$ 35,898,375
Restatement: Net affect of general fixed asset corrections and reverting of cash to state agencies.	407,726
Restated Balance July 1, 2010	<u>\$ 36,306,101</u>

The restatement is due to the reverting of cash to state agencies in the amount of (\$30,480). An additional restatement of \$438,206 was made for previously unrecognized capital assets less related depreciation.

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Capital Projects

PUBLIC SCHOOL CAPITAL OUTLAY – To account for financing and construction of school improvements fund from appropriations.

SPECIAL CAPITAL OUTLAY – LOCAL – To account for special capital outlay projects funded locally to match state funds provided under Chapter 4, Laws of 1996.

SPECIAL CAPITAL OUTLAY STATE – To account for financing and construction of school improvements funded from a special legislative appropriation from the State of New Mexico.

ED TECH EQUIPMENT ACT – To account for revenues received from the sale of educational technology bonds to purchase education technology equipment and infrastructure for student learning. (Authority, 6-15-A-1 to 6-15A-16 NMSA 1978)

Debt Service

ED TECH DEBT SERVICE - This fund is established to receive revenue for the payment of interest and principal on outstanding general obligation school bond issues.

Special Revenue

CAFETERIA – The purpose of this account is to receive income from lunch sales or state and federal school lunch grants, and to make disbursements for those activities, which have as their purpose the preparation and serving of meals, lunches or snacks in connection with bona-fide food service operations in agreement with the School Lunch Division of the State Department of Education. Authority for the creation of this fund is NMSA 1978, 22-13-13.

ATHLETICS – This is an auxiliary fund to account for budgeted athletics of the school for activities that are considered to be non-instructional. Authority for the creation of this fund is NMAC 6.20.2.

TITLE I – The Title I project provides remedial instruction in language arts for educationally deprived students in low-income areas. The project is funded by the Federal Government through the New Mexico State Department of Education under the Elementary and Secondary Education Act of 1965, Title I, Chapter I, part A, 20 U.S.C. 2701 et seq.

IDEA B ENTITLEMENT – P.L. 94-142, Individuals with Disabilities Education Act—to account for a federal grant restricted to the operation and maintenance of meeting the special education need of children with disabilities. Authority for the creation of this fund is Individuals with Disabilities Act, Part B, Sec. 611, as amended; Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-630 and 101-476; 20 U.S.C. 1401-1419, Public Law 105-17

IDEA B – DISCRETIONARY – To account for a federal grant restricted to the operation and maintenance of meeting the special education needs of children with disabilities. (Authority, Individuals with Disabilities Act, Part B Sec 611, as amended; P.L. 91-230, 93-380, 94-142, 98-199, 99-457, 100-630, and 101-476; U.S.C. 1401-1419, P.L. 105-17)

IDEA B – COMPETITIVE – To account for a federal grant restricted to the operation and maintenance of meeting the special education needs of children with disabilities. (Authority, Individuals with Disabilities Act, Part B Sec 611, as amended; P.L. 91-230, 93-380, 94-142, 98-199, 99-457, 100-630, and 101-476; U.S.C. 1401-1419, P.L. 105-17)

IDEA B – PRESCHOOL – To account for revenue received under the Preschool Public Act P.L. 99-457 for the purpose of providing special educational services to the developmentally delayed preschool children. This fund is federally funded and is restricted to expenditure by grant application. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund.

IDEA B – EARLY INTERVENTION – To account for a federal grant restricted to the operation and maintenance of meeting the special education needs of children with disabilities. (Authority, Individuals with Disabilities Act, Part B Sec 611, as amended; P.L. 91-230, 93-380, 94-142, 98-199, 99-457, 100-630, and 101-476; U.S.C. 1401-1419, P.L. 105-17)

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue (continued)

IDEA B – RISK POOL – To account for a federal grant restricted to the operation and maintenance of meeting the special education needs of children with disabilities. (Authority, Individuals with Disabilities Act, Part B Sec 611, as amended; P.L. 91-230, 93-380, 94-142, 98-199, 99-457, 100-630, and 101-476; U.S.C. 1401-1419, P.L. 105-17)

ENHANCING EDUCATION THROUGH TECHNOLOGY – To account for funds received from the State to be used for the increase of hardware, software, and training to increase the use of technology in teaching. (Authority, NMSA 22-15-A-9)

ENHANCING EDUCATION THROUGH TECHNOLOGY COMPETITIVE – To account for federal resources used to strengthen the skills of teachers in the field of technology. (Authority, P.L.-103-382)

TITLE V INNOVATIVE ED – To account for monies received to improve elementary and secondary education for children attending both public and private schools. This fund was created by grant provisions. (Authority, P.L. 103-382)

ENGLISH LANGUAGE ACQUISITION – To ensure that limited English proficient children and youth, including immigrant children and youth, attain English proficiency and meet the same challenging State academic content and student academic achievement standards as all children and youth are expected to meet. The authority for the creation of this fund is the Elementary and Secondary Education Act, as amended, Title III, Part A, Sections 3101, 3129.

TEACHER/PRINCIPAL TRAINING – To provide grants to State Education Agencies on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965 as amended, Title II, Part A, Public Law 107-110.

SAFE AND DRUG FREE SCHOOLS – To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco and drugs, involve parents, and coordinated with related Federal, State and community efforts and resources.

RURAL AND LOW INCOME SCHOOLS – To account for federal grant assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools, and specifically to provide funds for teacher recruitment, retention, and teacher professional development, educational technology, and parental involvement activities. Authority for this fund comes from the Elementary and Secondary Education Act of 1965, as amended, Title VI, Part B, as amended.

READING FIRST – To ensure that every student can read at grade level or above by the end of third grade. The Reading First program will provide assistance to states and districts in establishing reading programs for students in kindergarten through third grade that are based on scientifically based reading research. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965, as amended, Title I, Part B, Subpart 1.

IDEA-B PRESCHOOL FEDERAL STIMULUS – Additional funding provided by federal stimulus funds under the American Recovery and Reinvestment Act to supplement the District's preschool program under IDEA-B.

COLLABORATIVE FOREST RESTORATION – To account for funds for a collaborative effort with public and private stakeholders seeking to perform forest and watershed restoration activities on 93 acres of Ruidoso Municipal School District and USDA Forest Service Lands.

IMPACT AID – To account for funding of a Federal program to provide financial assistance to school districts where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b) where there is a significant decrease (section 3(c)) or a sudden and substantial increase (Sections 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Sections 7 (a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Authorized by Public Law 81-874.

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue (continued)

IMPACT AID INDIAN EDUCATION – To account for federal funds providing assistance for Indian students' needs, support services and special projects. (Authority, P.L. 103-382)

GRADS CHILDCARE – This fund is used to account for program revenues used to support community based programs design to develop, operate, expand, and enhance initiatives aimed at the prevention of child abuse and neglect. Funding authorized by the Child Abuse and Treatment Act, 42 USC 5116 et seq., as amended, Public Law 108-36.

TITLE XIX MEDICAID – The purpose of this fund is to account for reimbursement of health-related services of Medicaid eligible students receiving related services, for administrative time study, and for a statement of service costs study. Authorized by the Social Security Act.

CHILDCARE BLOCK GRANT – To account for funds used in conjunction with early childhood programs for preschool age children. Required by the New Mexico Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund.

TANF GRADS – To provide assistance to needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Authorized by the Social Security Act Title IV, Part A, as amended; Personal Responsibility Act and Work Opportunity Reconciliation Act of 1996, Public Law 104-193 Balance Budget Act of 1997, Public Law 105-33.

CHILD & ADULT CARE FOOD PROGRAM – To account for revenues received to coordinate child health improvements. (Authority, State Grant Provision and the Ruidoso Board of Education)

INDIAN EDUCATION FORMULA – To account for funds received to support projects to improve educational opportunities and achievements of Native American children. (Authority, Title IX, Part A, Subpart 1, as amended, of the Elementary and Secondary Education Act of 1965, P.L. 103-382, 20 U.S.C. 7811-7818, 25 U.S.C. 2001)

EDUCATION JOB FUND – This fund was created to account for the District's allocation of funds intended to give the District a boost to save teacher jobs. Funding and authority for this fund comes from the American Recovery and Reinvestment Act.

JORDAN FUNDAMENTALS GRANT – To account for revenues received from the Jordan Fundamentals Grant foundation for purposes of supplementing educational activities in science, technology, and art.

PNM FOUNDATION – To account for revenues received from the PNM Resources Foundation for classroom innovation projects.

GOLDEN APPLE FOUNDATION – To account for revenues received from the Wells Fargo Golden Apple Foundation of New Mexico for a Teacher's Partner Program to support "Enriching the Learning Environment" grant award.

2009 DUAL CREDIT INSTRUCTIONAL MATERIALS – This fund was created to account for funds provided to the District to pay for required textbooks and materials needed for dual credit activities. The authority and funding for this fund is provided under HB214 which amended Section 21-1-1.2 and Section 21-13-19 related to dual credit.

TANF PED SCHOOL-AGED CHILD CARE – To provide extended day/extended year childcare services for children of TANF recipients. School-aged program is for ages 5-9 years. The fund was created by the authority of the grant provisions.

TECHNOLOGY FOR EDUCATION – To account for distributions received from the Educational Technology fund for the expansion and improvement of technology in education. These funds are restricted to expenditure by New Mexico Statutes and the schools approved long-term technology plan. Authority for the creation of this fund is NMSA 22-15A-1 to 22-15A-10.

INCENTIVES FOR SCHOOL IMPROVEMENT – To account for revenues received for schools achieving outstanding improvements in reading and math proficiency. (Authority, 22-2C-8 and 22-3C-9, NMSA 1978)

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue (continued)

BEGINNING TEACHER MENTORING PROGRAM – To account for funds used to pay stipends to teachers as mentors and to hire new teachers. This fund was created by the authority of the State Legislature.

BREAKFAST OF ELEMENTARY STUDENTS – To account for funds used to provide elementary students with breakfast in the classroom. Creation authorized by the Child Nutrition Act of the United States Department of Agriculture.

