

**STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS**

**AUDITED FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION  
JUNE 30, 2014**

*Woodard, Cowen & Co.*

Certified Public Accountants

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Certified Public Accountants

## Independent Auditor's Report

Mr. Timothy Keller  
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, 2014, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons for the major capital project funds, the debt service fund, and the non-major 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, 2014, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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, 2014, and the respective changes in financial position and the respective budgetary

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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, 2014, and the respective changes in financial position and the respective budgetary comparisons for the major capital projects fund, the debt service fund, 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 December 9, 2014 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  
December 9, 2014

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

OFFICIAL ROSTER

June 30, 2014

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

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

STATEMENT OF NET POSITION

June 30, 2014

<u>ASSETS</u>	Governmental Activities Primary Government
Current:	
Cash	\$ 10,862,865
Due from other governments	392,163
Property Taxes Receivable	139,081
Inventory	1,976
Non-current:	
Capital assets, Net	58,079,229
Total assets	<u>\$ 69,475,314</u>
 <u>LIABILITIES</u>	
Current:	
Accounts Payable	\$ 29,385
Accrued Payroll	297,178
Accrued Interest Payable	346,557
Compensated Absences	50,464
Debt due within one year	2,825,000
Non-current:	
Bond premium (net of amortization of \$32,057)	446,929
Debt due in more than one year	31,065,000
Total liabilities	<u>35,060,513</u>
 DEFERRED INFLOWS OF RESOURCES	
Unearned Revenue	11,719
Total deferred inflows of resources	<u>11,719</u>
 <u>NET POSITION</u>	
Net Investment in Capital Assets	24,189,229
Restricted for:	
Debt Service	3,547,431
Bond Building	2,238,734
Senate Bill Nine	2,650,454
Athletics	42,567
Cafeteria	208,011
Instructional Materials	15,249
Unrestricted	1,511,407
Total net position	<u>\$ 34,403,082</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, 2014

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	\$ 9,615,137	\$ 61,918	\$ 870,164	\$ -	\$ (8,683,055)
Support Services					
Support Services-Students	2,154,365	-	706,610	-	(1,447,755)
Support Services-Instruction	336,110	-	26,252	-	(309,858)
Support Services-General Administration	474,484	-	42,074	-	(432,410)
Support Services-School Administration	1,097,203	-	69,506	-	(1,027,697)
Central Services	526,152	-	-	-	(526,152)
Operation & Maintenance of Plant	2,541,612	-	-	-	(2,541,612)
Student Transportation	780,449	-	780,449	-	-
Community Services	-	-	-	-	-
Food Services-Operations	942,661	143,725	877,923	-	78,987
Community Services-Operations	-	-	-	-	-
Other Support Services	-	-	-	-	-
Bond Interest Paid	1,633,259	-	-	-	(1,633,259)
Bond Issuance Cost	113,200	-	-	-	(113,200)
Depreciation-Unallocated	2,077,212	-	-	-	(2,077,212)
<b>Total governmental activities</b>	<b>\$ 22,291,844</b>	<b>\$ 205,643</b>	<b>\$ 3,372,978</b>	<b>\$ -</b>	<b>\$ (18,713,223)</b>
General Revenues:					
Property Taxes:					
Levied for General Purposes					219,377
Levied for Debt Service					3,648,654
Levied for Capital Projects					1,266,117
State Equalization Guarantee					13,921,436
Federal Sources					935,374
State Operating Grant					10,233
Interest Earnings					26,658
Fees					42,063
Gain on Sale of Equipment					(10,729)
Miscellaneous					82,869
			Total general revenues		20,142,052
			Change in net position		1,428,829
			Net position - beginning		34,872,887
			Restatement		(1,898,634)
			Restated Balance		32,974,253
			Net position - ending		\$ 34,403,082

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

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

BALANCE SHEET-- GOVERNMENTAL FUNDS

June 30, 2014

	GENERAL	IDEA B Entitlement	SENATE BILL 9
<b>ASSETS</b>			
Cash on Deposit	\$ 1,947,531	\$ 8,720	\$ 2,650,454
Due from Other Funds	392,163	-	-
Due from Other Agencies	-	132,371	-
Property Tax Receivable	6,568	-	33,530
Inventory	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 2,346,262</b>	<b>\$ 141,091</b>	<b>\$ 2,683,984</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Accounts Payable	\$ 29,385	\$ -	\$ -
Accrued Payroll	264,556	8,720	-
Due to Other Funds	-	132,371	-
<b>TOTAL LIABILITIES</b>	<b>293,941</b>	<b>141,091</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	6,568	-	33,530
Unearned Revenue	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>6,568</b>	<b>-</b>	<b>33,530</b>
<b>FUND BALANCE</b>			
Nonspendable	-	-	-
Restricted:			
Tranportation	-	-	-
Instructional Materials	15,249	-	-
Capital projects Funds	-	-	2,650,454
Debt Service	-	-	-
Cafeteria	-	-	-
Athletics	-	-	-
Special Revenue Funds	-	-	-
Unassigned	2,030,504	-	-
<b>TOTAL FUND BALANCE</b>	<b>2,045,753</b>	<b>-</b>	<b>2,650,454</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 2,346,262</b>	<b>\$ 141,091</b>	<b>\$ 2,683,984</b>

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

BOND BUILDING	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 2,238,734	\$ 3,546,919	\$ 470,507	\$ 10,862,865
-	-	-	392,163
-	-	259,792	392,163
-	97,581	1,402	139,081
-	-	1,976	1,976
<u>\$ 2,238,734</u>	<u>\$ 3,644,500</u>	<u>\$ 733,677</u>	<u>\$ 11,788,248</u>
\$ -	\$ -	\$ -	\$ 29,385
-	-	23,902	297,178
-	-	259,792	392,163
-	-	283,694	718,726
-	97,581	1,402	139,081
-	-	11,719	11,719
-	97,581	13,121	150,800
-	-	1,976	1,976
-	-	-	-
-	-	-	15,249
2,238,734	-	-	4,889,188
-	3,546,919	512	3,547,431
-	-	205,542	205,542
-	-	42,567	42,567
-	-	186,265	186,265
-	-	-	2,030,504
<u>2,238,734</u>	<u>3,546,919</u>	<u>436,862</u>	<u>10,918,722</u>
<u>\$ 2,238,734</u>	<u>\$ 3,644,500</u>	<u>\$ 733,677</u>	<u>\$ 11,788,248</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, 2014

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

Fund balances - total governmental funds	\$ 10,918,722
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	58,079,229
Compensated absences	(50,464)
Property taxes receivable not available for current year expenditures and therefore are deferred in the funds	139,081
Accrued Interest Payable not reported in funds	(346,557)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(33,890,000)
Bond Premium not included in funds	<u>(446,929)</u>
Net position of governmental activities	<u>\$ 34,403,082</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, 2014

