

**STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS**

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION
JUNE 30, 2013**

Woodard, Cowen & Co.

Certified Public Accountants

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STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS
JUNE 30, 2013

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STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

OFFICIAL ROSTER

June 30, 2013

BOARD OF EDUCATION

Rhonda Vincent	President
Curt Temple	Vice President
Greg Cory	Secretary
Cecil Davis	Member
Kevin Flusche	Member

SCHOOL OFFICIALS

Dr. George Bickert	Superintendent
Caron Snow	Director of Finance

Woodard, Cowen & Co.

Certified Public Accountants

Independent Auditor's Report

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

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Ruidoso Municipal Schools (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2013, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2013, and the respective changes in financial position and the

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Clovis: PO Box 1874, 116 E. Grand Avenue Clovis NM, 88101 Phone: 575-762-3811 Fax: 575-762-3866

respective budgetary comparisons for the and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management has omitted the management discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by 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.

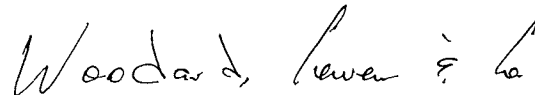
Other Information

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Changes in Assets and Liabilities – Agency Fund, Schedule of Pledged Collateral, Bank Summary, and Bank Reconciliation are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, Schedule of Changes in Assets and Liabilities – Agency Fund, Schedule of Pledged Collateral, Bank Summary, and Bank Reconciliation are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, the Schedule of Changes in Assets and Liabilities – Agency Fund, Schedule of Pledged Collateral, Bank Summary, and Bank Reconciliation are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2013 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Portales, New Mexico
November 13, 2013

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF NET POSITION

June 30, 2013

	Governmental Activities Primary Government
<u>ASSETS</u>	
Current:	
Cash	\$ 12,585,052
Due from other governments	623,614
Property Taxes Receivable	140,234
Inventory	2,754
Non-current:	
Capital assets, Net	60,854,930
Total assets	<u>\$ 74,206,584</u>
 <u>LIABILITIES</u>	
Current:	
Accounts Payable	221,599
Accrued Payroll	859,229
Accrued Interest Payable	519,544
Debt due within one year	2,440,000
Non-current:	
Compensated Absences	53,928
Bond premium (net of amortization of \$36,023)	172,360
Debt due in more than one year	34,915,850
Total liabilities	<u>39,182,510</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred Revenue	151,187
Total deferred inflows of resources	<u>151,187</u>
 <u>NET POSITION</u>	
Invested in capital assets, net of related debt	23,499,080
Restricted for:	
Debt Service	3,672,991
Bond Building	4,604,396
Senate Bill Nine	2,203,673
Athletics	24,695
Cafeteria	128,316
Instructional Materials	389
Unrestricted	739,347
Total net position	<u>\$ 34,872,887</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, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue & Changes in Net Position
Primary government:	\$	\$	\$	\$	\$
Governmental Activities:					
Instruction	10,453,750	45,197	1,142,308	-	(9,266,245)
Support Services					
Support Services-Students	2,237,842	-	590,687	-	(1,647,155)
Support Services-Instruction	381,710	-	31,052	-	(350,658)
Support Services-General Administration	492,721	-	41,080	-	(451,641)
Support Services-School Administration	1,053,886	-	82,416	-	(971,470)
Central Services	498,112	-	-	-	(498,112)
Operation & Maintenance of Plant	2,177,169	-	-	-	(2,177,169)
Student Transportation	886,515	-	784,819	-	(101,696)
Community Services	21,971	-	550	-	(21,421)
Food Services-Operations	982,100	156,752	797,069	-	(28,279)
Other Support Services	75,000	-	-	-	(75,000)
Bond Interest Paid	1,178,846	-	-	-	(1,178,846)
Depreciation-Unallocated	2,855,083	-	-	-	(2,855,083)
Total governmental activities	\$ 23,294,705	\$ 201,949	\$ 3,469,981	\$ -	\$ (19,622,775)
General Revenues:					
Property Taxes:					
					209,496
					3,587,765
					1,206,242
					13,912,118
					92,912
					658,696
					120,161
					14,682
					-
					195,076
					189,235
					<u>20,186,383</u>
					Change in net position 563,608
					Net position - beginning <u>34,169,742</u>
					Restatement <u>139,537</u>
					Restated Balance <u>34,309,279</u>
					Net position - ending <u>\$ 34,872,887</u>

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

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

BALANCE SHEET-- GOVERNMENTAL FUNDS

June 30, 2013

	<u>GENERAL</u>	<u>TITLE I SCHOOL IMPROVEMENTS</u>	<u>SENATE BILL 9</u>
ASSETS			
Cash on Deposit	\$ 1,516,887	\$ 3,860	\$ 2,203,673
Due from Other Funds	623,614	-	-
Due from Other Agencies	-	221,852	-
Property Tax Receivable	6,883	-	33,664
Inventory	-	-	-
TOTAL ASSETS	<u>\$ 2,147,384</u>	<u>\$ 225,712</u>	<u>\$ 2,237,337</u>
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ 29,381	\$ -	\$ -
Accrued Payroll	755,270	3,860	-
Due to Other Funds	-	221,852	-
TOTAL LIABILITIES	<u>784,651</u>	<u>225,712</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue	6,883	-	33,664
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>6,883</u>	<u>-</u>	<u>33,664</u>
FUND BALANCE			
Nonspendable	-	-	-
Restricted	-	-	-
Unassigned	1,355,850	-	2,203,673
TOTAL FUND BALANCE	<u>1,355,850</u>	<u>-</u>	<u>2,203,673</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 2,147,384</u>	<u>\$ 225,712</u>	<u>\$ 2,237,337</u>

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

BOND BUILDING	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 4,796,614	\$ 3,659,581	\$ 404,437	\$ 12,585,052
-	-	-	623,614
-	-	401,762	623,614
-	94,913	4,774	140,234
-	-	2,754	2,754
<u>4,796,614</u>	<u>3,754,494</u>	<u>813,727</u>	<u>13,975,268</u>
\$ 192,218	\$ -	\$ -	\$ 221,599
-	-	100,099	859,229
-	-	401,762	623,614
<u>192,218</u>	<u>-</u>	<u>501,861</u>	<u>1,704,442</u>
-	94,913	15,727	151,187
-	<u>94,913</u>	<u>15,727</u>	<u>151,187</u>
-	-	2,754	2,754
4,604,396	-	293,385	4,897,781
-	3,659,581	-	7,219,104
<u>4,604,396</u>	<u>3,659,581</u>	<u>296,139</u>	<u>12,119,639</u>
<u>4,796,614</u>	<u>3,754,494</u>	<u>813,727</u>	<u>13,975,268</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 POSITION

June 30, 2013

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

Fund balances - total governmental funds	\$ 12,119,639
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	60,854,930
Compensated absences	(53,928)
Property taxes receivable not available for current year expenditures and therefore are deferred in the funds	-
Accrued Interest Payable not reported in funds	(519,544)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(37,355,850)
Bond Premium not included in funds	<u>(172,360)</u>
Net position of governmental activities	<u>\$ 34,872,887</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, 2013

	General	TITLE I SCHOOL IMPROVEMENTS	Senate Bill 9
REVENUE			
Federal Programs	\$ 409,928	\$ 221,852	\$ -
State Programs	1,043,845	-	92,912
State Equalization	13,912,118	-	-
Interest Earnings	4,325	-	2,264
Fees	68,710	-	-
Miscellaneous	315,603	-	-
Sale of Bond Proceeds	-	-	-
Premium on Bond Sale	-	-	-
Local Property Taxes	210,217	-	1,206,242
TOTAL REVENUES	<u>15,964,746</u>	<u>221,852</u>	<u>1,301,418</u>
EXPENDITURES			
Current			
Instruction	9,370,241	221,852	-
Support Services			
Support Services-Students	1,478,819	-	-
Support Services-Instruction	330,694	-	-
Support Services-General Administration	401,819	-	12,233
Support Services-School Administration	971,324	-	-
Central Services	498,112	-	-
Operation & Maintenance of Plant	1,987,776	-	-
Student Transportation	875,869	-	-
Other Support Services	75,000	-	-
Food Services-Operations	-	-	-
Community Services-Operations	228	-	-
Acquisition & Construction	-	-	751,808
Debt Service			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	<u>15,989,882</u>	<u>221,852</u>	<u>764,041</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(25,136)</u>	<u>-</u>	<u>537,377</u>
Other Financing Sources (uses)			
Transfers In/Out	-	-	-
Total Other Financial Sources	-	-	-
Net Change In Fund Balance	<u>(25,136)</u>	<u>-</u>	<u>537,377</u>
FUND BALANCE			
June 30, 2012	1,380,986	-	1,666,296
Restatement	-	-	-
Restated Balance	1,380,986	-	1,203,124
FUND BALANCE June 30, 2013	<u>\$ 1,355,850</u>	<u>\$ -</u>	<u>\$ 2,203,673</u>

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

BOND BUILDING	Debt Service	Other Governmental Funds	Total Governmental
\$ -	\$ -	\$ 2,469,348	\$ 3,101,128
-	-	103,867	1,240,624
-	-	-	13,912,118
5,447	2,328	318	14,682
-	-	201,948	270,658
-	-	-	315,603
5,000,000	-	-	5,000,000
-	87,297	-	87,297
-	3,576,444	11,321	5,004,224
<u>5,005,447</u>	<u>3,666,069</u>	<u>2,786,802</u>	<u>28,946,334</u>
-	-	901,785	10,493,878
-	-	759,023	2,237,842
-	-	51,016	381,710
-	37,454	41,215	492,721
-	-	82,562	1,053,886
-	-	-	498,112
-	-	-	1,987,776
-	-	10,646	886,515
-	-	-	75,000
-	-	982,100	982,100
-	-	21,743	21,971
4,753,923	-	-	5,505,731
-	2,100,000	-	2,100,000
-	1,181,625	-	1,181,625
<u>4,753,923</u>	<u>3,319,079</u>	<u>2,850,090</u>	<u>27,898,867</u>
251,524	346,990	(63,288)	1,047,467
-	71,572	(71,572)	-
-	71,572	(71,572)	-
<u>251,524</u>	<u>418,562</u>	<u>(134,860)</u>	<u>1,047,467</u>
<u>4,352,872</u>	<u>3,241,019</u>	<u>430,999</u>	<u>11,072,172</u>
<u>1,203,124</u>	<u>3,241,019</u>	<u>430,999</u>	<u>11,072,172</u>
<u>\$ 4,604,396</u>	<u>\$ 3,659,581</u>	<u>\$ 296,139</u>	<u>\$ 12,119,639</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, 2013