SCHOOL LIBRARY MATERIALS – To account for revenues received from the State for the acquisition of school library books. (Authority, Senate Bill 471, 2008)

CENTER FOR TEACHING EXCELLENCE – To account for revenues received from the State to improve and develop testing procedures in the education program. (Authority, SDE Regulations)

GRADS CHILDCARE – This fund is used to account for program revenues used to support community based programs design to develop, operate, expand, and enhance initiatives aimed at the prevention of child abuse and neglect. Funding authorized by the Child Abuse and Treatment Act, 42 USC 5116 et seq., as amended, Public Law 108-36.

GRADS INSTRUCTION – To provide assistance to needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Authorized by the Social Security Act Title IV, Part A, as amended; Personal Responsibility Act and Work Opportunity Reconciliation Act of 1996, Public Law 104-193 Balance Budget Act of 1997, Public Law 105-33.

PRIVATE DIRECT GRANTS – To account for grants received from outside private and corporate sources. Funding provided by grant contract in which sources will vary from year to year. Expenditures in this fund are stipulated by individual grant contract. All private grants are subject to board approval.

2008 G.O. BOND LIBRARY FUND – This fund is used to account for the revenue and expenditures to acquire supplementary library books, equipment, and library resources for public schools and juvenile detention libraries statewide.

2010 G.O. BOND STUDENT LIBRARY – This fund is used to account for the revenue and expenditures to acquire supplementary library books, equipment, and library resources for public schools and juvenile detention libraries statewide.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS AND OTHER
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012

	PUBLIC SCHOOL CAPITAL OUTLAY	SPECIAL CAPITAL OUTLAY STATE	SPECIAL CAPITAL OUTLAY STATE	ED TECH EQUIPMENT ACT
ASSETS				
Cash on Deposit	\$ 500	\$ 21,193	\$ 577	\$ -
Property Taxes Receivable	-	-	-	-
Due From Other Agencies	-	-	-	-
Inventory	-	-	-	-
TOTAL ASSETS	<u>\$ 500</u>	<u>\$ 21,193</u>	<u>\$ 577</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-	-
Deferred Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Unspendable				
Restricted	500	21,193	577	-
TOTAL FUND BALANCE	<u>500</u>	<u>21,193</u>	<u>577</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 500</u>	<u>\$ 21,193</u>	<u>\$ 577</u>	<u>\$ -</u>

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

TOTAL NONMAJOR CAPITAL PROJECTS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS	TOTAL NONMAJOR DEBT SERVICE FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ 22,270	\$ 439,579	\$ 71,573	\$ 533,422
-	-	19,600	19,600
-	361,234	-	361,234
-	6,358	-	6,358
<u>\$ 22,270</u>	<u>\$ 807,171</u>	<u>\$ 91,173</u>	<u>\$ 920,614</u>
\$ -	\$ -	\$ -	\$ -
-	87,157	-	87,157
-	23,149	17,377	40,526
-	361,234	-	361,234
-	471,540	17,377	488,917
	6,358		6,358
<u>22,270</u>	<u>329,273</u>	<u>73,796</u>	<u>425,339</u>
<u>22,270</u>	<u>335,631</u>	<u>73,796</u>	<u>431,697</u>
<u>\$ 22,270</u>	<u>\$ 807,171</u>	<u>\$ 91,173</u>	<u>\$ 920,614</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE-- OTHER NONMAJOR FUNDS

Year Ended June 30, 2012

	PUBLIC SCHOOL CAPITAL OUTLAY	SPECIAL CAPITAL OUTLAY LOCAL	SPECIAL CAPITAL OUTLAY STATE	ED TECH EQUIPMENT ACT
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Fees	-	-	-	-
Interest Income	-	-	-	-
Miscellaneous	-	-	-	-
Local Property Taxes	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support Services	-	-	-	-
Support Services-Students	-	-	-	-
Support Services-Instruction	-	-	-	-
Support Services-General Administration	-	-	-	-
Support Services-School Administration	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services-Operations	-	-	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	127,748
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,748</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-	(127,748)
Other Financing Sources (uses)				
Transfer In/Out	-	-	-	-
Total Other Financial Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	-	-	-	(127,748)
FUND BALANCE				
June 30, 2011	500	21,193	577	127,748
RESTATEMENT				
RESTATED FUND BALANCE	<u>500</u>	<u>21,193</u>	<u>577</u>	<u>127,748</u>
FUND BALANCE				
June 30, 2012	<u>\$ 500</u>	<u>\$ 21,193</u>	<u>\$ 577</u>	<u>\$ -</u>

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

TOTAL NONMAJOR CAPITAL PROJECTS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS	TOTAL NONMAJOR DEBT SERVICE FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ -	\$ 2,279,587	\$ -	\$ 2,279,587
-	52,985	-	52,985
-	194,799	-	194,799
-	618	-	618
-	13,449	-	13,449
-	-	41,601	41,601
-	<u>2,541,438</u>	<u>41,601</u>	<u>2,583,039</u>
-	1,090,584	-	1,090,584
-	425,115	-	425,115
-	57,859	-	57,859
-	3,062	463	3,525
-	36,235	-	36,235
-	2,416	-	2,416
-	17,578	-	17,578
-	954,907	-	954,907
-	8,614	-	8,614
127,748	18,033	-	145,781
-	-	590,000	590,000
-	-	6,529	6,529
<u>127,748</u>	<u>2,614,403</u>	<u>596,992</u>	<u>3,339,143</u>
(127,748)	(72,965)	(555,391)	(756,104)
-	23,938	-	23,938
-	<u>23,938</u>	-	<u>23,938</u>
(127,748)	(49,027)	(555,391)	(732,166)
150,018	415,138	629,187	1,194,343
-	(30,480)	-	(30,480)
<u>150,018</u>	<u>384,658</u>		<u>1,163,863</u>
<u>\$ 22,270</u>	<u>\$ 335,631</u>	<u>\$ 73,796</u>	<u>\$ 431,697</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--CAPITAL PROJECTS FUND--ED TECH EQUIPMENT ACT

Year Ended June 30 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
Residential/Non-Residential Taxes	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Balance Budgeted	<u>137,694</u>	<u>127,748</u>		
TOTAL REVENUE & CASH	<u>\$ 137,694</u>	<u>\$ 127,748</u>		
EXPENDITURES				
Current				
Acquisition & Construction	\$ 137,694	\$ 127,748	\$ 127,748	\$ -
TOTAL EXPENDITURES	<u>\$ 137,694</u>	<u>\$ 127,748</u>	<u>\$ 127,748</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ -
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ -</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 127,748
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 127,748</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
ACTUAL (NON GAAP BUDGETARY BASIS)--DEBT SERVICE FUND--ED TECH DEBT SERVICE

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 31,981	\$ 33,937	\$ 46,333	\$ 12,396
TOTAL REVENUE	<u>31,981</u>	<u>33,937</u>	<u>46,333</u>	<u>12,396</u>
Cash Balance Budgeted	<u>564,603</u>	<u>622,230</u>		
TOTAL REVENUE & CASH	<u>\$ 596,584</u>	<u>\$ 656,167</u>		
EXPENDITURES				
Current				
Support Services-General Administration	325	2,011	463	1,548
Principal	590,000	647,627	590,000	57,627
Interest and Finance Charges	6,259	6,529	6,529	-
TOTAL EXPENDITURES	<u>\$ 596,584</u>	<u>\$ 656,167</u>	<u>\$ 596,992</u>	<u>\$ 59,175</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 46,333
Differences-Budget to GAAP	
Property tax Receivable	2,223
Prior Year Tax Receivables	(6,957)
Total Revenues (GAAP Basis)	<u>\$ 41,599</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 596,992
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 596,992</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--SPECIAL REVENUE FUNDS
 NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	<u>CAFETERIA</u>	<u>ATHLETICS</u>	<u>TITLE I</u>	<u>ENTITLEMENT</u>
ASSETS				
Cash on Deposit	\$ 152,541	\$ 48,450	\$ 21,077	\$ 37,668
Due From Other Agencies	-	-	172,082	97,960
Due From Other Funds	-	-	-	-
Property Taxes Receivable	-	-	-	-
Inventory	6,358	-	-	-
	<u>158,899</u>	<u>48,450</u>	<u>193,159</u>	<u>135,628</u>
TOTAL ASSETS	\$ 158,899	\$ 48,450	\$ 193,159	\$ 135,628
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	2,547	-	21,077	37,668
Deferred Revenue	-	-	-	-
Due to Other Funds	-	-	172,082	97,960
TOTAL LIABILITIES	<u>2,547</u>	<u>-</u>	<u>193,159</u>	<u>135,628</u>
FUND BALANCE				
Unspendable	-	-	-	-
Restricted	6,358	-	-	-
	<u>149,994</u>	<u>48,450</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCE	<u>156,352</u>	<u>48,450</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>158,899</u>	\$ <u>48,450</u>	\$ <u>193,159</u>	\$ <u>135,628</u>

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

<u>DISCRETIONARY</u>	<u>IDEA B COMPETITIVE</u>	<u>PRESCHOOL</u>	<u>EARLY INTERVENTION</u>	<u>IDEA B RISK POOL</u>
\$ -	\$ -	\$ 596	\$ 1,118	\$ -
-	-	11,001	22,514	3,315
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>11,597</u>	<u>23,632</u>	<u>3,315</u>
\$ -	\$ -	\$ 11,597	\$ 23,632	\$ 3,315
-	-	-	-	-
-	-	596	1,118	-
-	-	-	-	-
-	-	11,001	22,514	3,315
<u>-</u>	<u>-</u>	<u>11,597</u>	<u>23,632</u>	<u>3,315</u>
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>11,597</u>	<u>23,632</u>	<u>3,315</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--SPECIAL REVENUE FUNDS
 NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	ENHANCING ED THRU TECH	ENHANCING ED THRU TECH COMPETITIVE	TITLE V INNOVATIVE ED PROGRAM
ASSETS			
Cash on Deposit	\$ -	\$ -	\$ -
Due From Other Agencies	-	-	-
Due From Other Funds	-	-	-
Property Taxes Receivable	-	-	-
Inventory	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-
Deferred Revenue	-	-	-
Due to Other Funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Unspendable	-	-	-
Restricted	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