	General	IDEA B ENTITLEMENT	Senate Bill 9	BOND BUILDING
<b>REVENUE</b>				
Federal Programs	\$ 506,084	\$ 498,922	\$ -	\$ -
State Programs	940,409	-	47,324	-
State Equalization	13,921,436	-	-	-
Interest Earnings	3,045	-	2,530	4,373
Private/Direct Grants	-	-	-	-
Charges for Services	-	-	-	-
Fees	42,063	-	-	-
Donations	-	-	-	-
Sale of Property	-	-	-	-
Miscellaneous	300	-	319	-
Indirect Cost	44,187	-	-	-
Rent and Royalties	79,265	-	-	-
Refunds of Prior Year's Expenditures	2,737	-	-	-
Forest Reserve	117,372	-	-	-
Sale of Bond Proceeds	-	-	-	-
Premium on Bond Sale	-	-	-	-
Local Property Taxes	219,692	-	1,266,251	-
<b>TOTAL REVENUES</b>	<b>15,876,590</b>	<b>498,922</b>	<b>1,316,424</b>	<b>4,373</b>
<b>EXPENDITURES</b>				
Current				
Instruction	8,783,496	260,108	-	-
Support Services				
Support Services-Students	1,359,314	221,239	-	-
Support Services-Instruction	309,858	-	-	-
Support Services-General Administration	381,140	17,575	12,663	-
Support Services-School Administration	1,027,697	-	-	-
Central Services	526,152	-	-	-
Operation & Maintenance of Plant	2,020,478	-	-	-
Student Transportation	778,552	-	-	-
Other Support Services	-	-	-	-
Food Services-Operations	-	-	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	856,980	2,370,035
Debt Service				
Other Bond Services	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>15,186,687</b>	<b>498,922</b>	<b>869,643</b>	<b>2,370,035</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>689,903</b>	<b>-</b>	<b>446,781</b>	<b>(2,365,662)</b>
Other Financing Sources (uses)				
Refunds to PED	-	-	-	-
Transfers In/Out	-	-	-	-
<b>Total Other Financial Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change In Fund Balance</b>	<b>689,903</b>	<b>-</b>	<b>446,781</b>	<b>(2,365,662)</b>
<b>FUND BALANCE</b>				
as of June 30, 2013	1,355,850	-	2,203,673	4,604,396
Restatement	-	-	-	-
Restated Balance	1,355,850	-	2,203,673	4,604,396
<b>FUND BALANCE as of June 30, 2014</b>	<b>\$ 2,045,753</b>	<b>\$ -</b>	<b>\$ 2,650,454</b>	<b>\$ 2,238,734</b>

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

Debt Service	Other Governmental Funds	Total Governmental
\$ -	\$ 2,006,347	\$ 3,011,353
-	157,940	1,145,673
-	-	13,921,436
2,150	258	12,356
-	-	-
-	-	-
-	205,642	247,705
-	-	-
-	-	-
-	-	619
-	-	44,187
-	-	79,265
-	250	2,987
-	-	117,372
-	-	-
9,783	-	9,783
3,645,964	3,394	5,135,301
<u>3,657,897</u>	<u>2,373,831</u>	<u>23,728,037</u>
-	574,999	9,618,603
-	573,812	2,154,365
-	26,252	336,110
36,460	26,646	474,484
-	69,506	1,097,203
-	-	526,152
-	-	2,020,478
-	1,897	780,449
-	-	-
-	942,661	942,661
-	-	-
-	-	3,227,015
105,210	-	105,210
2,440,000	-	2,440,000
1,205,147	-	1,205,147
<u>3,786,817</u>	<u>2,215,773</u>	<u>24,927,877</u>
(128,920)	158,058	(1,199,840)
-	(1,077)	(1,077)
16,258	(16,258)	-
<u>16,258</u>	<u>(17,335)</u>	<u>(1,077)</u>
(112,662)	140,723	(1,200,917)
3,659,581	296,139	12,119,639
-	-	-
<u>3,659,581</u>	<u>296,139</u>	<u>12,119,639</u>
<u>\$ 3,546,919</u>	<u>\$ 436,862</u>	<u>\$ 10,918,722</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, 2014

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

Net change in fund balance - total governmental funds	\$ (1,200,917)
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.	628,670
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.	(1,153)
The District refinanced its 2006 Series Bonds. The following are the transactions reported in the State of Activities that did not provide for or require current financial resources.	
This amount represents interest earned on escrow money paid by the District during the refinancing of the bonds.	14,302
Net bond issuance cost paid during the refinancing of the bonds.	(7,989)
Net cash paid back to the District after the refinancing of the bonds.	(9,783)
Interest paid on the refinancing of the bonds.	(621,150)
Expenses in the statement of activities which do not require use of current financial resources	
Gain/(Loss) on sale/disposal of equipment	(10,729)
Decrease in interest Payable	172,987
Cash paid back to PED	1,077
Increase in compensated absences	3,466
Bond Principal	2,440,000
Bond Premium Amortization	<u>20,052</u>
Change in Net Position	<u>\$ 1,428,833</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, 2014