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

Net change in fund balance - total governmental funds	\$ 1,047,467
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.	2,461,255
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.	(721)
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	(5,000,000)
Bond Premium	(87,297)
PSFA Direct Payment	-
Expenses in the statement of activities which do not require use of current financial resources	
Basis in Equipment Sold	-
Increase in interest Payable	(12,591)
Decrease in compensated absences	40,125
Bond Principal	2,100,000
Bond Premium Amortization	15,370
Change in Net Position	<u>\$ 563,608</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, 2013

	General Fund			VARIANCE Favorable (Unfavorable)
	ORIGINAL BUDGET	BUDGET	ACTUAL	
REVENUE				
Residential/Non-Residential Taxes	\$ 204,310	\$ 204,310	\$ 213,205	\$ 8,895
Fees Activities	3,000	3,000	6,760	3,760
Fees-Users	27,000	27,000	53,392	26,392
Interest Income	2,000	2,000	4,325	2,325
State Equalization	14,759,640	14,780,459	14,696,937	(83,522)
State Flow Through Grants	154,477	154,477	258,639	104,162
Impact Aid	248,260	248,260	282,293	34,033
Rent	30,000	30,000	126,366	96,366
Sale of Property/Equipment	-	-	-	-
Access Board	40,000	40,000	66,722	26,722
Refunds	-	-	16,971	16,971
Charter School Admin	40,000	40,000	64,767	24,767
Forest Reserve	-	127,635	127,635	-
TOTAL REVENUE	<u>15,535,487</u>	<u>15,683,941</u>	<u>\$ 15,967,734</u>	<u>\$ 283,793</u>
Cash Balance Budgeted	<u>1,068,650</u>	<u>1,078,336</u>		
TOTAL REVENUE & CASH	<u>\$ 16,604,137</u>	<u>\$ 16,762,277</u>		
EXPENDITURES				
Current				
Instruction	\$ 9,642,612	\$ 9,652,298	\$ 9,370,241	\$ 282,057
Support Services	-	-	-	-
Support Services-Students	1,568,337	1,592,337	1,478,819	113,518
Support Services-Instruction	323,965	323,965	330,694	(6,729)
Support Services-General Administration	492,490	420,490	390,505	29,985
Support Services-School Administration	949,642	984,642	971,324	13,318
Central Services	489,278	499,278	498,112	1,166
Operation & Maintenance of Plant	2,320,953	2,294,918	2,017,100	277,818
Student Transportation	759,613	876,102	875,869	233
Other Support Services	37,762	98,762	75,000	23,762
Community Services-operations	19,485	19,485	229	19,256
TOTAL EXPENDITURES	<u>\$ 16,604,137</u>	<u>\$ 16,762,277</u>	<u>\$ 16,007,893</u>	<u>\$ 754,384</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 15,967,734
Differences-Budget to GAAP	
Current Year Receivable	-
Prior Year Receivable	(2,988)
Total Revenues (GAAP Basis)	<u>\$ 15,964,746</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 16,007,893
Differences-budget to GAAP	
Prior Year Interest Payable	(47,392)
Current Year Interest Payable	29,381
Total Expenditures (GAAP Basis)	<u>\$ 15,989,882</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 SCHOOL IMPROVEMENT

Year Ended June 30 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 336,504	\$ -	\$ (336,504)
TOTAL REVENUE	<u>-</u>	<u>336,504</u>	<u>-</u>	<u>(336,504)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 336,504</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 336,504	\$ 221,852	\$ 114,652
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 336,504</u>	<u>\$ 221,852</u>	<u>\$ 114,652</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	221,852
Total Revenues (GAAP Basis)	<u>\$ 221,852</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 221,852
Differences-budget to GAAP	
Prior Year Payable	-
Total Expenditures (GAAP Basis)	<u>\$ 221,852</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 - SENATE BILL 9

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 1,176,803	\$ 1,176,803	\$ 1,223,283	\$ 46,480
Interest Income	-	-	2,264	2,264
State Flow Through Grants	-	46,379	92,912	46,533
TOTAL REVENUE	<u>\$ 1,176,803</u>	<u>\$ 1,223,182</u>	<u>\$ 1,318,459</u>	<u>\$ 95,277</u>
Cash Balance Budgeted	<u>1,177,680</u>	<u>1,177,680</u>		
TOTAL REVENUE & CASH	<u>\$ 2,354,483</u>	<u>\$ 2,400,862</u>		
EXPENDITURES				
Current				
Support Services				
Support Services-General Administration	\$ -	\$ 9,140	\$ 12,233	\$ (3,093)
Acquisition & Construction	2,354,483	2,391,722	751,808	1,639,914
TOTAL EXPENDITURES	<u>\$ 2,354,483</u>	<u>\$ 2,400,862</u>	<u>\$ 764,041</u>	<u>\$ 1,636,821</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 1,318,459
Differences-Budget to GAAP	
Property tax Receivable	-
Prior Year Tax Receivables	(17,041)
Total Revenues (GAAP Basis)	<u>\$ 1,301,418</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 764,041
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 764,041</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Interest Income	\$ -	\$ -	\$ 5,447	\$ 5,447
Bond Proceeds	5,000,000	5,000,000	5,000,000	-
TOTAL REVENUE	<u>5,000,000</u>	<u>5,000,000</u>	<u>\$ 5,005,447</u>	<u>\$ 5,447</u>
Cash Balance Budgeted	<u>5,450,441</u>	<u>5,450,441</u>		
TOTAL REVENUE & CASH	<u>\$ 10,450,441</u>	<u>\$ 10,450,441</u>		
EXPENDITURES				
Current				
Acquisition & Construction	\$ 10,864,071	\$ 10,864,071	\$ 5,659,274	\$ 5,204,797
TOTAL EXPENDITURES	<u>\$ 10,864,071</u>	<u>\$ 10,864,071</u>	<u>\$ 5,659,274</u>	<u>\$ 5,204,797</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 5,005,447
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 5,005,447</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 5,659,274
Differences-budget to GAAP	
Current Year Payable	192,218
Prior Year Payable	(1,097,569)
Total Expenditures (GAAP Basis)	<u>\$ 4,753,923</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, 2013

ASSETS	
Cash on Deposit	\$ 219,673
TOTAL ASSETS	<u>\$ 219,673</u>
LIABILITIES	
Due to Student Groups	\$ 219,673
TOTAL LIABILITIES	<u>\$ 219,673</u>

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

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, 2013

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.

TITLE I SCHOOL IMPROVEMENT (Special Revenue Fund) – to help local education agencies and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging state academic standards. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Public Education Department. Authority for the creation of this fund is the Elementary and Secondary Education Act of 1965, Title I, Part A, 20 USC 6301 et seq.

SB 9 (Capital Projects Fund) – 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 (Capital Projects Fund) – 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.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

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 2013 fiscal year was \$620,082,620. 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, 2013

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, 2013

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 \$13,912,118 in state equalization guarantee distributions during the year ended June 30, 2013.

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 \$784,819 in transportation distributions during the year ended June 30, 2013.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

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 \$37,355,850 difference are as follows:

Bonds Payable	\$ 36,000,000
Note Payable to PSFA	1,355,850
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 37,355,850</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 \$2,461,255 difference are as follows:

Capital Outlay	\$ 5,316,338
Depreciation expense	<u>2,855,083</u>
Net adjustment to increase net changes in fund balances – total government funds to arrive at changes in net assets of governmental activities	<u>\$ 2,461,255</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 \$2,100,000 difference are as follows:

Principal repayments:	
General obligation debt	\$ 2,100,000
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 2,100,000</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

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, 2013 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	\$ 16,604,137	\$ 16,762,277
Special Revenue Fund	2,242,276	3,537,460
Debt Service	5,732,512	5,732,512
Capital Projects Fund	2,375,676	2,375,676
	<u>\$ 26,954,601</u>	<u>\$ 28,407,925</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

III. Stewardship, compliance, and accountability (continued)

B. Deficit fund equity

There were not any deficit fund balances at June 30, 2013.

IV. Detailed notes on all funds

A. Cash and temporary investments

At June 30, 2013, the carrying amount of the District's deposits was \$12,585,053 and the bank balance was \$13,029,199. Of this balance \$250,000 was covered by federal depository insurance and \$12,779,199 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, 2013, none of the government's bank balance of \$13,029,199 was exposed to custodial risk as follows:

Uninsured and Uncollateralized	\$-0-
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STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

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	\$ -	\$ 6,883
Senate Bill Nine	-	33,664
Debt Service	-	94,913
Ed Tech Debt Service	-	4,774
Title I	112,248	-
Title I School Improvements	221,852	-
Entitlement	174,254	-
Preschool	25,546	-
Early Intervention	6,826	-
Teacher/Principal Training	13,816	-
Rural and Low Income Schools	12,103	-
2010 GO Bond Student Library	1,858	-
Science Instructional Materials	32,205	-
GRADS	2,106	-
GRADS Instruction	20,800	-
Totals	<u>\$ 623,614</u>	<u>\$ 140,234</u>

Governmental funds reported *deferred inflows of resources* 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:

	Unavailable
Grant draw downs prior to meeting all eligibility requirements	\$ 10,953
Property Taxes – Delinquent	<u>140,234</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 151,187</u>

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

IV. Detailed notes on all funds (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows:

	Balance 06/30/12	Adjustments	Increases	Decreases	Balance 06/30/13
Governmental Activities					
Capital Assets not being depreciated					
Land	\$ 1,340,817	\$ -	\$ -	\$ -	\$ 1,340,817
Construction in Progress	1,759,079	-	5,316,338	-	7,075,417
Total Capital Assets not being depreciated	<u>3,099,896</u>	<u>-</u>	<u>5,316,338</u>	<u>-</u>	<u>8,416,234</u>
Capital Assets being depreciated					
Buildings & Improvements	64,746,513	27,308	-	-	64,773,821
Land Improvements	6,326,324	(27,308)	-	-	6,299,016
Equipment	1,604,243	-	-	-	1,604,243
Total Capital Assets being depreciated	<u>72,677,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,677,080</u>
Less: Accumulated Depreciation					
Buildings & Improvements	14,322,652	-	2,379,925	-	16,702,577
Land Improvements	1,903,904	-	379,529	-	2,283,433
Equipment	1,156,745	-	95,629	-	1,252,374
Total Accumulated Depreciation	<u>17,383,301</u>	<u>-</u>	<u>2,855,083</u>	<u>-</u>	<u>20,238,384</u>
Net Capital Assets being depreciated	<u>55,293,779</u>	<u>-</u>	<u>(2,855,083)</u>	<u>-</u>	<u>52,438,696</u>
Total Net Capital Assets	<u>\$ 58,393,675</u>	<u>\$ -</u>	<u>\$ 2,461,255</u>	<u>\$ -</u>	<u>\$ 60,854,930</u>

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 \$27,308 reclassification of Tag #139-B066 building related sidewalks from the land improvements category to the buildings category.