ENGLISH LANGUAGE ACQUISITION	TEACHER PRINCIPAL TRAINING	SAFE & DRUG FREE SCHOOLS	RURAL & LOW INCOME SCHOOLS	READING FIRST	PRESCHOOL IDEA B FEDERAL STIMULUS
\$ -	\$ 2,907	\$ -	\$ 236	\$ -	\$ -
-	26,757	-	11,377	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>29,664</u>	<u>-</u>	<u>236</u>	<u>-</u>	<u>-</u>
\$ -	\$ 29,664	\$ -	\$ 236	\$ -	\$ -
-	-	-	-	-	-
-	2,907	-	236	-	-
-	-	-	-	-	-
-	26,757	-	11,377	-	-
<u>-</u>	<u>29,664</u>	<u>-</u>	<u>11,377</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>29,664</u>	<u>-</u>	<u>11,377</u>	<u>-</u>	<u>-</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--SPECIAL REVENUE FUNDS
 NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	<u>FOREST RESTORATION</u>	<u>IMPACT AID SPECIAL EDUCATION</u>	<u>IMPACT AID INDIAN EDUCATION</u>
ASSETS			
Cash on Deposit	\$ -	\$ 34,290	\$ 68,294
Due From Other Agencies	-	-	-
Due From Other Funds	-	-	-
Property Taxes Receivable	-	-	-
Inventory	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ -	\$ 34,290	\$ 68,294
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	-	7,043	579
Deferred Revenue	-	-	-
Due to Other Funds	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	-	7,043	579
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
FUND BALANCE			
Unspendable	-	-	-
Restricted	-	27,247	67,715
	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCE	-	27,247	67,715
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ 34,290	\$ 68,294
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

GRADS CHILD CARE	TITLE XIX MEDICAID 3-21 YEARS	CHILD CARE BLOCK GRANT	TANF GRADS	CHILD & ADULT FOOD PROGRAM	INDIAN ED FORMULA	EDUCATION JOB FUND
\$ -	\$ 32,211	\$ -	\$ -	\$ 6,004	\$ 11,467	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>32,211</u>	<u>-</u>	<u>-</u>	<u>6,004</u>	<u>11,467</u>	<u>-</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	3,046	-	-	-	9,443	-
-	-	-	-	-	2,024	-
-	-	-	-	-	-	-
<u>-</u>	<u>3,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,467</u>	<u>-</u>
-	-	-	-	-	-	-
-	29,165	-	-	6,004	-	-
<u>-</u>	<u>29,165</u>	<u>-</u>	<u>-</u>	<u>6,004</u>	<u>-</u>	<u>-</u>
\$ -	\$ 32,211	\$ -	\$ -	\$ 6,004	\$ 11,467	\$ -

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--SPECIAL REVENUE FUNDS
 NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	<u>JORDAN</u> <u>FUNDAMENTALS</u>	<u>PNM</u> <u>FOUNDATION</u>	<u>GOLDEN</u> <u>APPLE</u> <u>FOUNDATION</u>
ASSETS			
Cash on Deposit	\$ -	\$ -	\$ -
Due From Other Agencies	-	-	-
Due From Other Funds	-	-	-
Property Taxes Receivable	-	-	-
Inventory	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-
Deferred Revenue	-	-	-
Due to Other Funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
 FUND BALANCE			
	-	-	-
Unspendable	-	-	-
Restricted	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
 TOTAL LIABILITIES AND FUND BALANCE			
	\$ -	\$ -	\$ -
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

<u>2009 DUAL CREDIT INSTRUCTIONAL MATERIALS</u>	<u>TANF PED SCHOOL AGED CHILD CARE</u>	<u>TECHNOLOGY IN EDUCATION</u>	<u>INCENTIVES FOR SCHOOL IMPROVEMENT</u>	<u>BEGINNING TEACHER MENTORING</u>
\$ -	\$ -	\$ -	\$ -	\$ -
5,375	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>5,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ 5,375	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
5,375	-	-	-	-
<u>5,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>5,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--SPECIAL REVENUE FUNDS
 NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	BREAKFAST FOR ELEMENTARY STUDENTS	SCHOOL LIBRARY MATERIALS	CENTER FOR TEACHING EXCELLENCE
ASSETS			
Cash on Deposit	\$ -	\$ -	\$ -
Due From Other Agencies	-	-	-
Due From Other Funds	-	-	-
Property Taxes Receivable	-	-	-
Inventory	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-
Deferred Revenue	-	-	-
Due to Other Funds	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
	-	-	-
Unspendable	-	-	-
Restricted	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

<u>GRADS</u>	<u>GRADS INSTRUCTION</u>	<u>PRIVATE DIRECT GRANTS</u>	<u>2008 GO BOND LIBRARY FUND</u>	<u>2010 GO BOND LIBRARY FUND SB-1</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$ 1,071	\$ 21,649	\$ -	\$ -	\$ -	\$ 439,579
-	-	-	277	10,576	361,234
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,358
<u>\$ 1,071</u>	<u>\$ 21,649</u>	<u>\$ -</u>	<u>277</u>	<u>10,576</u>	<u>807,171</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
296	601	-	-	-	87,157
80	21,045	-	-	-	23,149
-	-	-	277	10,576	361,234
<u>376</u>	<u>21,646</u>	<u>-</u>	<u>277</u>	<u>10,576</u>	<u>471,540</u>
-	-	-	-	-	-
-	-	-	-	-	6,358
695	3	-	-	-	329,273
<u>695</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>335,631</u>
<u>\$ 1,071</u>	<u>\$ 21,649</u>	<u>\$ -</u>	<u>\$ 277</u>	<u>\$ 10,576</u>	<u>\$ 807,171</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	<u>CAFETERIA</u>	<u>ATHLETICS</u>	<u>TITLE I</u>	<u>ENTITLEMENT</u>
REVENUE				
Federal Programs	\$ 783,731	\$ -	\$ 534,821	\$ 408,337
State Programs	-	-	-	-
Interest Earnings	558	60	-	-
Fees	161,429	33,370	-	-
Miscellaneous	13,449	-	-	-
TOTAL REVENUES	<u>959,167</u>	<u>33,430</u>	<u>534,821</u>	<u>408,337</u>
EXPENDITURES				
Current				
Instruction	-	21,167	512,830	243,724
Support Services				
Support Services-Students	-	-	-	157,166
Support Services-Instruction	-	-	18,240	5,388
Support Services-General Administration	-	-	3,062	-
Support Services-School Administration	-	-	689	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services-Operations	954,907	-	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	-
TOTAL EXPENDITURES	<u>954,907</u>	<u>21,167</u>	<u>534,821</u>	<u>406,278</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	4,260	12,263	-	2,059
Other Financing Sources (uses)				
Transfer/Refunds				(2,059)
Total Other Financial Sources	-	-	-	<u>(2,059)</u>
Net Change In Fund Balance	4,260	12,263	-	-
FUND BALANCE				
June 30, 2011	152,092	36,187	-	-
RESTATEMENT				
RESTATED FUND BALANCE	<u>152,092</u>	<u>36,187</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
June 30, 2012	<u>\$ 156,352</u>	<u>\$ 48,450</u>	<u>\$ -</u>	<u>\$ -</u>

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

<u>DISCRETIONARY</u>	<u>IDEA B COMPETITIVE</u>	<u>PRESCHOOL</u>	<u>EARLY INTERVENTION</u>	<u>IDEA B RISK POOL</u>
\$ 1,761	\$ -	\$ 19,851	\$ 76,733	\$ 3,315
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,761	-	19,851	76,733	3,315
-	-	19,851	51,662	-
1,761	-	-	4,597	3,315
-	-	-	-	-
-	-	-	20,474	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,761	-	19,851	76,733	3,315
-	-	-	-	-
-	3,163	-	-	4,796
-	3,163	-	-	4,796
-	3,163	-	-	4,796
-	-	-	-	-
-	(3,163)	-	-	(4,796)
-	(3,163)	-	-	4,796
\$ -	\$ -	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	ENHANCING ED THRU TECH	ENHANCING ED THRU TECH COMPETITIVE	TITLE V INNOVATIVE ED PROGRAM
REVENUE			
Federal Programs	\$ -	\$ -	\$ -
State Programs	-	-	-
Interest Earnings	-	-	-
Fees	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	-	-	-
Support Services			
Support Services-Students	-	-	-
Support Services-Instruction	-	-	-
Support Services-General Administration	-	-	-
Support Services-School Administration	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Food Services-Operations	-	-	-
Community Services-Operations	-	-	-
Acquisition & Construction	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-
Other Financing Sources (uses)			
Transfer/Refunds	<u>5,093</u>	<u>4,013</u>	<u>148</u>
Total Other Financial Sources	<u>5,093</u>	<u>4,013</u>	<u>148</u>
Net Change In Fund Balance	5,093	4,013	148
FUND BALANCE			
June 30, 2011	-	-	-
RESTATEMENT	<u>(5,093)</u>	<u>(4,013)</u>	<u>(148)</u>
RESTATED FUND BALANCE	<u>(5,093)</u>	<u>(4,013)</u>	<u>(148)</u>
FUND BALANCE			
June 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

ENGLISH LANGUAGE ACQUISITION	TEACHER PRINCIPAL TRAINING	SAFE & DRUG FREE SCHOOLS	RURAL & LOW INCOME SCHOOLS	READING FIRST	PRESCHOOL IDEA B FEDERAL STIMULUS
\$ -	\$ 110,312	\$ -	\$ 42,560	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	110,312	-	42,560	-	-
-	95,339	-	29,141	-	-
-	-	-	3,982	-	-
-	-	-	823	-	-
-	-	-	-	-	-
-	14,973	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	8,614.00	-	-
-	-	-	-	-	-
-	110,312	-	42,560	-	-
-	-	-	-	-	-
7,151	-	59	-	0	2,060
7,151	-	59	-	-	2,060
7,151	-	59	-	-	2,060
-	-	-	-	474	-
(7,151)	-	(59)	-	(474)	(2,060)
(7,151)	-	(59)	-	-	(2,060)
\$ -	\$ -	\$ -	\$ -	\$ 474	\$ -