	General Fund			VARIANCE
	ORIGINAL BUDGET	BUDGET	ACTUAL	Favorable (Unfavorable)
<b>REVENUE</b>				
Residential/Non-Residential Taxes	\$ 213,698	\$ 213,698	\$ 219,692	\$ 5,994
Fees Activities	3,000	3,000	2,273	(727)
Fees-Users	25,000	25,000	39,791	14,791
Interest Income	1,500	1,500	3,045	1,545
State Equalization	14,991,425	14,974,615	14,699,988	(274,627)
State Flow Through Grants	110,883	130,633	140,962	10,329
Impact Aid	264,596	264,596	506,084	241,488
Rent	60,000	60,000	78,537	18,537
Sale of Property/Equipment	-	-	-	-
Access Board	-	-	20,895	20,895
Refunds	-	-	2,737	2,737
Charter School Admin	35,000	35,000	727	(34,273)
Forest Reserve	-	-	117,372	117,372
<b>TOTAL REVENUE</b>	<u>15,731,897</u>	<u>15,734,837</u>	<u>\$ 15,876,590</u>	<u>\$ 141,753</u>
Cash Balance Budgeted	<u>911,306</u>	<u>911,306</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 16,643,203</u>	<u>\$ 16,646,143</u>		
<b>EXPENDITURES</b>				
<b>Current</b>				
Instruction	\$ 9,470,490	\$ 9,330,879	\$ 8,783,492	\$ 547,387
Support Services				
Support Services-Students	1,606,545	1,603,545	1,359,314	244,231
Support Services-Instruction	372,728	372,728	309,858	62,870
Support Services-General Administration	466,788	491,788	381,140	110,648
Support Services-School Administration	1,043,163	1,043,163	1,027,697	15,466
Central Services	571,230	571,230	526,152	45,078
Operation & Maintenance of Plant	2,221,554	2,250,716	2,020,478	230,238
Student Transportation	795,362	778,552	778,552	-
Other Support Services	53,085	53,085	-	53,085
Community Services-operations	42,258	42,258	-	42,258
<b>TOTAL EXPENDITURES</b>	<u>\$ 16,643,203</u>	<u>\$ 16,537,944</u>	<u>\$ 15,186,683</u>	<u>\$ 1,351,261</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 15,876,590
Differences-Budget to GAAP	
Current Year Receivable	-
Prior Year Receivable	-
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 15,876,590</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 15,186,683
Differences-budget to GAAP	
Prior Year Interest Payable	(29,381)
Current Year Interest Payable	29,385
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 15,186,687</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Federal Revenue	\$ 484,554	\$ 562,994	\$ 540,805	\$ (22,189)
TOTAL REVENUE	<u>484,554</u>	<u>562,994</u>	<u>\$ 540,805</u>	<u>\$ (22,189)</u>
Cash Balance Budgeted				
TOTAL REVENUE & CASH	<u>\$ 484,554</u>	<u>\$ 562,994</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ 289,219	\$ 304,765	\$ 260,108	\$ 44,657
Support Services				
Support Services-Students	178,226	238,771	221,239	17,532
Support Services-Instruction	-	-	-	-
Support Services-General Administration	17,109	19,458	17,575	1,883
TOTAL EXPENDITURES	<u>\$ 484,554</u>	<u>\$ 562,994</u>	<u>\$ 498,922</u>	<u>\$ 64,072</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 540,805
Differences-Budget to GAAP	
Current Year Receivable	132,371
Prior Year Receivable	(174,254)
Total Revenues (GAAP Basis)	<u>\$ 498,922</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 498,922
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 498,922</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, 2014

ASSETS	
Cash on Deposit	\$ 235,518
TOTAL ASSETS	<u>\$ 235,518</u>
LIABILITIES	
Due to Student Groups	\$ 235,518
TOTAL LIABILITIES	<u>\$ 235,518</u>

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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, 2014

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.

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

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.

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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 2014 fiscal year was \$636,879,583. 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.

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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, 2014

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 \$13,921,436 in state equalization guarantee distributions during the year ended June 30, 2014.

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 \$778,552 in transportation distributions during the year ended June 30, 2014.

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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 \$33,890,000 difference are as follows:

Bonds Payable	\$ 33,890,000
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 33,890,000</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 \$727,181 difference are as follows:

Capital Outlay	\$ 1,350,031
Depreciation expense	<u>2,077,212</u>
Net adjustment to increase net changes in fund balances – total government funds to arrive at changes in net assets of governmental activities	<u>\$ (727,181)</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 \$2,440,000 difference are as follows:

Principal repayments:	
General obligation debt	\$ 2,440,000
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 12,090,000</u>

STATE OF NEW MEXICO  
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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, 2014 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	\$ 16,643,203	\$ 16,537,944
Special Revenue Fund	2,712,698	3,213,690
Debt Service	3,763,456	3,797,096
Capital Projects Fund	3,322,787	3,475,435
	<u>\$ 26,442,144</u>	<u>\$ 27,024,165</u>

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

III. Stewardship, compliance, and accountability (continued)

B. Deficit fund equity

There were not any deficit fund balances at June 30, 2014.

IV. Detailed notes on all funds

A. Cash and temporary investments

At June 30, 2014, the carrying amount of the District's deposits was \$10,862,865 and the bank balance was \$13,119,239. Of this balance \$250,000 was covered by federal depository insurance and \$15,348,096 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, 2014, none of the government's bank balance of \$13,119,239 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, 2014

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	\$ -	\$ 6,568
Senate Bill Nine	-	33,530
Debt Service	-	97,581
Ed Tech Debt Service	-	1,402
Title I	78,333	-
Entitlement	132,371	-
NM Autism Project	1,093	-
Preschool	3,452	-
Teacher/Principal Training	58,387	-
Rural and Low Income Schools	10,629	-
Title I School Improvements	5,654	-
2009 Dual Credit Instructional Materials	5,496	-
2012 GO Bond Student Library	8,925	-
NM Reads to Lead	24,534	-
Robotics 2013	24,777	-
Indian Education Act	17,622	-
NM Grown Fresh Fruits and Vegetables	590	-
Next Generation Assessment	20,300	-
Totals	<u>\$ 392,163</u>	<u>\$ 139,081</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 *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>
Grant draw downs prior to meeting all eligibility requirements	\$ 11,719
Property Taxes – Delinquent	<u>139,081</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 150,800</u>



STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

IV. Detailed notes on all funds (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2014, was as follows:

	Balance 06/30/13	Adjustments	Increases	Decreases	Balance 06/30/14
Governmental Activities					
Capital Assets not being depreciated					
Land	\$ 1,340,817	\$ -	\$ -	\$ -	\$ 1,340,817
Construction in Progress	7,075,417	(7,075,417)	-	-	-
Total Capital Assets not being depreciated	8,416,234	(7,075,417)	-	-	1,340,817
Capital Assets being depreciated					
Buildings & Improvements	64,773,821	1,300,597	818,025	-	66,892,443
Land Improvements	6,299,016	3,737,029	198,695	-	10,234,740
Equipment	1,604,243	-	333,311	50,246	1,887,308
Total Capital Assets being depreciated	72,677,080	5,037,626	1,350,031	50,246	79,014,491
Less: Accumulated Depreciation					
Buildings & Improvements	16,702,577	-	1,501,766	-	18,204,343
Land Improvements	2,283,433	-	461,599	-	2,745,032
Equipment	1,252,374	-	113,847	39,517	1,326,704
Total Accumulated Depreciation	20,238,384	-	2,077,212	39,517	22,276,079
Net Capital Assets being depreciated	52,438,696	5,037,626	(727,181)	10,729	56,738,412
Total Net Capital Assets	\$ 60,854,930	\$ (2,037,791)	\$ (727,181)	\$ 10,729	\$ 58,079,229

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 net amount in the adjustments column represent \$1,355,850 settlement for dirt work that was previously capitalized plus \$699,041 in previously capitalized projects for Horton Complex renovations, RHS gym and cabling, carpet, network cabling, and athletic field renovations.