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

IV. Detailed notes on all funds (continued)

D. Long-term debt – General Obligation Bonds

Series	Original Amount	Interest Rate	Balance 6/30/2012	Additions	Retirements	Balance 6/30/2013	Amount Due in One Year
2005	6,225,000	2.75-3.00%	1,000,000	-	1,000,000	-	-
2006	14,500,000	5.00%	13,450,000	-	600,000	12,850,000	1,200,000
2007	8,500,000	5.00%	7,300,000	-	200,000	7,100,000	500,000
2008	3,000,000	4.00%	2,350,000	-	100,000	2,250,000	200,000
		2.00%-					
2011	9,000,000	2.875%	9,000,000	-	200,000	8,800,000	100,000
2013	5,000,000	2.00%-3.00%	-	5,000,000	-	5,000,000	440,000
Total	\$ 46,225,000		\$ 33,100,000	\$ 5,000,000	2,100,000	\$ 36,000,000	\$ 2,440,000

Fiscal Year	Principal	Interest	Total
2014	\$ 2,440,000	\$ 1,205,147	\$ 3,645,147
2015	2,575,000	1,118,013	3,693,013
2016	2,810,000	1,023,913	3,833,913
2017	2,250,000	931,131	3,181,131
2018	2,450,000	838,700	3,288,700
2019-2023	15,775,000	2,532,825	18,307,825
2024-2026	7,700,000	300,563	8,000,563
	\$ 36,000,000	\$ 7,950,291	\$ 43,950,291

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 \$37,204,957 including \$36,000,000 debt outstanding based on the 2013 valuation.

Liability for Compensated Absences

Balance June 30, 2011	Vacation Used	Vacation Accrued	Balance June 30, 2012	Amount Due in One Year
\$94,056	\$101,089	\$60,960	\$53,927	\$53,927

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, 2013.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

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. 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.

Member Contributions

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

Employer Contributions

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

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

The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Center's contributions to ERB for the fiscal years ending June 30, 2013, 2012, and 2011, were \$1,103,515, \$975,188, and \$1,257,225, 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.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

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

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

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

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

The District's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011 were \$201,267, \$192,046 and \$183,526, respectively, which equal the required contributions for each year.

E. Interfund Balances

Due from	Due to Operational
Title I	112,248
Title I School Improvement	221,852
Entitlement	174,254
Preschool	25,546
Early Intervention	6,826
Teacher/Principal Training	13,816
Rural and Low Income Schools	12,103
2010 GO Bond Student Library	1,858
Science Instructional Materials	32,205
GRADS	2,106
GRADS Instruction	20,800
	\$ <u>623,614</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

V. Other information (continued)

F. 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	\$ -	\$ -	\$ -	\$ -	\$ 2,754	\$ 2,754
Total Nonspendable	-	-	-	-	2,754	2,754
Restricted for:						
Debt Service	-	-	-	3,659,581	13,410	3,672,991
Capital Improvements	-	4,604,396	2,203,673	-	1,077	6,809,146
Athletics	-	-	-	-	24,695	24,695
Cafeteria	-	-	-	-	125,562	125,562
Instructional Materials	389	-	-	-	-	389
Total restricted	389	4,604,396	2,203,673	3,659,581	164,744	10,632,783
Unassigned	1,355,461	-	-	-	128,641	1,484,102
Total Fund Balances	\$ 1,355,850	\$ 4,604,396	\$ 2,203,673	\$ 3,659,581	\$ 296,139	\$ 12,119,639

G. Restatement of Net Position

Beginning net position was restated for \$139,537 for the following reasons.

Net position July 1, 2012	\$ 34,169,742
Restatement of deferred revenue overstated for property taxes receivable	139,512
Prior year cash on hand recorded as an expenditure	25
Restated net position July 1, 2013	\$ 34,309,279

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.

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 – 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)

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)

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.

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue (continued)

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.

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.

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)

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.

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)

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.

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.

FORMATIVE ASSESSMENTS – Program to give teachers essential tools for monitoring student progress in making timely, strategic interventions throughout the school year. Funded by the New Mexico state legislature to support the statutory requirement of 22-2C-4.1, A, 1 & 2.

SCIENCE INSTRUCTIONAL MATERIALS – Program to provide funding for science instructional material supplies to be used in regular instructional hours for grades 6 through 8. This fund was created by the authority of the State Legislature.

SUICIDE PREVENTION – The purpose of this fund is to account for the agreement used to provide integrated primary and behavioral health care for adolescents through a school based health center. The authority and funding for this agreement is provided by the contract between the REC and the New Mexico Department of Health.

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.

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue (continued)

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.

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS AND OTHER
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2013

	PUBLIC SCHOOL CAPITAL OUTLAY	SPECIAL CAPITAL OUTLAY LOCAL	SPECIAL CAPITAL OUTLAY STATE
ASSETS			
Cash on Deposit	\$ 500	\$ -	\$ 577
Property Taxes Receivable	-	-	-
Due From Other Agencies	-	-	-
Due From Other Funds	-	-	-
Inventory	-	-	-
TOTAL ASSETS	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 577</u>
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-
Due to Other Funds	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Unspendable	-	-	-
Restricted	<u>500</u>	<u>-</u>	<u>577</u>
TOTAL FUND BALANCE	<u>500</u>	<u>-</u>	<u>577</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 577</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
\$ 1,077	\$ 389,950	\$ 13,410	\$ 404,437
-	-	4,774	4,774
-	401,762	-	401,762
-	-	-	-
-	2,754	-	2,754
<u>\$ 1,077</u>	<u>\$ 794,466</u>	<u>\$ 18,184</u>	<u>\$ 813,727</u>
\$ -	\$ -	\$ -	\$ -
-	100,099	-	100,099
-	401,762	-	401,762
<u>-</u>	<u>501,861</u>	<u>-</u>	<u>501,861</u>
-	10,953	4,774	15,727
<u>-</u>	<u>10,953</u>	<u>4,774</u>	<u>15,727</u>
-	2,754	-	2,754
1,077	278,898	13,410	293,385
<u>1,077</u>	<u>281,652</u>	<u>13,410</u>	<u>296,139</u>
<u>\$ 1,077</u>	<u>\$ 794,466</u>	<u>\$ 18,184</u>	<u>\$ 813,727</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, 2013

	PUBLIC SCHOOL CAPITAL OUTLAY	SPECIAL CAPITAL OUTLAY LOCAL	SPECIAL CAPITAL OUTLAY STATE
REVENUE			
Federal Programs	\$ -	\$ -	\$ -
State Programs	-	-	-
Fees	-	-	-
Interest Income	-	-	-
Miscellaneous	-	-	-
Local Property Taxes	-	-	-
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	-	21,193	-
Acquisition & Construction	-	-	-
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>21,193</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	(21,193)	-
Other Financing Sources (uses)			
Transfer In/Out	-	-	-
Total Other Financial Sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	-	(21,193)	-
FUND BALANCE			
June 30, 2012	500	21,193	577
RESTATEMENT	<u>500</u>	<u>21,193</u>	<u>577</u>
RESTATED FUND BALANCE	<u>500</u>	<u>21,193</u>	<u>577</u>
FUND BALANCE	<u>500</u>	<u>-</u>	<u>577</u>
June 30, 2013	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 577</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
\$ -	\$ 2,469,348	\$ -	\$ 2,469,348
-	103,867	-	103,867
-	201,948	-	201,948
-	318	-	318
-	-	-	-
-	-	11,321	11,321
-	<u>2,775,481</u>	<u>11,321</u>	<u>2,786,802</u>
-	901,785	-	901,785
-	759,023	-	759,023
-	51,016	-	51,016
-	41,080	135	41,215
-	82,562	-	82,562
-	-	-	-
-	10,646	-	10,646
-	982,100	-	982,100
21,193	550	-	21,743
-	-	-	-
-	-	-	-
-	-	-	-
<u>21,193</u>	<u>2,828,762</u>	<u>135</u>	<u>2,850,090</u>
(21,193)	(53,281)	11,186	(63,288)
-	-	(71,572)	(71,572)
-	-	(71,572)	(71,572)
(21,193)	(53,281)	(60,386)	(134,860)
22,270	334,933	73,796	430,999
-	-	-	-
<u>22,270</u>	<u>334,933</u>	<u>73,796</u>	<u>430,999</u>
\$ <u>1,077</u>	\$ <u>281,652</u>	\$ <u>13,410</u>	\$ <u>296,139</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--SPECIAL CAPITAL OUTLAY LOCAL