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	FOREST RESTORATION	IMPACT AID SPECIAL EDUCATION	IMPACT AID INDIAN EDUCATION
REVENUE			
Federal Programs	\$ 39,961	\$ 68,837	\$ 63,906
State Programs	-	-	-
Interest Earnings	-	-	-
Fees	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	<u>39,961</u>	<u>68,837</u>	<u>63,906</u>
EXPENDITURES			
Current			
Instruction	21,928	16,541	35,607
Support Services			
Support Services-Students	-	83,599	21,292
Support Services-Instruction	-	-	20,847
Support Services-General Administration	-	-	-
Support Services-School Administration	-	-	99
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	9,829	7,749
Food Services-Operations	-	-	-
Community Services-Operations	-	-	-
Acquisition & Construction	18,033	-	-
TOTAL EXPENDITURES	<u>39,961</u>	<u>109,969</u>	<u>85,594</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(41,132)	(21,688)
Other Financing Sources (uses)			
Transfer/Refunds			
Total Other Financial Sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	-	(41,132)	(21,688)
FUND BALANCE			
June 30, 2011	-	68,379	89,403
RESTATEMENT			
RESTATEMENT FUND BALANCE	<u>-</u>	<u>68,379</u>	<u>89,403</u>
FUND BALANCE			
June 30, 2012	<u>\$ -</u>	<u>\$ 27,247</u>	<u>\$ 67,715</u>

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

GRADS CHILD CARE	TITLE XIX MEDICAID 3-21 YEARS	CHILD CARE BLOCK GRANT	TANF GRADS	CHILD & ADULT FOOD PROGRAM	INDIAN ED FORMULA	EDUCATION JOB FUND
\$ -	\$ 29,000	\$ -	\$ -	\$ 6,619	\$ 83,331	\$ 6,512
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	29,000	-	-	6,619	83,331	6,512
-	-	-	-	2,833	-	6,512
-	57,389	-	-	-	83,331	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	57,389	-	-	2,833	83,331	6,512
-	(28,389)	-	-	3,786	-	-
(695)	-	(54)	(3)	-	-	-
(695)	-	(54)	(3)	-	-	-
(695)	(28,389)	(54)	(3)	3,786	-	-
695	57,554	-	3	2,218	-	-
		54				
695	57,554	54	3	2,218		
\$ -	\$ 29,165	\$ -	\$ -	\$ 6,004	\$ -	\$ -

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	JORDAN FUNDAMENTALS	PNM FOUNDATION	GOLDEN APPLE FOUNDATION
REVENUE			
Federal Programs	\$ -	\$ -	\$ -
State Programs	-	-	-
Interest Earnings	-	-	-
Fees	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	-	-	-
Support Services			
Support Services-Students	-	-	-
Support Services-Instruction	-	-	-
Support Services-General Administration	-	-	-
Support Services-School Administration	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Food Services-Operations	-	-	-
Community Services-Operations	-	-	-
Acquisition & Construction	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-
Other Financing Sources (uses)			
Transfer/Refunds	(5)	(176)	(2)
Total Other Financial Sources	<u>(5)</u>	<u>(176)</u>	<u>(2)</u>
Net Change In Fund Balance	(5)	(176)	(2)
FUND BALANCE			
June 30, 2011	5	176	2
RESTATEMENT	-	-	-
RESTATED FUND BALANCE	<u>5</u>	<u>176</u>	<u>2</u>
FUND BALANCE			
June 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

2009 DUAL CREDIT INSTRUCTIONAL MATERIALS	TANF PED SCHOOL AGED CHILD CARE	TECHNOLOGY IN EDUCATION	INCENTIVES FOR SCHOOL IMPROVEMENT	BEGINNING TEACHER MENTORING
\$ -	\$ -	\$ -	\$ -	\$ -
13,603	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>13,603</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
13,603	-	-	-	-
-	-	-	-	-
-	-	1,708	-	-
-	-	-	-	-
-	-	2,416	-	-
-	-	-	-	-
-	-	-	-	-
<u>13,603</u>	<u>-</u>	<u>4,124</u>	<u>-</u>	<u>-</u>
-	-	(4,124)	-	-
-	0	-	0	0
-	-	-	-	-
-	-	(4,124)	-	-
-	2,897	4,124	1	1
-	(2,897)	-	(1)	(1)
-	-	4,124	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ -	\$ -	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	BREAKFAST FOR ELEMENTARY STUDENTS	LIBRARY MATERIALS	CENTER FOR TEACHING EXCELLENCE
REVENUE			
Federal Programs	\$ -	\$ -	\$ -
State Programs	-	-	-
Interest Earnings	-	-	-
Fees	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	-	-	-
Support Services	-	-	-
Support Services-Students	-	-	-
Support Services-Instruction	-	-	-
Support Services-General Administration	-	-	-
Support Services-School Administration	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Food Services-Operations	-	-	-
Community Services-Operations	-	-	-
Acquisition & Construction	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-
Other Financing Sources (uses)			
Transfer/Refunds	<u>0</u>	<u>0</u>	<u>21</u>
Total Other Financial Sources	-	-	21
Net Change In Fund Balance	-	-	21
FUND BALANCE			
June 30, 2011	1	656	-
RESTATEMENT	<u>(1)</u>	<u>(656)</u>	<u>(21)</u>
RESTATED FUND BALANCE	<u>-</u>	<u>-</u>	<u>(21)</u>
FUND BALANCE			
June 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

GRADS	GRADS INSTRUCTION	PRIVATE DIRECT GRANTS	2008 GO BOND LIBRARY FUND	2010 GO BOND LIBRARY FUND SB-1	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,279,587
3,699	24,830	-	277	10,576	52,985
-	-	-	-	-	618
-	-	-	-	-	194,799
-	-	-	-	-	13,449
<u>3,699</u>	<u>24,830</u>	<u>-</u>	<u>277</u>	<u>10,576</u>	<u>2,541,438</u>
3,699	16,147	-	-	-	1,090,584
-	8,683	-	-	-	425,115
-	-	-	277	10,576	57,859
-	-	-	-	-	3,062
-	-	-	-	-	36,235
-	-	-	-	-	2,416
-	-	-	-	-	17,578
-	-	-	-	-	954,907
-	-	-	-	-	8,614
-	-	-	-	-	18,033
<u>3,699</u>	<u>24,830</u>	<u>-</u>	<u>277</u>	<u>10,576</u>	<u>2,614,403</u>
-	-	-	-	-	(72,965)
<u>695</u>	<u>3</u>	<u>(270)</u>	<u>-</u>	<u>-</u>	<u>23,938</u>
695	3	(270)	-	-	23,938
695	3	(270)	-	-	(49,027)
-	-	270	-	-	415,138
<u>-</u>	<u>-</u>	<u>270</u>	<u>-</u>	<u>-</u>	<u>(30,480)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>384,658</u>
<u>\$ 695</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 335,631</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--CAFETERIA

Year Ended June 30 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
Fees-Users	182,018	182,018	161,429	(20,589)
Interest Income	967	967	558	(409)
Refunds			13,449	13,449
Federal Revenue	788,913	788,913	738,152	(50,761)
TOTAL REVENUE	<u>971,898</u>	<u>971,898</u>	<u>\$ 913,588</u>	<u>\$ (58,310)</u>
Cash Balance Budgeted	<u>108,328</u>	<u>150,130</u>		
TOTAL REVENUE & CASH	<u>\$ 1,080,226</u>	<u>\$ 1,122,028</u>		
EXPENDITURES				
Current				
Food Services-Operations	<u>\$ 1,080,226</u>	<u>\$ 1,122,028</u>	<u>\$ 913,724</u>	<u>\$ 208,304</u>
TOTAL EXPENDITURES	<u>\$ 1,080,226</u>	<u>\$ 1,122,028</u>	<u>\$ 913,724</u>	<u>\$ 208,304</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 913,588
Differences-Budget to GAAP	
Commodities Received	45,579
Total Revenues (GAAP Basis)	<u>\$ 959,167</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 913,724
Differences-budget to GAAP	
Cost of Commodities Used	45,579
Inventory Adjustment	(4,396)
Total Expenditures (GAAP Basis)	<u>\$ 954,907</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--ATHLETICS

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees-Users	\$ 35,000	\$ 35,000	\$ 33,322	\$ (1,678)
Interest Income	15	15	60	45
TOTAL REVENUE	<u>35,015</u>	<u>35,015</u>	<u>\$ 33,430</u>	<u>\$ (1,585)</u>
Cash Balance Budgeted	<u>36,157</u>	<u>36,157</u>		
TOTAL REVENUE & CASH	<u>\$ 71,172</u>	<u>\$ 71,172</u>		
EXPENDITURES				
Current				
Instruction	\$ 71,172	71,172	21,167	50,005
TOTAL EXPENDITURES	<u>\$ 71,172</u>	<u>\$ 71,172</u>	<u>\$ 21,167</u>	<u>\$ 50,005</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 33,430
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 33,430</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 21,167
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 21,167</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TITLE I

Year Ended June 30, 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 553,644	\$ 573,411	\$ 475,751	\$ (97,660)
TOTAL REVENUE	<u>553,644</u>	<u>573,411</u>	<u>475,751</u>	<u>(97,660)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 553,644</u>	<u>\$ 573,411</u>		
EXPENDITURES				
Current				
Instruction	\$ 519,644	551,289	512,830	38,459
Support Services				
Support Services-Instruction	34,000	18,370	18,240	130
Support Services-General Administration	-	3,063	3,062	1
Support Services-School Administration	-	689	689	-
TOTAL EXPENDITURES	<u>\$ 553,644</u>	<u>\$ 573,411</u>	<u>\$ 534,821</u>	<u>\$ 38,590</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 475,751
Differences-Budget to GAAP	
Current Year Receivable	172,082
Prior Year Receivable	(113,012)
Total Revenues (GAAP Basis)	<u>\$ 534,821</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 534,821
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 534,821</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--ENTITLEMENT