STATE OF NEW MEXICO  
 RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

IV. Detailed notes on all funds (continued)

D. Long-term debt – General Obligation Bonds

Series	Original Amount	Interest Rate	Balance 6/30/2013	Additions	Retirements	Balance 6/30/2014	Amount Due in One Year
2006	14,500,000	5.00%	12,850,000	-	10,850,000	2,000,000	1,000,000
2007	8,500,000	5.00%	7,100,000	-	500,000	6,600,000	500,000
2008	3,000,000	4.00%	2,250,000	-	200,000	2,050,000	200,000
		2.00%-					
2011	9,000,000	2.875%	8,800,000	-	100,000	8,700,000	300,000
2013	5,000,000	2.00%-3.00%	5,000,000		440,000	4,560,000	575,000
2014	9,980,000	1.50%-3.00%	-	9,980,000	-	9,980,000	250,000
Total	\$ 49,980,000		\$ 36,000,000	\$ 9,980,000	12,090,000	\$ 33,890,000	\$ 2,825,000

Fiscal Year	Principal	Interest	Total
2015	2,825,000	847,149	3,672,149
2016	3,035,000	811,588	3,846,588
2017	2,350,000	721,956	3,071,956
2018	2,550,000	654,425	3,204,425
2019	2,725,000	594,588	3,319,588
2020-2024	15,305,000	1,738,051	17,043,051
2025-2026	5,100,000	135,688	5,235,688
	\$ 33,890,000	\$ 5,503,445	\$ 39,393,445

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 \$38,212,775 including \$33,890,000 debt outstanding based on the 2014 valuation.

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

IV. Detailed notes on all funds (continued)

D. Long-term debt – General Obligation Bonds (continued)

Advance Refunding of Debt

On May 20, 2014, the District issued \$9,980,000 in General Obligation Bonds with interest rates from 1.5% to 3.0% to advance refund \$9,980,000 of the \$11,980,000 outstanding Series 2006 General Obligation Bonds with an interest rate of 5.0%. The District chose to undertake this advance refunding to reduce future interest expenditures by taking advantage of lower interest rates.

Summary of savings comparison of prior debt service to refunding debt service:

Date	Prior Debt Service	Unrefunded Bonds	2014 Refunding Bonds	New Debt Service	Savings
8/1/2014	\$ 1,252,050	\$ 1,045,000	\$ 291,224	\$ 1,336,224	\$ (84,174)
2/1/2015	229,550	22,500	102,013	124,513	105,037
8/1/2015	1,229,550	1,022,500	327,012	1,349,512	(119,962)
2/1/2016	207,050	-	99,763	99,763	107,287
8/1/2016	1,407,050	-	1,399,762	1,399,762	7,288
2/1/2017	182,150	-	80,263	80,263	101,887
8/1/2017	1,682,150	-	1,680,262	1,680,262	1,888
2/1/2018	150,650	-	68,263	68,263	82,387
8/1/2018	1,650,650	-	1,568,262	1,568,262	82,388
2/1/2019	118,775	-	57,013	57,013	61,762
8/1/2019	1,618,775	-	1,557,012	1,557,012	61,763
2/1/2020	86,525	-	42,013	42,013	44,512
8/1/2020	1,586,525	-	1,442,012	1,442,012	144,513
2/1/2021	53,900	-	28,013	28,013	25,887
8/1/2021	1,503,900	-	1,378,012	1,378,012	125,888
2/1/2022	22,000	-	12,825	12,825	9,175
8/1/2022	1,022,000	-	867,825	867,825	154,175
	<u>\$ 14,003,250</u>	<u>\$ 2,090,000</u>	<u>\$ 11,001,549</u>	<u>\$ 13,091,549</u>	<u>\$ 911,701</u>

The total gross savings of \$911,701 less the \$103,525 paid by the District results in a present value savings percentage of principal of 7.611%.

Liability for Compensated Absences

Balance June 30, 2013	Vacation Used	Vacation Accrued	Balance June 30, 2014	Amount Due in One Year
\$53,928	\$47,990	\$44,526	\$50,464	\$50,464

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.

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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, 2014.

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.

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](http://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: 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 2014, the District was required to contribute 13.15% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 13.15% of the gross covered salary for employees whose annual salary is more than \$20,000.

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

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NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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, 2014, 2013, and 2012, were \$1,256,722, \$1,103,515, and \$975,188, 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.

E. Post-retirement health care benefits (continued)

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

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

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

The 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, 2014, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2014, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2014, 2013 and 2012 were \$191,136, \$201,267 and \$192,046, respectively, which equal the required contributions for each year.

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

V. Other information (continued)

E. Interfund Balances

Due from	Due to Operational
Title I	78,333
Entitlement	132,371
NM Autism Project	1,093
Preschool	3,452
Teacher/Principal Training	58,387
Rural and Low Income Schools	10,629
Title I School Improvements	5,654
2009 Dual Credit Instructional Materials	5,496
2012 GO Bond Student Library	8,925
NM Reads to Lead	24,534
Robotics 2013	24,777
Indian Education Act	17,622
NM Grown Fresh Fruits and Vegetables	590
Next Generation Assessment	20,300
	<u>\$ 392,163</u>

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	\$ -	\$ -	\$ -	\$ -	\$ 1,976	\$ 1,976
Total Nonspendable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,976</u>	<u>1,976</u>
Restricted for:						
Debt Service	-	-	-	3,546,919	512	3,547,431
Capital Improvements	-	2,238,734	2,650,454	-	-	4,889,188
Athletics	-	-	-	-	42,567	42,567
Cafeteria	-	-	-	-	205,542	205,542
Instructional Materials	15,249	-	-	-	-	15,249
Special Revenue	-	-	-	-	186,265	186,265
Total restricted	<u>15,249</u>	<u>2,238,734</u>	<u>2,650,454</u>	<u>3,546,919</u>	<u>434,886</u>	<u>8,886,242</u>
Unassigned	<u>2,030,504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,030,504</u>
Total Fund Balances	<u>\$ 2,045,753</u>	<u>\$ 2,238,734</u>	<u>\$ 2,650,454</u>	<u>\$ 3,546,919</u>	<u>\$ 436,862</u>	<u>\$ 10,918,722</u>

G. Restatement of Net Position

Beginning net position was restated for \$1,898,634 for the following reasons.

Net position July 1, 2013	\$ 34,872,887
Restatement of deferred revenue overstated for property taxes receivable	140,234
Cash returned to PED from Public School Capital Outlay	(500)
Cash returned to PED from Special Capital Outlay State	(577)
Reconciliation of Construction In Progress to actual	<u>(2,037,791)</u>
Restated net position July 1, 2013	<u>\$ 32,974,253</u>

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

H. Changes in accounting standards

Under GASB 68, the District's pension liability will be required to be reported on the Statement of Net Position. The District anticipates that the amount of pension liability for the District will be calculated and provide by the Education Retirement Board.

## 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 – 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.

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.

TITLE I SCHOOL IMPROVEMENT – 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.



## NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

### Special Revenue (continued)

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.

2012 G.O. BOND LIBRARY FUND SB-66 – 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.

NEW MEXICO READS TO LEAD – To account for the funding provided by the PED for the purchase of K-3 non-fiction books, K-3 non-fiction classroom libraries, and K-3 non-fiction text materials. Fund was created under the state-wide reading initiative authorized under NM Section 22-13-1.3.