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash Balance Budgeted	<u>21,193</u>	<u>21,193</u>		
TOTAL REVENUE & CASH	<u>\$ 21,193</u>	<u>\$ 21,193</u>		
EXPENDITURES				
Current				
Acquisition & Construction	\$ 21,193	\$ 21,193	\$ 21,193	\$ -
TOTAL EXPENDITURES	<u>\$ 21,193</u>	<u>\$ 21,193</u>	<u>\$ 21,193</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)	\$ 21,193
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 21,193</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ -	\$ -	\$ 13,544	\$ 13,544
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>13,544</u>	<u>13,544</u>
Cash Balance Budgeted	<u>66,464</u>	<u>66,464</u>		
TOTAL REVENUE & CASH	<u>\$ 66,464</u>	<u>\$ 66,464</u>		
EXPENDITURES				
Current				
Support Services				
Support Services-General Administration	\$ -	\$ 80	\$ 135	\$ (55)
Debt Service Reserve	66,464	66,384	-	66,384
TOTAL EXPENDITURES	<u>66,464</u>	<u>66,464</u>	<u>135</u>	<u>66,329</u>
Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts (budgetary basis)			\$ 13,544	
Differences-Budget to GAAP				
Property tax Receivable			-	
Prior Year Tax Receivables			(2,223)	
Total Revenues (GAAP Basis)			<u>11,321</u>	
Uses/outflows of resources				
Actual amounts (budgetary basis)			\$ 135	
Differences-budget to GAAP				
Total Expenditures (GAAP Basis)			<u>135</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, 2013

	<u>CAFETERIA</u>	<u>ATHLETICS</u>	<u>TITLE I</u>
ASSETS			
Cash on Deposit	\$ 128,029	\$ 24,695	\$ 34,606
Due From Other Agencies	-	-	112,248
Due From Other Funds	-	-	-
Property Taxes Receivable	-	-	-
Inventory	<u>2,754</u>	<u>-</u>	<u>-</u>
	-	-	-
TOTAL ASSETS	<u>\$ 130,783</u>	<u>\$ 24,695</u>	<u>\$ 146,854</u>
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	2,467	-	34,606
Due to Other Funds	<u>-</u>	<u>-</u>	<u>112,248</u>
TOTAL LIABILITIES	<u>2,467</u>	<u>-</u>	<u>146,854</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
	-	-	-
Unspendable	2,754	-	-
Restricted	<u>125,562</u>	<u>24,695</u>	<u>-</u>
TOTAL FUND BALANCE	<u>128,316</u>	<u>24,695</u>	<u>-</u>
	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 130,783</u>	<u>\$ 24,695</u>	<u>\$ 146,854</u>

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

<u>ENTITLEMENT</u>	<u>DISCRETIONARY</u>	<u>PRESCHOOL</u>	<u>EARLY INTERVENTION</u>	<u>IDEA B RISK POOL</u>
\$ 35,979	\$ -	\$ 630	\$ 1,927	\$ -
174,254	-	25,546	6,826	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 210,233</u>	<u>\$ -</u>	<u>\$ 26,176</u>	<u>\$ 8,753</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
35,979	-	630	1,927	-
174,254	-	25,546	6,826	-
<u>210,233</u>	<u>-</u>	<u>26,176</u>	<u>8,753</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 210,233</u>	<u>\$ -</u>	<u>\$ 26,176</u>	<u>\$ 8,753</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, 2013

	TEACHER PRINCIPAL TRAINING	RURAL & LOW INCOME SCHOOLS	IMPACT AID SPECIAL EDUCATION
ASSETS			
Cash on Deposit	\$ 2,157	\$ 3,092	\$ 39,118
Due From Other Agencies	13,816	12,103	-
Due From Other Funds	-	-	-
Property Taxes Receivable	-	-	-
Inventory	-	-	-
TOTAL ASSETS	\$ 15,973	\$ 15,195	\$ 39,118
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	2,157	3,092	3,747
Due to Other Funds	13,816	12,103	-
TOTAL LIABILITIES	15,973	15,195	3,747
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-
FUND BALANCE			
Unspendable	-	-	-
Restricted	-	-	35,371
TOTAL FUND BALANCE	-	-	35,371
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 15,973	\$ 15,195	\$ 39,118

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

IMPACT AID INDIAN EDUCATION	TITLE XIX MEDICAID 3-21 YEARS	CHILD & ADULT FOOD PROGRAM	INDIAN ED FORMULA	2009 DUAL CREDIT INSTRUCTIONAL MATERIALS	2010 GO BOND LIBRARY FUND SB-1
\$ 17,037	\$ 75,555	\$ 9,130	\$ 14,632	\$ -	\$ -
-	-	-	-	-	1,858
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 17,037</u>	<u>\$ 75,555</u>	<u>\$ 9,130</u>	<u>\$ 14,632</u>	<u>\$ -</u>	<u>\$ 1,858</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,394	3,058	-	6,083	-	-
-	-	-	-	-	1,858
<u>5,394</u>	<u>3,058</u>	<u>-</u>	<u>6,083</u>	<u>-</u>	<u>1,858</u>
-	-	-	8,549	-	-
-	-	-	8,549	-	-
-	-	-	-	-	-
11,643	72,497	9,130	-	-	-
<u>11,643</u>	<u>72,497</u>	<u>9,130</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 17,037</u>	<u>\$ 75,555</u>	<u>\$ 9,130</u>	<u>\$ 14,632</u>	<u>\$ -</u>	<u>\$ 1,858</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, 2013

	FORMATIVE ASSESSMENTS LAWS OF 2012	SCIENCE INSTRUCTIONAL MATERIALS K-12	SUICIDE PREVENTION
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash on Deposit	\$ -	\$ -	\$ 2,404
Due From Other Agencies	-	32,205	-
Due From Other Funds	-	-	-
Property Taxes Receivable	-	-	-
Inventory	-	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 32,205</u>	<u>\$ 2,404</u>
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-
Due to Other Funds	-	32,205	-
TOTAL LIABILITIES	<u>-</u>	<u>32,205</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue	-	-	2,404
	<u>-</u>	<u>-</u>	<u>2,404</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>2,404</u>
FUND BALANCE			
Unspendable	-	-	-
Restricted	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ -</u>	<u>\$ 32,205</u>	<u>\$ 2,404</u>

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

GRADS	GRADS INSTRUCTION	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ 297	\$ 662	\$ 389,950
2,106	20,800	401,762
-	-	-
-	-	-
-	-	2,754
<u>\$ 2,403</u>	<u>\$ 21,462</u>	<u>794,466</u>
\$ -	\$ -	\$ -
297	662	100,099
2,106	20,800	401,762
<u>2,403</u>	<u>21,462</u>	<u>501,861</u>
-	-	10,953
-	-	10,953
-	-	-
-	-	2,754
-	-	278,898
-	-	<u>281,652</u>
<u>\$ 2,403</u>	<u>\$ 21,462</u>	<u>\$ 794,466</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, 2013

	<u>CAFETERIA</u>	<u>ATHLETICS</u>	<u>TITLE I</u>
REVENUE			
Federal Programs	\$ 797,069	\$ -	\$ 620,833
State Programs	-	-	-
Interest Earnings	244	74	-
Fees	156,751	45,197	-
Miscellaneous	-	-	-
TOTAL REVENUES	<u>954,064</u>	<u>45,271</u>	<u>620,833</u>
EXPENDITURES			
Current			
Instruction	-	69,026	317,201
Support Services			
Support Services-Students	-	-	227,717
Support Services-Instruction	-	-	28,713
Support Services-General Administration	-	-	21,920
Support Services-School Administration	-	-	25,282
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Food Services-Operations	982,100	-	-
Community Services-Operations	-	-	-
Acquisition & Construction	-	-	-
TOTAL EXPENDITURES	<u>982,100</u>	<u>69,026</u>	<u>620,833</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(28,036)	(23,755)	-
Other Financing Sources (uses)			
Transfer/Refunds	-	-	-
Total Other Financial Sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	(28,036)	(23,755)	-
FUND BALANCE			
June 30, 2012	156,352	48,450	-
RESTATEMENT			
RESTATED FUND BALANCE	<u>156,352</u>	<u>48,450</u>	<u>-</u>
FUND BALANCE			
June 30, 2013	<u>\$ 128,316</u>	<u>\$ 24,695</u>	<u>\$ -</u>

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

ENTITLEMENT	DISCRETIONARY	PRESCHOOL	EARLY INTERVENTION	IDEA B RISK POOL
\$ 516,399	\$ 5,000	\$ 24,485	\$ 55,355	\$ 2,998
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
516,399	5,000	24,485	55,355	2,998
241,716	2,958	24,485	23,387	-
259,111	2,042	-	183	2,998
316	-	-	-	-
15,256	-	-	-	-
-	-	-	31,785	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
516,399	5,000	24,485	55,355	2,998
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

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, 2013

	TEACHER PRINCIPAL TRAINING	RURAL & LOW INCOME SCHOOLS	IMPACT AID SPECIAL EDUCATION
REVENUE			
Federal Programs	\$ 73,609	\$ 43,807	\$ 69,206
State Programs	-	-	-
Interest Earnings	-	-	-
Fees	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	<u>73,609</u>	<u>43,807</u>	<u>69,206</u>
EXPENDITURES			
Current			
Instruction	47,839	39,429	17,499
Support Services			
Support Services-Students	-	180	39,873
Support Services-Instruction	-	164	-
Support Services-General Administration	2,661	1,243	-
Support Services-School Administration	23,109	2,241	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	3,710
Food Services-Operations	-	-	-
Community Services-Operations	-	550	-
Acquisition & Construction	-	-	-
TOTAL EXPENDITURES	<u>73,609</u>	<u>43,807</u>	<u>61,082</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	8,124
Other Financing Sources (uses)			
Transfer/Refunds	-	-	-
Total Other Financial Sources	-	-	-
Net Change In Fund Balance	-	-	8,124
FUND BALANCE			
June 30, 2012	-	-	27,247
RESTATEMENT	-	-	-
RESTATED FUND BALANCE	<u>-</u>	<u>-</u>	<u>27,247</u>
FUND BALANCE			
June 30, 2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,371</u>