Year Ended June 30 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
Federal Revenue	\$ 446,102	\$ 446,102	\$ 402,514	\$ (43,588)
TOTAL REVENUE	<u>446,102</u>	<u>446,102</u>	<u>402,514</u>	<u>(43,588)</u>
Cash Balance Budgeted	<u> </u>	<u> </u>		
TOTAL REVENUE & CASH	<u>\$ 446,102</u>	<u>\$ 446,102</u>		
EXPENDITURES				
Current				
Instruction	\$ 265,445	265,445	243,724	21,721
Support Services				
Support Services-Students	180,657	180,657	157,166	23,491
TOTAL EXPENDITURES	<u>\$ 446,102</u>	<u>\$ 446,102</u>	<u>\$ 406,278</u>	<u>\$ 39,824</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 402,514
Differences-Budget to GAAP	
Current Year Receivable	97,960
Prior Year Receivable	(92,137)
Total Revenues (GAAP Basis)	<u>\$ 408,337</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 406,278
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 406,278</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--DISCRETIONARY

Year Ended June 30 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
Federal Revenue	\$ -	\$ 7,161	\$ 4,599	\$ (2,562)
TOTAL REVENUE	<u>-</u>	<u>7,161</u>	<u>4,599</u>	<u>(2,562)</u>
 Cash Balance Budgeted	 -	 -		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 7,161</u>		
EXPENDITURES				
Current				
Support Services				
Support Services-Students	\$ -	\$ 7,161	\$ 1,761	\$ 5,400
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 7,161</u>	<u>\$ 1,761</u>	<u>\$ 5,400</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 4,599
Differences-Budget to GAAP	
Prior Year Receivable	(2,838)
Total Revenues (GAAP Basis)	<u>\$ 1,761</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 1,761
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 1,761</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVEUE FUND--IDÉA B PRESCHOOL

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 24,378	\$ 25,965	\$ 21,940	\$ (4,025)
TOTAL REVENUE	<u>24,378</u>	<u>25,965</u>	<u>21,940</u>	<u>(4,025)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 24,378</u>	<u>\$ 25,965</u>		
EXPENDITURES				
Current				
Instruction	\$ 16,804	22,086	19,851	2,235
Support Services				
Support Services-Students	7,574	3,879	-	3,879
TOTAL EXPENDITURES	<u>\$ 24,378</u>	<u>\$ 25,965</u>	<u>\$ 19,851</u>	<u>\$ 6,114</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 21,940
Differences-Budget to GAAP	
Current Year Receivable	11,001
Prior Year Receivable	(13,090)
Total Revenues (GAAP Basis)	<u>\$ 19,851</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 19,851
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 19,851</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B EARLY INTERVENTION SERVICES

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 83,026	\$ 83,043	\$ 114,610	\$ 31,567
TOTAL REVENUE	<u>83,026</u>	<u>83,043</u>	<u>114,610</u>	<u>31,567</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 83,026</u>	<u>\$ 83,043</u>		
EXPENDITURES				
Current				
Instruction	\$ 58,026	58,043	51,662	\$ 6,381
Support Services				
Support Services-Students	25,000	1,613	4,597	(2,984)
Support Services-Instruction	-	2,831	-	2,831
Support Services-School Administration	-	20,556	20,474	82
TOTAL EXPENDITURES	<u>\$ 83,026</u>	<u>\$ 83,043</u>	<u>\$ 76,733</u>	<u>\$ 6,310</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 114,610
Differences-Budget to GAAP	
Current Year Receivable	22,514
Prior Year Receivable	(60,391)
Total Revenues (GAAP Basis)	<u>\$ 76,733</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 76,733
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 76,733</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B RISK POOL

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 4,295	\$ -	\$ (4,295)
TOTAL REVENUE	\$ -	\$ 4,295	\$ -	\$ (4,295)
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 4,295		
EXPENDITURES				
Current				
Support Services-Students	\$ -	\$ 4,295	\$ 3,315	\$ 980
TOTAL EXPENDITURES	\$ -	\$ 4,295	\$ 3,315	\$ 980

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ -
Differences-Budget to GAAP	
Current Year Receivable	3,315
Total Revenues (GAAP Basis)	\$ 3,315

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 3,315
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 3,315

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TEACHER/PRINCIPAL TRAINING & RECRUITING

Year Ended June 30 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 100,242	\$ 117,745	\$ 104,847	\$ (12,898)
TOTAL REVENUE	<u>100,242</u>	<u>117,745</u>	<u>104,847</u>	<u>(12,898)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 100,242</u>	<u>\$ 117,745</u>		
EXPENDITURES				
Current				
Instruction	\$ 85,242	102,745	95,340	\$ 7,405
Support Services				
Support Services-School Administration	15,000	15,000	14,973	27
TOTAL EXPENDITURES	<u>\$ 100,242</u>	<u>\$ 117,745</u>	<u>\$ 110,313</u>	<u>\$ 7,432</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 104,847
Differences-Budget to GAAP	
Current Year Receivable	26,757
Prior Year Receivable	(21,291)
Total Revenues (GAAP Basis)	<u>\$ 110,313</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 110,313
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 110,313</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--RURAL & LOW INCOME SCHOOLS

Year Ended June 30 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 44,227	\$ 50,350	\$ 43,951	\$ (6,399)
TOTAL REVENUE	<u>44,227</u>	<u>50,350</u>	<u>43,951</u>	<u>(6,399)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 44,227</u>	<u>\$ 50,350</u>		
EXPENDITURES				
Current				
Instruction	\$ 26,299	\$ 31,422	\$ 29,141	\$ 2,281
Support Services				
Support Services-Students	5,000	4,600	3,982	618
Support Services-Instruction	-	1,400	823	577
Community Services-operations	12,928	12,928	8,614	4,314
TOTAL EXPENDITURES	<u>\$ 44,227</u>	<u>\$ 50,350</u>	<u>\$ 42,560</u>	<u>\$ 7,790</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 43,951
Differences-Budget to GAAP	
Current Year Receivable	11,377
Prior Year Receivable	(12,768)
Total Revenues (GAAP Basis)	<u>\$ 42,560</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 42,560
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 42,560</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND - COLLABORATIVE FOREST RESTORATION GRANT

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 170,686	\$ 170,686	\$ 117,847	\$ (52,839)
TOTAL REVENUE	<u>170,686</u>	<u>170,686</u>	<u>117,847</u>	<u>(52,839)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 170,686</u>	<u>\$ 170,686</u>		
EXPENDITURES				
Current				
Instruction	\$ 74,000	\$ 74,000	\$ 21,928	\$ 52,072
Acquisition & Construction	96,686	96,686	37,757	58,929

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - IMPACT AID SPECIAL EDUCATION

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 50,000	\$ 50,000	\$ 68,837	\$ 18,837
TOTAL REVENUE	<u>50,000</u>	<u>50,000</u>	<u>\$ 68,837</u>	<u>\$ 18,837</u>
Cash Balance Budgeted	<u>72,245</u>	<u>68,379</u>		
TOTAL REVENUE & CASH	<u>\$ 122,245</u>	<u>\$ 118,379</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 19,098	\$ 16,541	\$ 2,557
Support Services				
Support Services-Students	112,416	89,452	83,599	5,853
Student Transportation	9,829	9,829	9,829	-
TOTAL EXPENDITURES	<u>\$ 122,245</u>	<u>\$ 118,379</u>	<u>\$ 109,969</u>	<u>\$ 8,410</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 68,837
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 68,837</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 109,969
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 109,969</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - IMPACT AID INDIAN EDUCATION

Year Ended June 30 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 75,000	\$ 75,000	\$ 63,906	\$ (11,094)
TOTAL REVENUE	<u>75,000</u>	<u>75,000</u>	<u>63,906</u>	<u>(11,094)</u>
Cash Balance Budgeted	<u>80,704</u>	<u>89,403</u>		
TOTAL REVENUE & CASH	<u>\$ 155,704</u>	<u>\$ 164,403</u>		
EXPENDITURES				
Current				
Instruction	\$ 30,782	\$ 37,588	\$ 35,607	\$ 1,981
Support Services				
Support Services-Students	113,373	94,680	21,292	73,388
Support Services-Instruction	3,500	23,986	20,847	3,139
Support Services-School Administration	-	100	99	1
Student Transportation	8,049	8,049	7,749	300
TOTAL EXPENDITURES	<u>\$ 155,704</u>	<u>\$ 164,403</u>	<u>\$ 85,594</u>	<u>\$ 78,809</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 63,906
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 63,906</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 85,594
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 85,594</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND - TITLE XIX MEDICAID 3 TO 21

Year Ended June 30 2012

	<u>ORIGINAL BUDGET</u>	<u>ADJUSTED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
Federal Revenue	25,000	25,000	29,000	4,000
TOTAL REVENUE	<u>25,000</u>	<u>25,000</u>	<u>\$ 29,000</u>	<u>\$ 4,000</u>
Cash Balance Budgeted	44,054	57,554		
TOTAL REVENUE & CASH	<u>\$ 69,054</u>	<u>\$ 82,554</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ 69,054	\$ 82,554	\$ 57,389	\$ 25,165
TOTAL EXPENDITURES	<u>\$ 69,054</u>	<u>\$ 82,554</u>	<u>\$ 57,389</u>	<u>\$ 25,165</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 29,000
Differences-Budget to GAAP	<u>29,000</u>
Total Revenues (GAAP Basis)	<u>\$ 29,000</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 57,389
Differences-budget to GAAP	<u>57,389</u>
Total Expenditures (GAAP Basis)	<u>\$ 57,389</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND - CHILD & ADULT FOOD PROGRAM

Year Ended June 30 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 862	\$ 6,619	\$ 5,757
TOTAL REVENUE	<u>-</u>	<u>862</u>	<u>6,619</u>	<u>5,757</u>
Cash Balance Budgeted	<u>2,956</u>	<u>2,218</u>		
TOTAL REVENUE & CASH	<u>\$ 2,956</u>	<u>\$ 3,080</u>		
EXPENDITURES				
Current				
Instruction	\$ 2,956	\$ 3,080	\$ 2,833	\$ 247
TOTAL EXPENDITURES	<u>\$ 2,956</u>	<u>\$ 3,080</u>	<u>\$ 2,833</u>	<u>\$ 247</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 6,619
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 6,619</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 2,833
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 2,833</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND - INDIAN ED FORMULA GRANT