ROBOTICS 2013 – To account for funds used to plan, design, purchase and install robot systems to equip students for science, technology, engineering and math competitions at public schools statewide. Funding and authority provided through the NM PED.

INDIAN EDUCATION ACT – To account for state funds used to increase academic achievement and provide culturally relevant learning experiences for American Indian students. Funding and authority provided through the NM PED.

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.

NEW MEXICO GROWN FRESH FRUITS AND VEGETABLES – To account for funds distributed to the District for the purchase of fruits and vegetables produced in New Mexico. Funding and authority provided by NM PED.

NEXT GENERATION ASSESSMENT – To account for funds provided to the District for purchases computers and related hardware that will aid and prepare the District in taking the PARCC assessment test. Funding and authority provided by the NM PED.

NON-MAJOR GOVERNMENTAL FUNDS

ALL FUNDS – All funds were created by management directive.

Special Revenue (continued)

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.

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.

GRADS PLUS – 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, 2014

	PUBLIC SCHOOL CAPITAL OUTLAY	SPECIAL CAPITAL OUTLAY STATE	TOTAL NONMAJOR CAPITAL PROJECTS
<b>ASSETS</b>			
Cash on Deposit	\$ -	\$ -	\$ -
Due From Other Funds	-	-	-
Due From Other Agencies	-	-	-
Property Tax Receivable	-	-	-
Inventory	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>LIABILITIES AND FUND BALANCE</b>			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-
Due to Other Funds	-	-	-
<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	-	-	-
Unearned Revenue	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCE</b>			
Nonspendable	-	-	-
Restricted:			
Tranportation	-	-	-
Instructional Materials	-	-	-
Capital Projects Funds	-	-	-
Debt Service	-	-	-
Cafeteria	-	-	-
Athletics	-	-	-
Special Revenue Funds	-	-	-
Unassigned	-	-	-
<b>TOTAL FUND BALANCE</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

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

TOTAL NONMAJOR SPECIAL REVENUE FUNDS	TOTAL NONMAJOR DEBT SERVICE FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ 469,995	\$ 512	\$ 470,507
-	-	-
259,792	-	259,792
-	1,402	1,402
1,976	-	1,976
<u>\$ 731,763</u>	<u>\$ 1,914</u>	<u>\$ 733,677</u>
\$ -	\$ -	\$ -
23,902	-	23,902
259,792	-	259,792
<u>283,694</u>	<u>-</u>	<u>283,694</u>
-	1,402	1,402
11,719	-	11,719
<u>11,719</u>	<u>1,402</u>	<u>13,121</u>
1,976	-	1,976
-	-	-
-	-	-
-	-	-
-	512	512
205,542	-	205,542
42,567	-	42,567
186,265	-	186,265
-	-	-
<u>436,350</u>	<u>512</u>	<u>436,862</u>
<u>\$ 731,763</u>	<u>\$ 1,914</u>	<u>\$ 733,677</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, 2014

	PUBLIC SCHOOL CAPITAL OUTLAY	SPECIAL CAPITAL OUTLAY STATE	TOTAL NONMAJOR CAPITAL PROJECTS
<b>REVENUE</b>			
Federal Programs	\$ -	\$ -	\$ -
State Programs	-	-	-
Interest Income	-	-	-
Fees	-	-	-
Refund of Prior Year's Expenditures	-	-	-
Local Property Taxes	-	-	-
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>			
Current			
Instruction	-	-	-
Support Services			
Support Services-Students	-	-	-
Support Services-Instruction	-	-	-
Support Services-General Administration	-	-	-
Support Services-School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services-Operations	-	-	-
Community Services-Operations	-	-	-
Acquisition & Construction	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Financing Sources (uses)			
Refunds to PED	(500)	(577)	(1,077)
Transfer In/Out	-	-	-
<b>Total Other Financial Sources</b>	<b>(500)</b>	<b>(577)</b>	<b>-</b>
<b>Net Change In Fund Balance</b>	<b>(500)</b>	<b>(577)</b>	<b>-</b>
<b>FUND BALANCE</b>			
as of June 30, 2013	500	577	1,077
Restatement	-	-	-
<b>Restated Balance</b>	<b>500</b>	<b>577</b>	<b>1,077</b>
<b>FUND BALANCE as of June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,077</b>

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

TOTAL NONMAJOR SPECIAL REVENUE FUNDS	TOTAL NONMAJOR DEBT SERVICE FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ 2,006,347	\$ -	\$ 2,006,347
157,940	-	157,940
258	-	258
205,642	-	205,642
250	-	250
-	3,394	3,394
<u>2,370,437</u>	<u>3,394</u>	<u>2,373,831</u>
574,999	-	574,999
573,812	-	573,812
26,252	-	26,252
26,612	34	26,646
69,506	-	69,506
-	-	-
-	-	-
1,897	-	1,897
-	-	-
942,661	-	942,661
-	-	-
-	-	-
<u>2,215,739</u>	<u>34</u>	<u>2,215,773</u>
154,698	3,360	158,058
-	-	(1,077)
-	(16,258)	(16,258)
-	(16,258)	(17,335)
154,698	(12,898)	140,723
281,652	13,410	296,139
-	-	-
<u>281,652</u>	<u>13,410</u>	<u>296,139</u>
<u>\$ 436,350</u>	<u>\$ 512</u>	<u>\$ 436,862</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--PUBLIC SCHOOL CAPITAL OUTLAY

Year Ended June 30, 2014

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUE</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Balance Budgeted	500	500		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 500</u>	<u>\$ 500</u>		
<b>EXPENDITURES</b>				
Current				
Operation & Maintenance of Plant	\$ -	\$ -	\$ -	\$ -
Acquisition & Construction	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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	
<b>Total Revenues (GAAP Basis)</b>	<u>\$ -</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ -
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ -</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--SPECIAL CAPITAL OUTLAY-STATE

Year Ended June 30, 2014

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Interest Income	\$ -	\$ -	\$ -	\$ -
State Flow Through Grants	-	-	-	-
<b>TOTAL REVENUE</b>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Cash Balance Budgeted	<u>577</u>	<u>577</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 577</u>	<u>\$ 577</u>		
<b>EXPENDITURES</b>				
Current				
Instruction				\$ -
Acquisition & Construction	\$ 577	\$ 577	\$ -	\$ 577
<b>TOTAL EXPENDITURES</b>	<u>\$ 577</u>	<u>\$ 577</u>	<u>\$ -</u>	<u>\$ 577</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)	\$ -
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ -</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Residential/Non-Residential Taxes	\$ -	\$ -	\$ 3,394	\$ 3,394
<b>TOTAL REVENUE</b>	<u>-</u>	<u>-</u>	<u>\$ 3,394</u>	<u>\$ 3,394</u>
Cash Balance Budgeted	<u>82,309</u>	<u>-</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 82,309</u>	<u>\$ -</u>		
<b>EXPENDITURES</b>				
Current				
Support Services				
Support Services-General Administration	\$ 115	\$ 115	\$ 34	\$ 81
Debt Service Reserve	<u>82,194</u>	<u>10,623</u>	<u>-</u>	<u>10,623</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 82,309</u>	<u>\$ 10,738</u>	<u>\$ 34</u>	<u>\$ 10,704</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 3,394
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 3,394</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 34
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 34</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, 2014