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

IMPACT AID INDIAN EDUCATION	TITLE XIX MEDICAID 3-21 YEARS	CHILD & ADULT FOOD PROGRAM	INDIAN ED FORMULA	2009 DUAL CREDIT INSTRUCTIONAL MATERIALS	2010 GO BOND LIBRARY FUND SB-1
\$ 70,572	\$ 103,400	\$ 5,593	\$ 81,022	\$ -	\$ -
-	-	-	-	6,009	1,858
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>70,572</u>	<u>103,400</u>	<u>5,593</u>	<u>81,022</u>	<u>6,009</u>	<u>1,858</u>
31,203	-	2,467	-	6,009	-
68,395	60,068	-	81,022	-	-
19,965	-	-	-	-	1,858
-	-	-	-	-	-
145	-	-	-	-	-
-	-	-	-	-	-
6,936	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>126,644</u>	<u>60,068</u>	<u>2,467</u>	<u>81,022</u>	<u>6,009</u>	<u>1,858</u>
(56,072)	43,332	3,126	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(56,072)	43,332	3,126	-	-	-
67,715	29,165	6,004	-	-	-
-	-	-	-	-	-
<u>67,715</u>	<u>29,165</u>	<u>6,004</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>11,643</u>	\$ <u>72,497</u>	\$ <u>9,130</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, 2013

	FORMATIVE ASSESSMENTS LAWS OF 2012	SCIENCE INSTRUCTIONAL MATERIALS K-12	SUICIDE PREVENTION
REVENUE			
Federal Programs	\$ -	\$ -	\$ -
State Programs	15,706	32,205	2,096
Interest Earnings	-	-	-
Fees	-	-	-
Miscellaneous	-	-	-
TOTAL REVENUES	<u>15,706</u>	<u>32,205</u>	<u>2,096</u>
EXPENDITURES			
Current			
Instruction	15,706	32,205	2,096
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>15,706</u>	<u>32,205</u>	<u>2,096</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-
Other Financing Sources (uses)			
Transfer/Refunds	-	-	-
Total Other Financial Sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balance	-	-	-
FUND BALANCE			
June 30, 2012	-	-	-
RESTATEMENT			
RESTATED FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
June 30, 2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

GRADS	GRADS INSTRUCTION	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ 2,469,348
4,145	41,848	103,867
-	-	318
-	-	201,948
-	-	-
<u>4,145</u>	<u>41,848</u>	<u>2,775,481</u>
4,145	24,414	901,785
-	17,434	759,023
-	-	51,016
-	-	41,080
-	-	82,562
-	-	-
-	-	10,646
-	-	982,100
-	-	550
-	-	-
<u>4,145</u>	<u>41,848</u>	<u>2,828,762</u>
-	-	(53,281)
-	-	-
-	-	-
-	-	(53,281)
-	-	334,933
-	-	-
<u>-</u>	<u>-</u>	<u>334,933</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 281,652</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees-Users	\$ 180,000	\$ 180,000	\$ 156,751	\$ (23,249)
Interest Income	600	600	244	(356)
Federal Revenue	790,000	790,000	767,195	(22,805)
TOTAL REVENUE	<u>970,600</u>	<u>970,600</u>	<u>\$ 924,190</u>	<u>\$ (46,410)</u>
Cash Balance Budgeted	<u>149,995</u>	<u>149,995</u>		
TOTAL REVENUE & CASH	<u>\$ 1,120,595</u>	<u>\$ 1,120,595</u>		
EXPENDITURES				
Current				
Food Services-Operations	\$ 1,186,730	\$ 1,186,730	\$ 948,623	\$ 238,107
TOTAL EXPENDITURES	<u>\$ 1,186,730</u>	<u>\$ 1,186,730</u>	<u>\$ 948,623</u>	<u>\$ 238,107</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 924,190
Differences-Budget to GAAP	
Commodities Received	29,874
Total Revenues (GAAP Basis)	<u>\$ 954,064</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 948,623
Differences-budget to GAAP	
Cost of Commodities Used	29,874
Inventory Adjustment	3,603
Total Expenditures (GAAP Basis)	<u>\$ 982,100</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Fees-Users	\$ 30,000	\$ 40,900	\$ 45,197	\$ 4,297
Interest Income	40	40	74	34
TOTAL REVENUE	<u>30,040</u>	<u>40,940</u>	<u>\$ 45,271</u>	<u>\$ 4,331</u>
Cash Balance Budgeted	<u>47,438</u>	<u>47,438</u>		
TOTAL REVENUE & CASH	<u>\$ 77,478</u>	<u>\$ 88,378</u>		
EXPENDITURES				
Current				
Instruction	\$ 77,478	88,378	69,026	19,352
TOTAL EXPENDITURES	<u>\$ 77,478</u>	<u>\$ 88,378</u>	<u>\$ 69,026</u>	<u>\$ 19,352</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 45,271
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 45,271</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 69,026
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 69,026</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 493,439	\$ 623,299	\$ 680,667	\$ 57,368
TOTAL REVENUE	<u>493,439</u>	<u>623,299</u>	<u>680,667</u>	<u>57,368</u>
 Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 493,439</u>	<u>\$ 623,299</u>		
EXPENDITURES				
Current				
Instruction	\$ 234,734	326,193	317,201	8,992
Support Services				
Support Services-Students	230,111	220,808	227,717	(6,909)
Support Services-Instruction	28,594	29,020	28,713	307
Support Services-General Administration	-	22,007	21,920	87
Support Services-School Administration	-	25,271	25,282	(11)
TOTAL EXPENDITURES	<u>\$ 493,439</u>	<u>\$ 623,299</u>	<u>\$ 620,833</u>	<u>\$ 2,466</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 680,667
Differences-Budget to GAAP	
Current Year Receivable	112,248
Prior Year Receivable	(172,082)
Total Revenues (GAAP Basis)	<u>\$ 620,833</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 620,833
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 620,833</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--ENTITLEMENT

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 558,690	\$ 440,105	\$ (118,585)
TOTAL REVENUE	\$ -	\$ 558,690	\$ 440,105	\$ (118,585)
Cash Balance Budgeted				
TOTAL REVENUE & CASH	\$ -	\$ 558,690		
EXPENDITURES				
Current				
Instruction	\$ -	256,465	241,716	14,749
Support Services				
Support Services-Students	-	286,653	259,111	27,542
Support Services-Instruction	-	316	316	-
Support Services-General Administration	-	15,256	15,256	-
TOTAL EXPENDITURES	\$ -	\$ 558,690	\$ 516,399	\$ 42,291

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 440,105
Differences-Budget to GAAP	
Current Year Receivable	174,254
Prior Year Receivable	(97,960)
Total Revenues (GAAP Basis)	\$ 516,399

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 516,399
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 516,399

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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 5,000	\$ 5,000	\$ -
TOTAL REVENUE	\$ -	\$ 5,000	\$ 5,000	\$ -
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 5,000		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 2,872	2,958	\$ (86)
Support Services				
Support Services-Students	\$ -	\$ 2,128	\$ 2,042	\$ 86
TOTAL EXPENDITURES	\$ -	\$ 5,000	\$ 5,000	\$ -

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 5,000
Differences-Budget to GAAP	
Prior Year Receivable	-
Total Revenues (GAAP Basis)	\$ 5,000

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 5,000
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 5,000

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--IDEA B PRESCHOOL

Year Ended June 30 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 30,802	\$ 9,940	\$ (20,862)
TOTAL REVENUE	<u>-</u>	<u>30,802</u>	<u>9,940</u>	<u>(20,862)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 30,802</u>		
EXPENDITURES				
Current				
Instruction	\$ -	30,802	24,485	6,317
Support Services				
Support Services-Students	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 30,802</u>	<u>24,485</u>	<u>6,317</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 9,940
Differences-Budget to GAAP	
Current Year Receivable	25,546
Prior Year Receivable	(11,001)
Total Revenues (GAAP Basis)	<u>\$ 24,485</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 24,485
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 24,485</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 80,064	\$ 71,043	\$ (9,021)
TOTAL REVENUE	<u>-</u>	<u>80,064</u>	<u>71,043</u>	<u>(9,021)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 80,064</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 47,948	\$ 23,387	\$ 24,561
Support Services				
Support Services-Students	-	200	183	17
Support Services-School Administration	-	31,916	31,785	131
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 80,064</u>	<u>\$ 55,355</u>	<u>\$ 24,709</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 71,043
Differences-Budget to GAAP	
Current Year Receivable	6,826
Prior Year Receivable	(22,514)
Total Revenues (GAAP Basis)	<u>\$ 55,355</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 55,355
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 55,355</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 2,998	\$ 6,313	\$ 3,315
TOTAL REVENUE	<u>-</u>	<u>2,998</u>	<u>6,313</u>	<u>3,315</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 2,998</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ -	\$ 2,998	\$ 2,998	\$ -
TOTAL EXPENDITURES	<u>-</u>	<u>2,998</u>	<u>2,998</u>	<u>-</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 6,313
Differences-Budget to GAAP	
Current Year Receivable	-
Prior Year Receivable	(3,315)
Total Revenues (GAAP Basis)	<u>\$ 2,998</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 2,998
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 2,998</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--TEACHER/PRINCIPAL TRAINING & RECRUITING