Year Ended June 30, 2012

	<u>ORIGINAL BUDGET</u>	<u>ADJUSTED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
Federal Revenue	\$ 86,433	\$ 86,260	\$ 85,355	\$ (905)
TOTAL REVENUE	<u>86,433</u>	<u>86,260</u>	<u>85,355</u>	<u>(905)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 86,433</u>	<u>\$ 86,260</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ 86,433	\$ 86,260	\$ 83,331	\$ 2,929
TOTAL EXPENDITURES	<u>86,433</u>	<u>86,260</u>	<u>83,331</u>	<u>2,929</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 85,355
Differences-Budget to GAAP	
Current Year Deferral	(2,024)
Total Revenues (GAAP Basis)	<u>\$ 83,331</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 83,331
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 83,331</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND - EDUCATION JOB FUND

Year Ended June 30, 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 6,513	\$ 6,512	\$ (1)
TOTAL REVENUE	<u>-</u>	<u>6,513</u>	<u>6,512</u>	<u>(1)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 6,513</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 6,513	\$ 6,512	\$ 1
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 6,513</u>	<u>\$ 6,512</u>	<u>\$ 1</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 6,512
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 6,512</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 6,512
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 6,512</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - 2009 DUAL CREDIT INSTRUCTIONAL MATERIALS

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 13,603	\$ 8,228	\$ (5,375)
TOTAL REVENUE	<u>-</u>	<u>13,603</u>	<u>8,228</u>	<u>(5,375)</u>
 Cash Balance Budgeted	 <u>-</u>	 <u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 13,603</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 13,603	\$ 13,603	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 13,603</u>	<u>13,603</u>	<u>-</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 8,228
Differences-Budget to GAAP	
Current Year Receivable	5,375
Total Revenues (GAAP Basis)	<u>\$ 13,603</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 13,603
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 13,603</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - TECHNOLOGY FOR EDUCATION

Year Ended June 30 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
TOTAL REVENUE	-	-	\$ -	\$ -
Cash Balance Budgeted	4,124	4,124		
TOTAL REVENUE & CASH	\$ 4,124	\$ 4,124		
EXPENDITURES				
Current				
Support Services-Instruction	\$ 4,124	\$ 4,124	\$ 1,708	\$ 2,416
Operation & Maintenance of Plant	-	-	2,416	(2,416)
TOTAL EXPENDITURES	\$ 4,124	\$ 4,124	\$ 4,124	\$ -

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ -
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	\$ -

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 4,124
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 4,124

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND - GRADS CHILD CARE

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	-	6,000	3,779	(2,221)
TOTAL REVENUE	<u>-</u>	<u>6,000</u>	<u>\$ 3,779</u>	<u>\$ (2,221)</u>
Cash Balance Budgeted	-			
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 6,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 6,000	\$ 3,699	\$ 2,301
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 6,000</u>	<u>\$ 3,699</u>	<u>\$ 2,301</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 3,779
Differences-Budget to GAAP	
Prior Year Receivable	(80)
Total Revenues (GAAP Basis)	<u>\$ 3,699</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 3,699
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 3,699</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND - GRADS INSTRUCTION

Year Ended June 30 2012

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 43,875	\$ 45,875	\$ 2,000
TOTAL REVENUE	<u>\$ -</u>	<u>\$ 43,875</u>	<u>\$ 45,875</u>	<u>\$ 2,000</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 43,875</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 27,850	\$ 16,147	\$ 11,703
Support Services				
Support Services-Students	-	16,025	8,683	7,342
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 43,875</u>	<u>\$ 24,830</u>	<u>\$ 19,045</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 45,875
Differences-Budget to GAAP	
Current Year Deferral	(21,045)
Total Revenues (GAAP Basis)	<u>\$ 24,830</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 24,830
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 24,830</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND - 2008 G.O. BOND STUDENT

Year Ended June 30 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 278	\$ -	\$ (278)
TOTAL REVENUE	<u>-</u>	<u>278</u>	<u>-</u>	<u>(278)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 278</u>		
EXPENDITURES				
Current				
Support Services-Instruction	\$ -	\$ 278	\$ 277	\$ 1
TOTAL EXPENDITURES	<u>-</u>	<u>278</u>	<u>277</u>	<u>1</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ -
Differences-Budget to GAAP	
Current Year Receivable	277
Total Revenues (GAAP Basis)	<u>\$ 277</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 277
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 277</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND - 2010 G.O. BOND STUDENT

Year Ended June 30 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ 13,945	\$ 13,945	\$ -	\$ (13,945)
TOTAL REVENUE	<u>13,945</u>	<u>13,945</u>	<u>-</u>	<u>(13,945)</u>
 Cash Balance Budgeted	 -	 -		
TOTAL REVENUE & CASH	<u>\$ 13,945</u>	<u>\$ 13,945</u>		
EXPENDITURES				
Current				
Instruction	\$ 13,945	\$ -	\$ -	\$ -
Support Services				
Support Services-Instruction	-	13,945	10,576	3,369
TOTAL EXPENDITURES	<u>\$ 13,945</u>	<u>\$ 13,945</u>	<u>\$ 10,576</u>	<u>\$ 3,369</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ -
Differences-Budget to GAAP	
Prior Year Receivable	10,576
Total Revenues (GAAP Basis)	<u>\$ 10,576</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 10,576
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 10,576</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET -- GENERAL FUND

June 30, 2012

	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>TOTALS</u>
ASSETS				
Cash on Deposit	\$ 1,872,970	\$ -	\$ 17,399	\$ 1,890,369
Due from Other Funds	361,234	-	-	361,234
Property Tax Receivable	9,425	-	-	9,425
Due from other Agencies	9,701	-	-	9,701
TOTAL ASSETS	\$ 2,253,330	\$ -	\$ 17,399	\$ 2,270,729
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ 47,392	\$ -	\$ -	\$ 47,392
Accrued Payroll	835,913	-	-	835,913
Deferred Revenue	6,438	-	-	6,438
Due to Other Funds	-	-	-	-
TOTAL LIABILITIES AND OTHER CREDITS	889,743	-	-	889,743
FUND BALANCE				
Restricted	-	-	-	-
Unassigned	1,363,587	-	17,399	1,380,986
TOTAL FUND BALANCE	1,363,587	-	17,399	1,380,986
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,253,330	\$ -	\$ 17,399	\$ 2,270,729

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE -- GENERAL FUND

Year Ended June 30, 2012

	Operational	Transportation	Instructional Materials	TOTALS
REVENUE				
Federal Programs	\$ 405,349	\$	\$ 90,857	\$ 405,349
State Programs	-	769,531	90,857	860,388
State Equalization	14,312,715			14,312,715
Interest Earnings	4,713			4,713
Fees	95,720			95,720
Sale of Property	950			950
Miscellaneous	206,906			206,906
Local Property Taxes	209,297	-	-	209,297
TOTAL REVENUES	<u>15,235,650</u>	<u>769,531</u>	<u>90,857</u>	<u>16,096,038</u>
EXPENDITURES				
Current				
Instruction	9,410,954		79,464	9,490,418
Support Services	1,770,763			1,770,763
Support Services-Students	-		-	-
Support Services-Instruction	439,804			439,804
Support Services-General Administration	537,267			537,267
Support Services-School Administration	877,213			877,213
Central Services	488,047			488,047
Operation & Maintenance of Plant	2,256,798			2,256,798
Student Transportation	84,173	769,531		853,704
Other Support Services	-			-
Community Services-Operations	19,850			19,850
TOTAL EXPENDITURES	<u>15,884,869</u>	<u>769,531</u>	<u>79,464</u>	<u>16,733,864</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(649,219)	-	11,393	(637,826)
Other Financing Sources (uses)				
Transfer IN (OUT)	(23,938)	-	-	(23,938)
Total Other Financial Sources	<u>(23,938)</u>	<u>-</u>	<u>-</u>	<u>(23,938)</u>
Net Change In Fund Balances	(673,157)	-	11,393	(661,764)
FUND BALANCE				
June 30, 2011	2,036,744	-	6,006	2,042,750
Restatement	-	-	-	-
Restated Balance	<u>2,036,744</u>	<u>-</u>	<u>6,006</u>	<u>2,042,750</u>
FUND BALANCE				
June 30, 2012	<u>\$ 1,363,587</u>	<u>\$ -</u>	<u>\$ 17,399</u>	<u>\$ 1,380,986</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--OPERATIONAL

Year Ended June 30 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 196,024	196,024	208,908	12,884
Fees Activities	28,755	28,755	26,746	(2,009)
Fees-Users	28,834	28,834	51,474	22,640
Interest Income	1,200	1,200	4,713	3,513
State Equalization	14,248,729	14,301,645	14,312,715	11,070
Impact Aid	265,455	265,455	255,626	(9,829)
Rent	-	-	17,500	17,500
Sale of Property/Equipment	-	-	950	950
Access Board	45,000	45,000	52,127	7,127
Refunds	-	-	119,621	119,621
Royalties	-	-	35,157	35,157
Forest Reserve	154,305	154,305	149,723	(4,582)
TOTAL REVENUE	<u>14,968,302</u>	<u>15,021,218</u>	<u>\$ 15,235,260</u>	<u>\$ 214,042</u>

Cash Balance Budgeted

2,112,763 1,843,836

TOTAL REVENUE & CASH

\$ 17,081,065 \$ 16,865,054

EXPENDITURES

Current

Instruction	\$ 9,856,216	9,640,145	9,411,560	228,585
Support Services				
Support Services-Students	1,900,268	1,830,368	1,770,763	59,605
Support Services-Instruction	557,823	557,823	439,804	118,019
Support Services-General Administration	615,725	615,725	577,996	37,729
Support Services-School Administration	886,582	886,582	877,213	9,369
Central services	583,248	583,248	488,047	95,201
Operation & Maintenance of Plant	2,550,745	2,550,745	2,251,464	299,281
Student Transportation	55,885	125,785	84,173	41,612
Other Support Services	29,952	30,012	-	30,012
Community Services-operations	44,621	44,621	19,850	24,771
TOTAL EXPENDITURES	<u>\$ 17,081,065</u>	<u>\$ 16,865,054</u>	<u>\$ 15,920,870</u>	<u>\$ 944,184</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 15,235,260
Differences-Budget to GAAP	
Current Year Receivable	2,988
Prior Year Receivable	(2,598)
Total Revenues (GAAP Basis)	<u>\$ 15,235,650</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 15,920,870
Differences-budget to GAAP	
Prior Year Payable	(83,393)
Current Year Payable	47,392
Total Expenditures (GAAP Basis)	<u>\$ 15,884,869</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--GENERAL FUND--TRANSPORTATION FUND