	CAFETERIA	ATHLETICS	TITLE I	NM AUTISM PROJECT
<b>ASSETS</b>				
Cash on Deposit	\$ 206,035	\$ 42,567	\$ 12,799	\$ -
Due From Other Funds	-	-	-	-
Due From Other Agencies	-	-	78,333	1,093
Property Taxes Receivable	-	-	-	-
Inventory	1,976	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 208,011</b>	<b>\$ 42,567</b>	<b>\$ 91,132</b>	<b>\$ 1,093</b>
<b>LIABILITIES AND FUND BALANCE</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	493	-	12,799	-
Due to Other Funds	-	-	78,333	1,093
<b>TOTAL LIABILITIES</b>	<b>493</b>	<b>-</b>	<b>91,132</b>	<b>1,093</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
Unearned Revenue	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>				
Nonspendable	1,976	-	-	-
Restricted:				
Transportation				
Instructional Materials				
Capital Projects Funds				
Debt Service				
Cafeteria	205,542	-	-	-
Athletics	-	42,567	-	-
Special Revenue Funds	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCE</b>	<b>207,518</b>	<b>42,567</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 208,011</b>	<b>\$ 42,567</b>	<b>\$ 91,132</b>	<b>\$ 1,093</b>

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

PRESCHOOL	EARLY INTERVENTION	IDEA B RISK POOL	TEACHER PRINCIPAL TRAINING	RURAL & LOW INCOME SCHOOLS	TITLE I SCHOOL IMPROVEMENTS
\$ -	\$ 32	\$ -	\$ 1,212	\$ 2,247	\$ 394
-	-	-	-	-	-
3,452	-	-	58,387	10,629	5,654
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,452</u>	<u>\$ 32</u>	<u>\$ -</u>	<u>\$ 59,599</u>	<u>\$ 12,876</u>	<u>\$ 6,048</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	1,212	2,247	394
3,452	-	-	58,387	10,629	5,654
<u>3,452</u>	<u>-</u>	<u>-</u>	<u>59,599</u>	<u>12,876</u>	<u>6,048</u>
-	-	-	-	-	-
-	32	-	-	-	-
-	32	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,452</u>	<u>\$ 32</u>	<u>\$ -</u>	<u>\$ 59,599</u>	<u>\$ 12,876</u>	<u>\$ 6,048</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, 2014

	IMPACT AID SPECIAL EDUCATION	IMPACT AID INDIAN EDUCATION	TITLE XIX MEDICAID 3-21 YEARS
<b>ASSETS</b>			
Cash on Deposit	\$ 45,198	\$ 69,517	\$ 51,735
Due From Other Funds	-	-	-
Due From Other Agencies	-	-	-
Property Taxes Receivable	-	-	-
Inventory	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 45,198</u></b>	<b><u>\$ 69,517</u></b>	<b><u>\$ 51,735</u></b>
<b>LIABILITIES AND FUND BALANCE</b>			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Payroll	1,313	1,659	1,259
Due to Other Funds	-	-	-
<b>TOTAL LIABILITIES</b>	<b><u>1,313</u></b>	<b><u>1,659</u></b>	<b><u>1,259</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	-	-	-
Unearned Revenue	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCE</b>			
Nonspendable	-	-	-
Restricted:			
Transportation			
Instructional Materials			
Capital Projects Funds			
Debt Service			
Cafeteria			
Athletics			
Special Revenue Funds	43,885	67,858	50,476
Unassigned	-	-	-
<b>TOTAL FUND BALANCE</b>	<b><u>43,885</u></b>	<b><u>67,858</u></b>	<b><u>50,476</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b><u>\$ 45,198</u></b>	<b><u>\$ 69,517</u></b>	<b><u>\$ 51,735</u></b>

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

CHILD & ADULT FOOD PROGRAM	INDIAN ED FORMULA	2009 DUAL CREDIT INSTRUCTIONAL MATERIALS	2010 GO BOND LIBRARY FUND SB-1	2012 GO BOND LIBRARY FUND SB-66	NEW MEXICO READS TO LEAD
\$ 9,506	\$ 14,527	\$ -	\$ -	\$ -	\$ 473
-	-	-	-	-	-
-	-	5,496	-	8,925	24,534
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 9,506</u>	<u>\$ 14,527</u>	<u>\$ 5,496</u>	<u>\$ -</u>	<u>\$ 8,925</u>	<u>\$ 25,007</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	1,671	-	-	-	473
-	-	5,496	-	8,925	24,534
-	1,671	5,496	-	8,925	25,007
-	-	-	-	-	-
-	8,549	-	-	-	-
-	8,549	-	-	-	-
-	-	-	-	-	-
9,506	4,307	-	-	-	-
-	-	-	-	-	-
<u>9,506</u>	<u>4,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 9,506</u>	<u>\$ 14,527</u>	<u>\$ 5,496</u>	<u>\$ -</u>	<u>\$ 8,925</u>	<u>\$ 25,007</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, 2014

	ROBOTICS 2013	INDIAN EDUCATION ACT	NM GROWN FRESH FRUITS & VEGETABLES	NEXT GENERATION ASSESSMENT
<b>ASSETS</b>				
Cash on Deposit	\$ -	\$ -	\$ -	\$ -
Due From Other Funds	-	-	-	-
Due From Other Agencies	24,777	17,622	590	20,300
Property Taxes Receivable	-	-	-	-
Inventory	-	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 24,777</u></b>	<b><u>\$ 17,622</u></b>	<b><u>\$ 590</u></b>	<b><u>\$ 20,300</u></b>
<b>LIABILITIES AND FUND BALANCE</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Payroll	-	-	-	-
Due to Other Funds	24,777	17,622	590	20,300
<b>TOTAL LIABILITIES</b>	<b><u>24,777</u></b>	<b><u>17,622</u></b>	<b><u>590</u></b>	<b><u>20,300</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
Unearned Revenue	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCE</b>				
Nonspendable	-	-	-	-
Restricted:				
Transportation				
Instructional Materials				
Capital Projects Funds				
Debt Service				
Cafeteria				
Athletics				
Special Revenue Funds	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCE</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b><u>\$ 24,777</u></b>	<b><u>\$ 17,622</u></b>	<b><u>\$ 590</u></b>	<b><u>\$ 20,300</u></b>