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 88,073	\$ 120,427	\$ 86,550	\$ (33,877)
TOTAL REVENUE	<u>88,073</u>	<u>120,427</u>	<u>\$ 86,550</u>	<u>\$ (33,877)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 88,073</u>	<u>\$ 120,427</u>		
EXPENDITURES				
Current				
Instruction	\$ 34,489	\$ 81,937	\$ 47,839	\$ 34,098
Support Services				
Support Services-Students				-
Support Services-Instruction				-
Support Services-General Administration	3,183	3,183	2,661	522
Support Services-School Administration	50,401	35,307	23,109	12,198
TOTAL EXPENDITURES	<u>\$ 88,073</u>	<u>\$ 120,427</u>	<u>\$ 73,609</u>	<u>\$ 46,818</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 86,550
Differences-Budget to GAAP	
Current Year Receivable	13,816
Prior Year Receivable	(26,757)
Total Revenues (GAAP Basis)	<u>\$ 73,609</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 73,609
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 73,609</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 35,469	\$ 48,963	\$ 43,081	\$ (5,882)
TOTAL REVENUE	<u>35,469</u>	<u>48,963</u>	<u>43,081</u>	<u>(5,882)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 35,469</u>	<u>\$ 48,963</u>		
EXPENDITURES				
Current				
Instruction	\$ 27,252	\$ 36,246	\$ 39,429	\$ (3,183)
Support Services				
Support Services-Students	6,000	3,664	180	3,484
Support Services-Instruction	1,000	1,000	164	836
Support Services-General Administration	1,217	2,217	1,243	974
Support Services-School Administration	-	4,785	2,241	2,544
Community Services-operations	-	1,051	550	501
TOTAL EXPENDITURES	<u>\$ 35,469</u>	<u>\$ 48,963</u>	<u>\$ 43,807</u>	<u>\$ 5,156</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 43,081
Differences-Budget to GAAP	
Current Year Receivable	12,103
Prior Year Receivable	(11,377)
Total Revenues (GAAP Basis)	<u>\$ 43,807</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 43,807
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 43,807</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 SPECIAL EDUCATION

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 48,000	\$ 48,000	\$ 69,206	\$ 21,206
TOTAL REVENUE	<u>48,000</u>	<u>48,000</u>	<u>69,206</u>	<u>21,206</u>
Cash Balance Budgeted	<u>13,430</u>	<u>13,430</u>		
TOTAL REVENUE & CASH	<u>\$ 61,430</u>	<u>\$ 61,430</u>		
EXPENDITURES				
Current				
Instruction	\$ 19,040	\$ 17,672	\$ 17,499	\$ 173
Support Services				
Support Services--Students	38,679	40,047	39,873	174
Student Transportation	3,711	3,711	3,710	1
TOTAL EXPENDITURES	<u>\$ 61,430</u>	<u>\$ 61,430</u>	<u>\$ 61,082</u>	<u>\$ 348</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 69,206
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 69,206</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 61,082
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 61,082</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 60,000	\$ 60,000	\$ 70,572	\$ 10,572
TOTAL REVENUE	<u>60,000</u>	<u>60,000</u>	<u>70,572</u>	<u>10,572</u>
Cash Balance Budgeted	<u>67,715</u>	<u>67,715</u>		
TOTAL REVENUE & CASH	<u>\$ 127,715</u>	<u>\$ 127,715</u>		
EXPENDITURES				
Current				
Instruction	\$ 29,628	\$ 28,168	\$ 31,203	\$ (3,035)
Support Services				
Support Services-Students	69,549	70,809	68,395	2,414
Support Services-Instruction	22,157	22,157	19,965	2,192
Support Services-School Administration	-	200	145	55
Student Transportation	8,050	8,050	6,936	1,114
TOTAL EXPENDITURES	<u>\$ 129,384</u>	<u>\$ 129,384</u>	<u>\$ 126,644</u>	<u>\$ 2,740</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 70,572
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 70,572</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 126,644
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 126,644</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 50,000	\$ 50,000	\$ 103,400	\$ 53,400
TOTAL REVENUE	<u>50,000</u>	<u>50,000</u>	<u>103,400</u>	<u>53,400</u>
Cash Balance Budgeted	3,213	29,165		
TOTAL REVENUE & CASH	<u>\$ 53,213</u>	<u>\$ 79,165</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ 53,213	\$ 79,165	\$ 60,068	\$ 19,097
TOTAL EXPENDITURES	<u>53,213</u>	<u>79,165</u>	<u>60,068</u>	<u>19,097</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 103,400
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 103,400</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 60,068
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 60,068</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 3,500	\$ 5,598	\$ 2,093
TOTAL REVENUE	\$ -	\$ 3,500	\$ 5,598	\$ 2,093
Cash Balance Budgeted	5,322	5,322		
TOTAL REVENUE & CASH	\$ 5,322	\$ 8,822		
EXPENDITURES				
Current				
Instruction	\$ 5,322	\$ 8,822	\$ 2,467	\$ 6,355
TOTAL EXPENDITURES	\$ 5,322	\$ 8,822	\$ 2,467	\$ 6,355

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 5,593
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	\$ 5,593

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 2,467
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 2,467

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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 87,244	\$ 87,547	\$ 87,547	\$ -
TOTAL REVENUE	<u>87,244</u>	<u>87,547</u>	<u>87,547</u>	<u>-</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 87,244</u>	<u>\$ 87,547</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ 87,244	\$ 87,547	\$ 81,022	\$ 6,525
TOTAL EXPENDITURES	<u>87,244</u>	<u>87,547</u>	<u>81,022</u>	<u>6,525</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 87,547
Differences-Budget to GAAP	
Current Year Deferral	-
Prior Year Deferral	2,024

Total Revenues (GAAP Basis) \$ 89,571

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 81,022
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 81,022</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 6,009	\$ 11,384	\$ 5,375
TOTAL REVENUE	<u>-</u>	<u>6,009</u>	<u>11,384</u>	<u>5,375</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 6,009</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 6,009	\$ 6,009	\$ -
TOTAL EXPENDITURES	<u>-</u>	<u>6,009</u>	<u>6,009</u>	<u>-</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 11,384
Differences-Budget to GAAP	
Prior Year Receivable	(5,375)
Total Revenues (GAAP Basis)	<u>\$ 6,009</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 6,009
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 6,009</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ 3,369	\$ 3,369	\$ 10,576	\$ 7,207
TOTAL REVENUE	<u>3,369</u>	<u>3,369</u>	<u>10,576</u>	<u>7,207</u>
 Cash Balance Budgeted	 <u>-</u>	 <u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 3,369</u>	<u>\$ 3,369</u>		
EXPENDITURES				
Current				
Support Services-Instruction	\$ 3,369	\$ 3,369	\$ 1,858	\$ 1,511
TOTAL EXPENDITURES	<u>3,369</u>	<u>3,369</u>	<u>1,858</u>	<u>1,511</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 10,576
Differences-Budget to GAAP	
Current Year Receivable	1,858
Prior Year Receivable	(10,576)
Total Revenues (GAAP Basis)	<u>\$ 1,858</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 1,858
Differences-budget to GAAP	.
Total Expenditures (GAAP Basis)	<u>\$ 1,858</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 - FORMATIVE ASSESSMENTS

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 15,706	\$ 15,706	\$ -
TOTAL REVENUE	<u>-</u>	<u>15,706</u>	<u>15,706</u>	<u>-</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 15,706</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 15,706	\$ 15,706	\$ -
TOTAL EXPENDITURES	<u>-</u>	<u>15,706</u>	<u>15,706</u>	<u>-</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 15,706
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 15,706</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 15,706
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 15,706</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 - SCIENCE INSTRUCTIONAL MATERIALS

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 32,205	\$ -	\$ (32,205)
TOTAL REVENUE	<u>-</u>	<u>32,205</u>	<u>-</u>	<u>(32,205)</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 32,205</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 32,205	\$ 32,205	\$ -
TOTAL EXPENDITURES	<u>-</u>	<u>32,205</u>	<u>32,205</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	
Current Year Receivable	32,205
Total Revenues (GAAP Basis)	<u>\$ 32,205</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 32,205
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 32,205</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 - SUICIDE PREVENTION

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 5,000	\$ 4,500	\$ (500)
TOTAL REVENUE	<u>-</u>	<u>5,000</u>	<u>4,500</u>	<u>(500)</u>
Cash Balance Budgeted	-			
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 5,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 5,000	\$ 2,096	\$ 2,904
TOTAL EXPENDITURES	<u>-</u>	<u>5,000</u>	<u>2,096</u>	<u>2,904</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 4,500
Differences-Budget to GAAP	
Current Year Deferral	(2,404)
Total Revenues (GAAP Basis)	<u>\$ 2,096</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 2,096
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 2,096</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 CHILD CARE

Year Ended June 30, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 3,000	\$ 1,265	\$ (1,735)
TOTAL REVENUE	<u>-</u>	<u>3,000</u>	<u>1,265</u>	<u>(1,735)</u>
Cash Balance Budgeted	<u>775</u>	<u>775</u>		
TOTAL REVENUE & CASH	<u>\$ 775</u>	<u>\$ 3,775</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 4,199	\$ 4,145	\$ 54
Support Services				
Support Services-Students	2,218	1,019	-	1,019
TOTAL EXPENDITURES	<u>\$ 2,218</u>	<u>\$ 5,218</u>	<u>\$ 4,145</u>	<u>\$ 1,073</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 1,265
Differences-Budget to GAAP	
Current Year Receivable	2,106
Prior Year Deferral	774
Total Revenues (GAAP Basis)	<u>\$ 4,145</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 4,145
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 4,145</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 24,850	\$ -	\$ (24,850)
TOTAL REVENUE	\$ -	\$ 24,850	\$ -	\$ (24,850)
Cash Balance Budgeted	18,907	18,907		
TOTAL REVENUE & CASH	\$ 18,907	\$ 43,757		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 25,831	\$ 24,414	\$ 1,417
Support Services				
Support Services-Students	18,907	17,926	17,434	492
TOTAL EXPENDITURES	\$ 18,907	\$ 43,757	\$ 41,848	\$ 1,909

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	20,800
Prior Year Deferral	21,048
Total Revenues (GAAP Basis)	\$ 41,848

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 41,848
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 41,848

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, 2013

	Operational	Transportation	Instructional Materials	TOTALS
ASSETS				
Cash on Deposit	\$ 1,516,498	\$ -	\$ 389	\$ 1,516,887
Due from Other Funds	623,614	-	-	623,614
Property Tax Receivable	6,883	-	-	6,883
Due from other Agencies	-	-	-	-
TOTAL ASSETS	\$ 2,146,995	\$ -	\$ 389	\$ 2,147,384
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ 29,381	\$ -	\$ -	\$ 29,381
Accrued Payroll	755,270	-	-	755,270
Due to Other Funds	-	-	-	-
TOTAL LIABILITIES	784,651	-	-	784,651
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	6,883	-	-	6,883
TOTAL DEFERRED INFLOWS OF RESOURCES	6,883	-	-	6,883
FUND BALANCE				
Restricted	-	-	-	-
Unassigned	1,355,461	-	389	1,355,850
TOTAL FUND BALANCE	1,355,461	-	389	1,355,850
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 2,146,995	\$ -	\$ 389	\$ 2,147,384