Year Ended June 30 2012

	<u>ORIGINAL BUDGET</u>	<u>ADJUSTED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
State Equalization	\$ 699,012	\$ 769,531	\$ 769,531	\$ -
TOTAL REVENUE	<u>699,012</u>	<u>769,531</u>	<u>769,531</u>	<u>-</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 699,012</u>	<u>\$ 769,531</u>		
EXPENDITURES				
Current				
Student Transportation	\$ 699,012	\$ 769,531	\$ 769,531	\$ -
TOTAL EXPENDITURES	<u>699,012</u>	<u>769,531</u>	<u>769,531</u>	<u>-</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 769,531
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 769,531</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 769,531
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 769,531</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--GENERAL FUND--TRANSPORTATION FUND

Year Ended June 30 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
State Flow Through Grants	\$ 79,786	\$ 88,189	\$ 90,224	\$ 2,035
Refunds			633	633
TOTAL REVENUE	<u>79,786</u>	<u>88,189</u>	<u>90,857</u>	<u>2,668</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 79,786</u>	<u>\$ 88,189</u>		
EXPENDITURES				
Current				
Instruction	\$ 79,786	\$ 88,189	\$ 79,464	\$ 8,725
TOTAL EXPENDITURES	<u>79,786</u>	<u>88,189</u>	<u>79,464</u>	<u>8,725</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 90,857
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 90,857</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 79,464
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 79,464</u>

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
ACTUAL (NON GAAP BUDGETARY BASIS)--DEBT SERVICE FUND

Year Ended June 30, 2012

	<u>ORIGINAL BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE Favorable (Unfavorable)</u>
REVENUE				
Residential/Non-Residential Taxes	\$ 2,716,500	\$ 2,716,500	\$ 3,514,241	\$ 797,741
Interest Income	5,381	5,381	5,007	(374)
Bond Proceeds	-	-	81,866	81,866
TOTAL REVENUE	2,721,881	2,721,881	\$ 3,601,114	\$ 879,233
Cash Balance Budgeted	<u>1,961,172</u>	<u>2,408,290</u>		
TOTAL REVENUE & CASH	\$ <u>4,683,053</u>	\$ <u>5,130,171</u>		
EXPENDITURES				
Current				
Support Services-General Administration	\$ 32,000	32,000	35,142	(3,142)
Principal	1,700,000	2,147,118	1,700,000	447,118
Interest and Finance Charges	1,016,500	1,016,500	1,081,733	(65,233)
Debt Service Reserve	1,934,553	1,934,553	-	1,934,553
TOTAL EXPENDITURES	\$ <u>4,683,053</u>	\$ <u>5,130,171</u>	\$ <u>2,816,875</u>	\$ <u>2,313,296</u>
Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts (budgetary basis)			\$ 3,601,114	
Differences-Budget to GAAP				
Property tax Receivable			48,490	
Prior Year Tax Receivables			(36,223)	
Total Revenues (GAAP Basis)			\$ <u>3,613,381</u>	
Uses/outflows of resources				
Actual amounts (budgetary basis)			\$ 2,816,875	
Differences-budget to GAAP				
Total Expenditures (GAAP Basis)			\$ <u>2,816,875</u>	

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

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -- AGENCY FUND

Year Ended June 30, 2012

	BALANCE 7/01/11	ADDITIONS	TRANSFERS	DEDUCTIONS	BALANCE 6/30/12
High School	\$ 142,729	\$ 753,015	\$ -	\$ 744,967	\$ 150,777
Middle School	35,056	194,056	-	200,386	28,726
Nob Hill Elementary	5,257	48,472	-	45,537	8,192
Sierra Vista Elementary	10,253	72,116	-	69,322	13,047
White Mountain Elementary	34,343	222,373	-	218,117	38,599
Scholarships	14,063	1,522	-	3,000	12,585
Total	<u>\$ 241,701</u>	<u>\$ 1,291,554</u>	<u>\$ -</u>	<u>\$ 1,281,329</u>	<u>\$ 251,926</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2012

<u>US DEPARTMENT OF EDUCATION</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS THROUGH GRANTOR NUMBER</u>	<u>PROGRAM EXPENDITURES</u>
Passed through New Mexico Public Education Department			
Impact Aid	84.041	11000	\$ 255,626
Title I	84.010	24101	534,821
Idea B Entitlement	84.027	24106	408,337
Idea B Discretionary	84.027	24107	1,761
Idea B Preschool	84.027	24109	19,851
Idea B Early Intervention	84.027	24112	76,733
Idea B Risk Pool	84.027	24120	3,315
Teacher/Principal Training	84.367	24154	110,312
Rural & Low Income Schools	84.358	24160	42,560
Impact Aid Special Ed	<1> 84.041	25145	68,837
Impact Aid Indian Ed	<1> 84.041	25147	63,906
Title XIX Medicaid	93.778	25153	29,000
Indian Education	84.060	25184	83,331
Education Job Fund	<1> 84.410	25255	6,512
Total Department of Education			<u>1,704,902</u>
US DEPARTMENT OF AGRICULTURE			
Passed Through New Mexico Public Education Department			
Schools and Roads Cluster	10.665	25130	39,961
Forest Reserve	10.665	11000	149,723
Child and Adult Care Food Program	10.558	25171	6,619
National School Lunch	<1> 10.555	21000	738,152
School Food Commodity Distribution Program	<1> 10.559	21000	45,579
Total Department of Agriculture			<u>980,034</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u>\$ 2,684,936</u>
<1> Major Program			
Reconciliation to Federal Revenues in Financial Statements:			
Federal Revenues Per Financial Statements			<u>\$ 2,684,936</u>

Note 1 This schedule is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

Note 2 Non-Monetary assistance of \$52,675 is included in the schedule at fair market value of the commodities received from the Department of Agriculture.

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF PLEDGED COLLATERAL

June 30, 2012

	TOTAL DEPOSITS	FDIC INSURANCE	UNINSURED BANK BALANCE	COLLATERAL REQUIRED	COLLATERAL PLEDGED	SECURITY DEFICIT	UNINSURED & UNCOLLATERALIZED DEPOSITS
BBVA BANK	\$ 13,148,362	\$ 250,000	\$ 12,898,362	\$ 6,449,181	\$ 16,246,811	\$ -	\$ -

COLLATERAL	CUSIP #	MATURITY	MARKET VALUE
FHLMC #3762	3137A3NJ4	10/15/23	\$ 44,809
FNR #2005-63	31394EGP7	07/25/25	105,468
FNMA #255892	31371MF93	09/01/25	76,964
FNMA #889339	31410KBG8	12/01/28	166,769
FNMA #889339	31410KBG8	12/01/28	106,765
FNMA #889339	31410KBG8	12/01/28	81,824
FNMA#889339	31410KBG8	12/01/28	219,434
FHLMC2851	31395EHY6	08/15/24	2,423,175
FNMA ARM #695982	31400SFX2	03/01/33	288,263
FNMA #2003-73	31393DZK0	08/25/33	368,991
FHLMC ARM #780996	31349SC92	10/01/33	639,750
FHLMC ARM #780996	31349SC92	10/01/33	131,606
FHLMC #3033	31396ACK8	09/15/35	101,070
FHLMC #3033	31396ACK8	09/15/35	303,211
FNR #2006-81	31396KM33	09/25/36	131,326
FNMA #907865	31411GTW2	03/01/37	103,706
FHLMC #1B7338D	3128QPRJ3	04/01/37	43,778
FRN 2005-63	31394EGP7	07/25/25	486,140
FNMA ARM 694287	31400QJ87	03/01/33	43,464
FNR 2006-41 MC	31395DCG2	07/25/35	8,033,031
FRN 2006-41	31395DCG2	07/25/35	102,780
FNMA ARM 745166	31403CZ79	12/01/35	820,051
FHLMC 1B3090	3128JNKC8	09/01/36	81,873
FHLMC ARM 1Q1326	3128S5PK4	03/01/39	1,023,975
FHLMC ARM 1Q1326	3128S5PK4	03/01/39	32,215
FHLMC ARM 1Q1326	3128S5PK4	03/01/39	170,279
GNMA II 4804	36202FKR6	09/20/40	116,094
			<u>\$ 16,246,811</u>

SECURITIES HELD AT
 COMPASS BANK, BIRMINGHAM, AL

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

BANK SUMMARY

June 30, 2012

BANK	ACCT TYPE	FUND	BANK BALANCE	DEPOSITS IN TRANSIT	OUTSTANDING CHECKS	CASH BALANCE
BBVA COMPASS	* CHK	OPERATIONAL	\$ 1,144,477	\$ -	\$ 17,041	\$ 1,127,436
	* CHK	FOOD SERVICES	240,788	-	91,061	149,727
	* CHK	FEDERAL PROJECTS	79,614	-	-	79,614
	* CHK	CAPITAL IMPROVEMENTS SB-9	1,659,985	-	10,730	1,649,255
	* CHK	CAPITAL PROJECTS	5,533,255	-	60,544	5,472,711
	* CHK	DEBT SERVICE	3,261,876	2,225	-	3,264,101
	* CHK	ATHLETICS	48,450	-	-	48,450
	* CHK	PAYROLL CLEARING	926,459	-	924,806	1,653
	* CHK	NOB HILL EARLY CHILDHOOD	8,192	-	-	8,192
	* CHK	SIERRA VISTA	13,047	-	-	13,047
	* CHK	WHITE MOUNTAIN ELEMENTARY	39,113	-	514	38,599
	* CHK	RUIDOSO MIDDLE SCHOOL	29,643	-	918	28,725
	* CHK	RUIDOSO HIGH SCHOOL	150,878	-	101	150,777
		SCHOLARSHIP	12,585	-	-	12,585
TOTAL BBVA COMPASS			<u>\$ 13,148,362</u>	<u>\$ 2,225</u>	<u>\$ 1,105,715</u>	<u>\$ 12,044,872</u>