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

SUICIDE PREVENTION	GRADS	GRADS INSTRUCTION	GRADS PLUS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ 3,138	\$ 1,020	\$ 4,306	\$ 5,289	\$ 469,995
-	-	-	-	-
-	-	-	-	259,792
-	-	-	-	-
-	-	-	-	1,976
<u>\$ 3,138</u>	<u>\$ 1,020</u>	<u>\$ 4,306</u>	<u>\$ 5,289</u>	<u>\$ 731,763</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	126	256	-	23,902
-	-	-	-	259,792
-	126	256	-	283,694
-	-	-	-	-
3,138	-	-	-	11,719
<u>3,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,719</u>
-	-	-	-	1,976
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	205,542
-	894	4,050	5,289	42,567
-	-	-	-	186,265
-	894	4,050	5,289	436,350
<u>\$ 3,138</u>	<u>\$ 1,020</u>	<u>\$ 4,306</u>	<u>\$ 5,289</u>	<u>\$ 731,763</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, 2014

	CAFETERIA	ATHLETICS	TITLE I	NM AUTISM PROJECT
<b>REVENUE</b>				
Federal Programs	\$ 877,333	\$ -	\$ 549,767	\$ 9,279
State Programs	-	-	-	-
Interest Earnings	215	43	-	-
Fees	143,725	61,917	-	-
Refund of Prior Year's Expenditures	-	250	-	-
<b>TOTAL REVENUES</b>	<b>1,021,273</b>	<b>62,210</b>	<b>549,767</b>	<b>9,279</b>
<b>EXPENDITURES</b>				
Current				
Instruction	-	44,338	180,613	8,753
Support Services				
Support Services-Students	-	-	308,398	526
Support Services-Instruction	-	-	15,816	-
Support Services-General Administration	-	-	19,347	-
Support Services-School Administration	-	-	25,593	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services-Operations	942,071	-	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>942,071</b>	<b>44,338</b>	<b>549,767</b>	<b>9,279</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>79,202</b>	<b>17,872</b>	<b>-</b>	<b>-</b>
Other Financing Sources (uses)				
Refunds to PED	-	-	-	-
Transfer/Refunds	-	-	-	-
<b>Total Other Financial Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change In Fund Balance</b>	<b>79,202</b>	<b>17,872</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>				
as of June 30, 2013	128,316	24,695	-	-
Restatement	-	-	-	-
Restated Balance	128,316	24,695	-	-
<b>FUND BALANCE as of June 30, 2014</b>	<b>\$ 207,518</b>	<b>\$ 42,567</b>	<b>\$ -</b>	<b>\$ -</b>

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



PRESCHOOL	EARLY INTERVENTION	IDEA B RISK POOL	TEACHER PRINCIPAL TRAINING	RURAL & LOW INCOME SCHOOLS	TITLE I SCHOOL IMPROVEMENTS
\$ 35,284	\$ -	\$ 1,269	\$ 84,493	\$ 37,979	\$ 96,393
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
35,284	-	1,269	84,493	37,979	96,393
34,434	-	-	41,625	36,632	96,393
-	-	1,269	-	-	-
-	-	-	-	-	-
850	-	-	2,955	1,347	-
-	-	-	39,913	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
35,284	-	1,269	84,493	37,979	96,393
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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, 2014

	IMPACT AID SPECIAL EDUCATION	IMPACT AID INDIAN EDUCATION	TITLE XIX MEDICAID 3-21 YEARS
<b>REVENUE</b>			
Federal Programs	\$ 68,310	\$ 126,519	\$ 37,599
State Programs	-	-	-
Interest Earnings	-	-	-
Fees	-	-	-
Refund of Prior Year's Expenditures	-	-	-
<b>TOTAL REVENUES</b>	<b>68,310</b>	<b>126,519</b>	<b>37,599</b>
<b>EXPENDITURES</b>			
<b>Current</b>			
Instruction	17,693	2,249	-
Support Services			
Support Services-Students	39,990	68,055	59,620
Support Services-Instruction	-	-	-
Support Services-General Administration	2,113	-	-
Support Services-School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services-Operations	-	-	-
Community Services-Operations	-	-	-
Acquisition & Construction	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>59,796</b>	<b>70,304</b>	<b>59,620</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>8,514</b>	<b>56,215</b>	<b>(22,021)</b>
<b>Other Financing Sources (uses)</b>			
Refunds to PED	-	-	-
Transfer/Refunds	-	-	-
<b>Total Other Financial Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change In Fund Balance</b>	<b>8,514</b>	<b>56,215</b>	<b>(22,021)</b>
<b>FUND BALANCE</b>			
as of June 30, 2013	35,371	11,643	72,497
Restatement	-	-	-
Restated Balance	35,371	11,643	72,497
<b>FUND BALANCE as of June 30, 2014</b>	<b>\$ 43,885</b>	<b>\$ 67,858</b>	<b>\$ 50,476</b>

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

CHILD & ADULT FOOD PROGRAM	INDIAN ED FORMULA	2009 DUAL CREDIT INSTRUCTIONAL MATERIALS	2010 GO BOND LIBRARY FUND SB-1	2012 GO BOND LIBRARY FUND SB-1	NEW MEXICO READS TO LEAD
\$ 2,161	\$ 79,961	\$ -	\$ -	\$ -	\$ -
-	-	5,496	1,511	8,925	47,409
-	-	-	-	-	-
2,161	79,961	5,496	1,511	8,925	47,409
1,785	-	5,496	-	-	47,409
-	75,654	-	-	-	-
-	-	-	1,511	8,925	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,785	75,654	5,496	1,511	8,925	47,409
376	4,307	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
376	4,307	-	-	-	-
9,130	-	-	-	-	-
-	-	-	-	-	-
9,130	-	-	-	-	-
\$ 9,506	\$ 4,307	\$ -	\$ -	\$ -	\$ -

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, 2014

	ROBOTICS 2013	INDIAN EDUCATION ACT	NM GROWN FRESH FRUITS & VEGETABLES	NEXT GENERATION ASSESSMENT
<b>REVENUE</b>				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	24,777	17,622	590	20,300
Interest Earnings	-	-	-	-
Fees	-	-	-	-
Refund of Prior Year's Expenditures				
<b>TOTAL REVENUES</b>	<u>24,777</u>	<u>17,622</u>	<u>590</u>	<u>20,300</u>
<b>EXPENDITURES</b>				
Current				
Instruction	24,777	15,725	-	-
Support Services				
Support Services-Students	-	-	-	20,300
Support Services-Instruction	-	-	-	-
Support Services-General Administration	-	-	-	-
Support Services-School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	1,897	-	-
Other Support Services	-	-	-	-
Food Services-Operations	-	-	590	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>24,777</u>	<u>17,622</u>	<u>590</u>	<u>20,300</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	-	-	-	-
Other Financing Sources (uses)				
Refunds to PED	-	-	-	-
Transfer/Refunds	-	-	-	-
<b>Total Other Financial Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change In Fund Balance</b>	-	-	-	-
<b>FUND BALANCE</b>				
as of June 30, 2013	-	-	-	-
Restatement	-	-	-	-
Restated Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE as of June 30, 2014</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