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, 2013

	Operational	Transportation	Instructional Materials	TOTALS
REVENUE				
Federal Programs	\$ 409,928	\$	\$	\$ 409,928
State Programs	120,161	784,819	138,865	1,043,845
State Equalization	13,912,118			13,912,118
Interest Earnings	4,325			4,325
Fees	68,710			68,710
Miscellaneous	315,603			315,603
Local Property Taxes	210,217	-	-	210,217
TOTAL REVENUES	<u>15,041,062</u>	<u>784,819</u>	<u>138,865</u>	<u>15,964,746</u>
EXPENDITURES				
Current				
Instruction	9,214,366		155,875	9,370,241
Support Services				
Support Services-Students	1,478,819		-	1,478,819
Support Services-Instruction	330,694			330,694
Support Services-General Administration	401,819			401,819
Support Services-School Administration	971,324			971,324
Central Services	498,112			498,112
Operation & Maintenance of Plant	1,987,776			1,987,776
Student Transportation	91,050	784,819		875,869
Other Support Services	75,000			75,000
Community Services-Operations	228			228
TOTAL EXPENDITURES	<u>15,049,188</u>	<u>784,819</u>	<u>155,875</u>	<u>15,989,882</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(8,126)	-	(17,010)	(25,136)
Other Financing Sources (uses)				
Transfer IN (OUT)	-	-	-	-
Total Other Financial Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change In Fund Balances	(8,126)	-	(17,010)	(25,136)
FUND BALANCE				
June 30, 2012	1,363,587	-	17,399	1,380,986
Restatement		-		-
Restated Balance	<u>1,363,587</u>	<u>-</u>	<u>17,399</u>	<u>1,380,986</u>
FUND BALANCE				
June 30, 2013	<u>\$ 1,355,461</u>	<u>\$ -</u>	<u>\$ 389</u>	<u>\$ 1,355,850</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 204,310	204,310	213,205	8,895
Fees Activities	3,000	3,000	6,760	3,760
Fees-Users	27,000	27,000	53,392	26,392
Fees-Summer School	-	-	8,558	8,558
Interest Income	2,000	2,000	4,325	2,325
State Equalization	14,070,310	13,995,640	13,912,118	(83,522)
State Flow Through Grants	16,000	16,000	120,161	104,161
Impact Aid	248,260	248,260	282,293	34,033
Rent	30,000	30,000	126,366	96,366
Access Board	40,000	40,000	66,722	26,722
Refunds	-	-	16,584	16,584
Royalties	40,000	40,000	64,767	24,767
Indirect Cost - (DFG)	26,000	26,000	41,054	15,054
Indirect Cost - (Flow Through Grants)	800	800	-	(800)
Insurance Recoveries	-	-	110	110
Forest Reserve	-	127,635	127,635	-
TOTAL REVENUE	<u>14,707,680</u>	<u>14,760,645</u>	<u>\$ 15,044,050</u>	<u>\$ 283,405</u>

Cash Balance Budgeted 1,060,938 1,060,938

TOTAL REVENUE & CASH \$ 15,768,618 \$ 15,821,583

EXPENDITURES

Current

Instruction	\$ 9,496,423	9,496,423	9,214,366	282,057
Support Services				
Support Services-Students	1,568,337	1,592,337	1,478,819	113,518
Support Services-Instruction	323,965	323,965	330,694	(6,729)
Support Services-General Administration	492,490	420,490	390,505	29,985
Support Services-School Administration	949,642	984,642	971,324	13,318
Central services	489,278	499,278	498,112	1,166
Operation & Maintenance of Plant	2,320,953	2,294,918	2,017,100	277,818
Student Transportation	70,283	91,283	91,050	233
Other Support Services	37,762	98,762	75,000	23,762
Community Services-operations	19,485	19,485	229	19,256
TOTAL EXPENDITURES	<u>\$ 15,768,618</u>	<u>\$ 15,821,583</u>	<u>\$ 15,067,199</u>	<u>\$ 754,384</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 15,044,050
Differences-Budget to GAAP	
Current Year Receivable	-
Prior Year Receivable	(2,988)
Total Revenues (GAAP Basis)	<u>\$ 15,041,062</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 15,067,199
Differences-budget to GAAP	
Prior Year Payable	(47,392)
Current Year Payable	29,381
Total Expenditures (GAAP Basis)	<u>\$ 15,049,188</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, 2013

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Equalization	\$ 689,330	\$ 784,819	\$ 784,819	\$ -
TOTAL REVENUE	<u>689,330</u>	<u>784,819</u>	<u>784,819</u>	<u>-</u>
Cash Balance Budgeted	-	-		
TOTAL REVENUE & CASH	<u>\$ 689,330</u>	<u>\$ 784,819</u>		
EXPENDITURES				
Current				
Student Transportation	\$ 689,330	\$ 784,819	\$ 784,819	\$ -
TOTAL EXPENDITURES	<u>689,330</u>	<u>784,819</u>	<u>784,819</u>	<u>-</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 784,819
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 784,819</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 784,819
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 784,819</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--INSTRUCTIONAL MATERIALS FUND

Year Ended June 30, 2013

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ 138,477	\$ 138,477	\$ 138,478	\$ 1
Refunds	-	-	387	387
TOTAL REVENUE	<u>138,477</u>	<u>138,477</u>	<u>138,865</u>	<u>388</u>
Cash Balance Budgeted	<u>7,712</u>	<u>17,398</u>		
TOTAL REVENUE & CASH	<u>\$ 146,189</u>	<u>\$ 155,875</u>		
EXPENDITURES				
Current				
Instruction	\$ 146,189	\$ 155,875	\$ 155,875	\$ -
TOTAL EXPENDITURES	<u>\$ 146,189</u>	<u>\$ 155,875</u>	<u>\$ 155,875</u>	<u>\$ -</u>

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

Sources/inflows of resources

Actual amounts (budgetary basis)	\$ 138,865
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 138,865</u>

Uses/outflows of resources

Actual amounts (budgetary basis)	\$ 155,875
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 155,875</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, 2013

	BALANCE 7/01/12	ADDITIONS	TRANSFERS	DEDUCTIONS	BALANCE 6/30/13
High School	\$ 150,777	\$ 197,953	\$ -	\$ 222,304	\$ 126,426
Middle School	28,726	51,992	-	47,763	32,955
Nob Hill Elementary	8,192	22,542	-	23,897	6,837
Sierra Vista Elementary	13,047	27,855	-	31,641	9,261
White Mountain Elementary	38,599	69,330	-	77,737	30,192
Scholarships	12,585	2,417	-	1,000	14,002
Total	<u>\$ 251,926</u>	<u>\$ 372,089</u>	<u>\$ -</u>	<u>\$ 404,342</u>	<u>\$ 219,673</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2013

<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	\$ 282,293
Title I	<1> 84.010	24101	620,833
Idea B Entitlement	<1> 84.027	24106	516,399
Idea B Discretionary	<1> 84.027	24107	5,000
Idea B Preschool	<1> 84.027	24109	24,485
Idea B Early Intervention	<1> 84.027	24112	55,355
Idea B Risk Pool	<1> 84.027	24120	2,998
Teacher/Principal Training	84.367	24154	73,610
Rural & Low Income Schools	84.358	24160	43,807
Title I School Improvement	<1> 84.010	24162	221,852
Impact Aid Special Ed	84.041	25145	61,083
Impact Aid Indian Ed	84.041	25147	126,644
Title XIX Medicaid	93.778	25153	60,067
Indian Education	84.060	25184	81,022
Total Department of Education			<u>2,175,448</u>
US DEPARTMENT OF AGRICULTURE			
Passed Through New Mexico Public Education Department			
Forest Reserve	10.665	11000	127,635
Child and Adult Care Food Program	10.558	25171	2,466
National School Lunch	10.555	21000	767,195
School Food Commodity Distribution Program	10.559	21000	29,874
Total Department of Agriculture			<u>927,170</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u>\$ 3,102,618</u>
<1> Major Program			
Reconciliation to Federal Revenues in Financial Statements:			
Federal Revenues Per Financial Statements			\$ 3,101,128
Change in Fund Balance			1,490
			<u>\$ 3,102,618</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 \$29,874 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, 2013

	TOTAL DEPOSITS	FDIC INSURANCE	UNINSURED BANK BALANCE	COLLATERAL REQUIRED	COLLATERAL PLEDGED	SECURITY DEFICIT	UNINSURED & UNCOLLATERALIZED DEPOSITS
BBVA BANK	\$ 13,029,199	\$ 250,000	\$ 12,779,199	\$ 6,389,600	\$ 14,594,174	\$ -	\$ -

COLLATERAL	CUSIP #	MATURITY	MARKET VALUE
GNMA POOL #558955	36213M5Q7	05/15/29	\$ 4,623,753
FHLMC ARM #780996	31349SC92	10/01/33	537,691
FHLMC ARM #780996	31349SC92	10/01/33	110,611
FHLMC ARM #780996	31349SC92	10/01/33	343,815
FNR 2006-41 MC	31395DCG2	07/25/35	4,679,350
FNMA ARM #745166	31403CZ79	12/01/35	535,324
FHLMC #848357	110114002	12/01/35	163,709
FHLMC ARM1Q1444	3128S5S96	03/01/36	275,914
FHLMC ARM 1Q1173	3128S5JS4	10/01/37	316,233
FNR 2008-83 CA	313997MXK8	09/25/38	249,438
FHLMC ARM 1Q1421	3128S5SJA	11/01/38	1,728,934
FHLMC ARM #1Q1326	3128S5PK4	03/01/39	546,000
FNMA ARM AJ8074	3138EO6L8	12/01/41	483,402
FHLMC #3033	31396ACK8	09/15/35	-
FNR #2006-81	31396KM33	09/25/36	-
FNMA #907865	31411GTW2	03/01/37	-
FHLMC #1B7338D	3128QPRJ3	04/01/37	-
FRN 2005-63	31394EGP7	07/25/25	-
FNMA ARM 694287	31400QJ87	03/01/33	-
FNR 2006-41 MC	31395DCG2	07/25/35	-
FRN 2006-41	31395DCG2	07/25/35	-
FNMA ARM 745166	31403CZ79	12/01/35	-
FHLMC 1B3090	3128JNKC8	09/01/36	-
FHLMC ARM 1Q1326	3128S5PK4	03/01/39	-
FHLMC ARM 1Q1326	3128S5PK4	03/01/39	-
FHLMC ARM 1Q1326	3128S5PK4	03/01/39	-
GNMA II 4804	36202FKR6	09/20/40	-
			<u>\$ 14,594,174</u>