* interest bearing

CASH PER FINANCIAL STATEMENTS	\$ 12,716,016
AGENCY CASH	251,926
ACCRUED PAYROLL	(923,070)
	<u>\$ 12,044,872</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2012

	Operational	Transportation	Food Services	Athletics	Federal Projects	Local & State	SB-9
Audited Net Cash JUNE 30, 2011	\$ 1,867,538	\$ -	\$ 150,131	\$ 36,187	\$ 68,111	\$ 7,365	\$ 1,190,846
	-	-	-	-	-	-	-
CASH BALANCE JUNE 30, 2011	1,867,538	-	150,131	36,187	68,111	7,365	1,190,846
Add: Prior year void checks	-	-	-	-	-	-	-
2011-2012 Revenue	15,235,260	769,531	913,588	33,430	1,546,789	58,630	1,280,035
Loans Paid back	250,002	-	-	-	-	-	-
Loans In	-	-	-	-	345,007	16,228	-
Transfers In	507	-	-	-	23,948	719	-
	15,485,769	769,531	913,588	33,430	1,915,744	75,577	1,280,035
TOTAL AVAILABLE CASH	17,353,307	769,531	1,063,719	69,617	1,983,855	82,942	2,470,881
Less:							
2011-2012 Expenditures	15,920,870	769,531	913,724	21,167	1,600,945	57,109	821,626
Loans Out	370,936	-	-	-	-	4,010	-
Loans Paid Back	-	-	-	-	250,002	-	-
Transfers Out	24,444	-	-	-	751	-	-
	16,316,250	769,531	913,724	21,167	1,851,698	61,119	821,626
NET CASH, JUNE 30, 2012	1,037,057	-	149,995	48,450	132,157	21,823	1,649,255
Accrued Payroll	834,260	-	2,547	-	83,713	898	-
Payroll Clearing Cash	1,653	-	-	-	-	-	-
	-	-	-	-	-	-	-
TOTAL CASH, JUNE 30, 2012	\$ 1,872,970	\$ -	\$ 152,542	\$ 48,450	\$ 215,870	\$ 22,721	\$ 1,649,255

Ed Tech Debt Service	Debt Service	Ed Tech Equipment Act	Instructional Materials	SPECIAL CAP OUTLAY STATE	Bond Building	Public School Capital Outlay	Special Capital Outlay Local	Total
\$ 622,230	\$ 2,408,290	\$ 127,748	\$ 6,006	\$ 577	\$ 307,564	\$ 500	\$ 21,193	\$ 6,814,286
622,230	2,408,290	127,748	6,006	577	307,564	500	21,193	6,814,286
46,333	3,601,115	-	90,857	-	9,008,349	-	-	32,583,917
								250,002
								361,235
								25,174
46,333	3,601,115	-	90,857	-	9,008,349	-	21,193	33,220,328
668,563	6,009,405	127,748	96,863	577	9,315,913	500		40,034,614
596,994	2,816,876	127,748	79,464	-	3,865,472			27,591,526
								374,946
								250,002
								25,195
596,994	2,816,876	127,748	79,464	-	3,865,472			28,241,669
71,569	3,192,529	-	17,399	577	5,450,441	500	21,193	11,792,945
								921,418
								1,653
<u>\$ 71,569</u>	<u>\$ 3,192,529</u>	<u>\$ -</u>	<u>\$ 17,399</u>	<u>\$ 577</u>	<u>\$ 5,450,441</u>	<u>\$ 500</u>	<u>\$ 21,193</u>	<u>\$ 12,716,016</u>

Woodard, Cowen & Co.

Certified Public Accountants

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

To the School Board
Ruidoso Municipal Schools

We have audited the financial statements of the governmental activities, each major fund, aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of Ruidoso Municipal Schools, as of and for the year ended June 30, 2012, which collectively comprise the Ruidoso Municipal Schools' basic financial statements and have issued our report thereon dated November 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Ruidoso Municipal Schools is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Ruidoso Municipal Schools' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ruidoso Municipal Schools' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Ruidoso Municipal Schools' internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. 2011-01 & 2012-01 A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ruidoso Municipal Schools' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Portales: PO Box 445, 118 E. 2nd Street Portales NM, 88130 Phone: 575-356-8564 Fax: 575-356-2453
Clovis: PO Box 1874, 116 E. Grand Avenue Clovis NM, 88101 Phone: 575-762-3811 Fax: 575-762-3866

We also noted certain other matters that are required to be reported pursuant to Government Auditing Standards paragraphs 5.14 and 5.16, and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as finding 2012-02.

Ruidoso Municipal Schools' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Ruidoso Municipal Schools' response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within Ruidoso Municipal Schools, the School Board, the State Auditor, the Public Education Department, the New Mexico Legislature, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.

Woodard, Lewis & Co.

Portales, New Mexico
November 13, 2012

Woodard, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Mr. Hector Balderas, State Auditor
Board of Education
Ruidoso Municipal Schools
Ruidoso, New Mexico

Compliance

We have audited Ruidoso Municipal 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 Ruidoso Municipal Schools' major federal programs for the year ended June 30, 2012. Ruidoso Municipal Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Ruidoso Municipal Schools' management. Our responsibility is to express an opinion on Ruidoso Municipal Schools' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ruidoso Municipal Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Ruidoso Municipal Schools' compliance with those requirements.

In our opinion, Ruidoso Municipal Schools, complied, in all material respects, with the 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, 2012.

Internal Control over Compliance

Management of Ruidoso Municipal Schools is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Ruidoso Municipal Schools internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Ruidoso Municipal 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.

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

This report is intended solely for the information and use of management, school board, others within the entity, Public Education Department, the State Auditor, the New Mexico Legislature, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.

Woodward, Lewer & Co.

Portales, New Mexico
November 13, 2012

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

June 30, 2012

PRIOR YEAR AUDIT FINDINGS – Ruidoso Municipal Schools

2011-01 – 24 Hour Rule – Significant deficiency

Condition:	Upon review of Activity Funds deposits, it was discovered that two activity fund collections from the high school and three activity fund collections from the elementary were not being deposited within the required 24-hour period. This determination was made by comparing the date of the receipt with the date stamped by the bank on the deposit slip. Each deposit included receipts that were dated more than 24 hours prior to the deposit.
Recommendation:	Monitor activity fund deposits so that the District can insure that funds are kept in safe keeping.
Status:	Revised and repeated

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 June 30, 2012

I. SUMMARY OF AUDITORS RESULTS:

Report on Financial Statements	Unqualified
Significant Deficiencies on GAGAS	None
Material Weakness involving Significant Deficiencies	None
Material Noncompliance	None
Questioned Cost	None
Type A & Type B dollar threshold	\$300,000
Entity Risk	Low Risk
Major Federal Program	National School Lunch #10.555 School Food Commodity Program #10.559 Impact Aid #84.041 Education Job Fund #84.410
Significant Deficiencies on Internal Control over Major Programs	None
Report on Compliance with Major Programs	Unqualified
II. FEDERAL PROGRAM FINDINGS:	None

III. FINANCIAL STATEMENT FINDINGS:

2011-01 – 24 Hour Rule – (Revised and repeated) – Significant deficiency

Condition:	Upon review of Activity Funds deposits, it was discovered that two activity fund collections from the high school and three activity fund collections from the elementary were not being deposited within the required 24-hour period. This determination was made by comparing the date of the receipt with the date stamped by the bank on the deposit slip. Each deposit included receipts that were dated more than 24 hours prior to the deposit.
Criteria:	NMAC 6.20.2.14 Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.
Effect:	Holding money subjects the money to loss, theft, or misappropriation. This also subjects the District, District employees, parents and students to possible loss and liability.
Cause:	The District staff involved was holding collections until they deemed the deposit to be worthwhile to make.
Recommendation:	Monitor activity fund deposits so that the District can insure that funds are kept in safe keeping.
Response:	The District's management will reinforce the District's policy on making deposits within the 24 hour period from receipt to deposit.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2012

III. FINANCIAL STATEMENT FINDINGS (continued):

2012-01 Expenditures exceed budget – Significant Deficiency

Statement of Condition: The following funds and function lines had expenditures that exceed the budget for that function. IDEA-B Risk Pool Support Services \$71 and Debt Services Support Services \$3,

Criteria: According to 6.20.2.10 NMAC and the manual of procedures of the Public Education Department a school district is to control expenditures from the budget function level.

Cause: Budget line items were not adjusted to reflect funding and program needs.

Effect: The District exceeded budgeted expenditures though the revenue was available for program use.

Recommendation: District personnel in charge of maintaining budget data should ensure that appropriate budget amounts are maintained at each function level.

Response: Management concurs and will diligently work to correct its procedures.

2012-02 Personal check cashed out of fundraising money– Significant Deficiency

Statement of Condition: During the test of activity fund deposits, it was noted that a District employee cashed a personal check with fund raising money that had been collected for deposit.

Criteria: This is against District policy and is simply a poor practice.

Cause: The District employee was allowed to cash a personal check by a campus secretary out of a fund raising deposit.

Effect: This activity could tempt employees to access cash collected from fundraisers and expose these monies to possible loss.

Recommendation: The District's management needs to remind employees that this practice is not allowed by District policy.

Response: Management was appreciative the auditors brought this incident to their attention and immediately sent out communication to call campuses that cashing of personal checks was not allowed. Management concurred with the recommendation.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

June 30, 2012

OTHER DISCLOSURES

AUDITOR PREPARED FINANCIAL STATEMENTS

These financial statements and related footnotes and supplemental information were prepared by the auditor. The auditor cannot be a part of the District's internal control, thus the preparation of the report is not a substitute for managements' internal control and is not considered in the auditors' evaluation of the severity of the internal control deficiency.

EXIT CONFERENCE

An exit conference, to discuss the contents of this report, was held on November 13, 2012. In attendance at the 3:30 p.m. meeting were Patty White, Interim Superintendent, Curt Tempe and Rhonda Vincent, School Board Members, and Dorothy Irion, Director of Finance. Gayland Cowen, CPA and John P. McKinley, Jr., CPA represented our firm at this meeting. Also in attendance were audit committee member Maria Misquez.