SECURITIES HELD AT
 COMPASS BANK, BIRMINGTON, AL

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

BANK SUMMARY

June 30, 2013

BANK	ACCT TYPE	FUND	BANK BALANCE	DEPOSITS IN TRANSIT	OUTSTANDING CHECKS	CASH BALANCE
BBVA COMPASS	* CHK	OPERATIONAL	\$ 971,546	\$ 1,020	\$ 71,352	\$ 901,214
	* CHK	FOOD SERVICES	197,807	-	72,246	125,561
	* CHK	FEDERAL PROJECTS	-	-	-	-
	* CHK	CAPITAL IMPROVEMENTS SB-9	2,238,189	-	34,515	2,203,674
	* CHK	CAPITAL PROJECTS	4,797,690	-	-	4,797,690
	* CHK	DEBT SERVICE	3,672,990	-	-	3,672,990
	* CHK	ATHLETICS	26,877	-	2,183	24,694
	* CHK	PAYROLL CLEARING	902,584	-	899,092	3,492
	* CHK	NOB HILL EARLY CHILDHOOD	6,836	-	-	6,836
	* CHK	SIERRA VISTA	9,301	-	40	9,261
	* CHK	WHITE MOUNTAIN ELEMENTARY	30,425	-	283	30,192
	* CHK	RUIDOSO MIDDLE SCHOOL	34,093	-	1,139	32,954
	* CHK	RUIDOSO HIGH SCHOOL	126,859	-	481	126,428
		SCHOLARSHIP	14,002	-	-	14,002
TOTAL BBVA COMPASS			\$ 13,029,199	\$ 1,020	\$ 1,081,231	\$ 11,948,988

* interest bearing

CASH PER FINANCIAL STATEMENTS	\$ 12,585,053
AGENCY CASH	219,673
ACCRUED PAYROLL	(855,738)
	<u>\$ 11,948,988</u>

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2013

	Operational	Transportation	Food Services	Athletics	Federal Projects	Local & State	SB-9
Audited Net Cash							
JUNE 30, 2012	\$ 1,037,057	\$ -	\$ 149,995	\$ 48,450	\$ 132,157	\$ 21,823	\$ 1,649,255
	-	-	-	-	-	-	-
CASH BALANCE							
JUNE 30, 2012	1,037,057	-	149,995	48,450	132,157	21,823	1,649,255
Add: Prior year void checks	-	-	-	-	-	-	-
2012-2013 Revenue	15,044,049	784,819	924,190	45,271	1,679,094	43,707	1,318,460
Loans Paid back	370,936						
Loans In	-				566,645	54,565	
Transfers In	-	-	-	-	-	-	-
	15,414,985	784,819	924,190	45,271	2,245,739	98,272	1,318,460
TOTAL AVAILABLE CASH	16,452,042	784,819	1,074,185	93,721	2,377,896	120,095	2,967,715
Less:							
2012-2013 Expenditures	15,067,201	784,819	948,623	69,026	1,895,622	103,867	764,042
Loans Out	621,210				-	-	
Loans Paid Back					345,007	16,228	
Transfers Out	-	-	-	-	75	-	-
	15,688,411	784,819	948,623	69,026	2,240,704	120,095	764,042
NET CASH, JUNE 30, 2013	763,631	-	125,562	24,695	137,192	-	2,203,673
Accrued Payroll	751,778		2,467		100,533	960	
Payroll Clearing Cash	3,492						
	-	-	-	-	-	-	-
TOTAL CASH, JUNE 30, 2013	\$ 1,518,901	\$ -	\$ 128,029	\$ 24,695	\$ 237,725	\$ 960	\$ 2,203,673

Ed Tech Debt Service	Debt Service	Instructional Materials	SPECIAL CAP OUTLAY STATE	Bond Building	Public School Capital Outlay	Special Capital Outlay Local	Total
\$ 71,572	\$ 3,192,529	17,399	\$ 576	\$ 5,450,441	\$ 500	\$ 21,193	\$ 11,792,947
	-	-	-	-	-	-	-
71,572	3,192,529	17,399	576	5,450,441	500	21,193	11,792,947
13,545	3,714,558	138,865	-	5,005,447	-	-	28,712,005
							370,936
							621,210
	71,572	-	-	-	-	-	71,572
13,545	3,786,130	138,865	-	5,005,447	-	21,193	29,775,728
85,117	6,978,659	156,264	576	10,455,888	500	-	41,568,670
135	3,319,078	155,875	-	5,659,274	-	21,193	28,788,755
							621,210
							361,235
71,572	-	-	-	-	-	-	71,547
71,707	3,319,078	155,875	-	5,659,274	-	21,193	29,842,847
13,410	3,659,581	389	576	4,796,614	500	-	11,725,823
							855,738
							3,492
<u>\$ 13,410</u>	<u>\$ 3,659,581</u>	<u>389</u>	<u>\$ 576</u>	<u>\$ 4,796,614</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 12,585,053</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 (With Material Weaknesses and Significant Deficiencies Identified; and Reportable Instances of Noncompliance, and Other Matters Identified)*

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds of the Ruidoso Municipal Schools (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplemental information, and have issued our report thereon dated November 13, 2013.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned cost to be significant deficiencies. 2012-01, 2013-01, and 2013-02.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 13-01.

The District's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Woodard, Cowen, & Company
Portales, New Mexico
November 13, 2013



Woodard, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

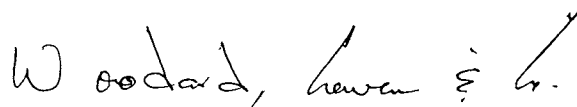
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

Woodard, Cowen & Company

Portales, New Mexico
November 13, 2013

A handwritten signature in black ink that reads "Woodard, Cowen & Co." with a stylized flourish at the end.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

June 30, 2013

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: Resolved

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,

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

Status: Revised and repeated.

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.

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

Status: Resolved

STATE OF NEW MEXICO
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 June 30, 2013

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	Title I #84.010 Idea B Entitlement #84.027 Idea B Discretionary #84.027 Idea B Preschool #84.027 Idea B Early Intervention #84.027 Idea B Risk Pool #84.027 Title I School Improvement #84.010
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:

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. Title I – Support Services - \$6,526; IDEA-B Discretionary – Instruction - \$86; Rural and Low Income Schools – Instruction - \$3,183; Senate Bill 9 – Support Services - \$3,093; Ed Tech Debt Services – Support Services General Administration - \$55, Impact Aid Indian Education – Instruction - \$3,035, Debt Services – Interest/Finance Service - \$1,204, Support Services - \$3,249.

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.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2013

III. FINANCIAL STATEMENT FINDINGS (continued):

2013-01 – Budget cash was not adjusted to available balance – Significant deficiency and compliance

Statement of Condition: During the review of the District's budget, the auditor noted four funds that had more expenditure budgeted than revenue and carryover cash. Upon further examination, it was determined that the available cash was not adjusted from the estimated cash at the time of budget submission to the actual available cash during the first month of the fiscal year. The four affected funds are as follows: Cafeteria - \$66,135; Impact Aid Indian Ed - \$1,669; GRADS - \$1,443; Bond Building - \$413,660.

Criteria: According to 6.20.2.9 NMAC and the manual of procedures of the Public Education Department a school district is to submit a budget for approval where expenditures are not exceed resources of carryover cash and projected revenues. Also, prior to July 31, the District is to determine the available cash carryover and adjust the budget accordingly.

Cause: After the balance of available cash was known, management failed to adjust the budgeted cash and related budgeted expenditures.

Effect: The budget appears to have more expenditure budgeted than combined cash and revenue resources. It was fortunate that the District did not overspend in these four funds.

Recommendation: The District's management should monitor and adjust all funds' budgets in accordance with available resources.

Response: Management concurred with the recommendation. It should be noted that the District has both a new superintendent and finance manager. Both are familiar with the budgeting process and will work to prevent any reoccurrence.

2013-02 – Construction in progress was not tracked – Significant deficiency

Statement of Condition: During the review of the District's capital assets, the auditor noted that construction in progress (CIP) was not being tracked either in the accounting system (Visions) or by hand.

Criteria: GASB 34 for set the standard that governmental entities were to inventory, record and depreciate capital assets over \$5,000. While CIP is not depreciated, tracking CIP is a prudent practice to aid in the recording of capital asset acquisitions.

Effect: Total capital assets could have been understated had the auditor not given the District an adjustment to the District's CIP. That adjustment was \$5,316,338.

Cause: Previous District staff were keeping the capital asset inventory on a separate system outside of Visions. Additions and deletions had to be physically made with no automated controls. This control weakness did not account for construction projects that were not completed at year-end thus CIP was not being tracked.

Recommendation: The current staff and management should utilize the Visions software and track CIP throughout the construction process. This will add an element of automation thus aiding management in identifying newly constructed assets and capturing all the cost.

Response: Again it should be noted the District has new management and management concurs with the recommendation and will utilize the available software to track and record CIP.

STATE OF NEW MEXICO
RUIDOSO MUNICIPAL SCHOOLS

June 30, 2013

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, 2013. In attendance at the 9:30 a.m. meeting were George Bickert, Ed.D, Superintendent; Greg Cory School Board Member, and Caron Snow, Director of Finance. Gayland Cowen, CPA represented our firm at this meeting. Also in attendance were audit committee members Mary Reeve, Director RECIX and Leslie Keller, Parent.