SUICIDE PREVENTION	GRADS	GRADS INSTRUCTION	GRADS PLUS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ -	\$ -	\$ 2,006,347
3,366	3,894	10,550	13,500	157,940
-	-	-	-	258
-	-	-	-	205,642
				250
<u>3,366</u>	<u>3,894</u>	<u>10,550</u>	<u>13,500</u>	<u>2,370,437</u>
3,366	3,000	6,500	4,211	574,999
-	-	-	-	573,812
-	-	-	-	26,252
-	-	-	-	26,612
-	-	-	4,000	69,506
-	-	-	-	-
-	-	-	-	-
-	-	-	-	1,897
-	-	-	-	-
-	-	-	-	942,661
-	-	-	-	-
-	-	-	-	-
<u>3,366</u>	<u>3,000</u>	<u>6,500</u>	<u>8,211</u>	<u>2,215,739</u>
-	894	4,050	5,289	154,698
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	894	4,050	5,289	154,698
-	-	-	-	281,652
-	-	-	-	-
-	-	-	-	281,652
<u>\$ -</u>	<u>\$ 894</u>	<u>\$ 4,050</u>	<u>\$ 5,289</u>	<u>\$ 436,350</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Fees-Users	\$ 182,000	\$ 182,000	\$ 143,725	\$ (38,275)
Interest Income	150	150	215	65
Federal Revenue	770,000	770,000	834,236	64,236
<b>TOTAL REVENUE</b>	<u>952,150</u>	<u>952,150</u>	<u>\$ 978,176</u>	<u>\$ 26,026</u>
Cash Balance Budgeted	<u>99,774</u>	<u>125,562</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 1,051,924</u>	<u>\$ 1,077,712</u>		
<b>EXPENDITURES</b>				
Current				
Food Services-Operations	\$ 1,051,924	\$ 1,077,712	\$ 898,196	\$ 179,516
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,051,924</u>	<u>\$ 1,077,712</u>	<u>\$ 898,196</u>	<u>\$ 179,516</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 978,176
Differences-Budget to GAAP	
Commodities Received	<u>43,097</u>
Total Revenues (GAAP Basis)	<u>\$ 1,021,273</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 898,196
Differences-budget to GAAP	
Cost of Commodities Used	43,097
Inventory Adjustment	<u>778</u>
Total Expenditures (GAAP Basis)	<u>\$ 942,071</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Fees-Users	\$ 25,000	\$ 25,000	\$ 61,917	\$ 36,917
Interest Income	50	50	43	(7)
Refunds	-	-	250	250
<b>TOTAL REVENUE</b>	<u>25,050</u>	<u>25,050</u>	<u>\$ 62,210</u>	<u>\$ 37,160</u>
Cash Balance Budgeted	<u>11,425</u>	<u>-</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 36,475</u>	<u>\$ 25,050</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ 36,475	\$ 52,210	\$ 44,338	\$ 7,872
<b>TOTAL EXPENDITURES</b>	<u>\$ 36,475</u>	<u>\$ 52,210</u>	<u>\$ 44,338</u>	<u>\$ 7,872</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 62,210
Differences-Budget to GAAP	
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 62,210</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 44,338
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 44,338</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Federal Revenue	\$ 526,238	\$ 559,773	\$ 583,682	\$ 23,909
TOTAL REVENUE	<u>526,238</u>	<u>559,773</u>	<u>\$ 583,682</u>	<u>\$ 23,909</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 526,238</u>	<u>\$ 559,773</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ 201,657	\$ 186,125	\$ 180,613	\$ 5,512
Support Services				
Support Services-Students	263,580	311,950	308,398	3,552
Support Services-Instruction	15,303	16,618	15,816	802
Support Services-General Administration	19,965	19,347	19,347	-
Support Services-School Administration	25,733	25,733	25,593	140
TOTAL EXPENDITURES	<u>\$ 526,238</u>	<u>\$ 559,773</u>	<u>\$ 549,767</u>	<u>\$ 10,006</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 583,682
Differences-Budget to GAAP	
Current Year Receivable	78,333
Prior Year Receivable	(112,248)
Total Revenues (GAAP Basis)	<u>\$ 549,767</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 549,767
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 549,767</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--NEW MEXICO AUTISM PROJECT

Year Ended June 30, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Federal Revenue	\$ -	\$ 9,440	\$ 8,186	\$ (1,254)
TOTAL REVENUE	<u>-</u>	<u>9,440</u>	<u>\$ 8,186</u>	<u>\$ (1,254)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 9,440</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ -	\$ 8,764	\$ 8,753	\$ 11
Support Services				
Support Services-Students	<u>-</u>	<u>676</u>	<u>526</u>	<u>150</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 9,440</u>	<u>\$ 9,279</u>	<u>\$ 161</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 8,186
Differences-Budget to GAAP	
Current Year Receivable	<u>1,093</u>
Total Revenues (GAAP Basis)	<u>\$ 9,279</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 9,279
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 9,279</u>

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

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

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

Year Ended June 30, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 25,370	\$ 35,284	\$ 57,378	\$ 22,094
TOTAL REVENUE	<u>25,370</u>	<u>35,284</u>	<u>\$ 57,378</u>	<u>\$ 22,094</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 25,370</u>	<u>\$ 35,284</u>		
EXPENDITURES				
Current				
Instruction	\$ 24,474	\$ 34,435	\$ 34,435	\$ -
Support Services				
Support Services-General Administration	896	849	849	-
TOTAL EXPENDITURES	<u>\$ 25,370</u>	<u>\$ 35,284</u>	<u>\$ 35,284</u>	<u>\$ -</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 57,378
Differences-Budget to GAAP	
Current Year Receivable	3,452
Prior Year Receivable	(25,546)
Total Revenues (GAAP Basis)	<u>\$ 35,284</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 35,284
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 35,284</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ 6,858	\$ 6,858
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 6,858</u>	<u>\$ 6,858</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services				
Support Services-Students	-	-	-	-
Support Services-School Administration	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 6,858
Differences-Budget to GAAP	
Prior Year Receivable	(6,826)
Current Year Deferral	(32)
Total Revenues (GAAP Basis)	<u>\$ -</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ -
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ -</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 4,346	\$ 1,269	\$ (3,077)
TOTAL REVENUE	<u>-</u>	<u>4,346</u>	<u>1,269</u>	<u>(3,077)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 4,346</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ -	\$ 4,346	\$ 1,269	\$ 3,077
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 4,346</u>	<u>\$ 1,269</u>	<u>\$ 3,077</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 1,269
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 1,269</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 1,269
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 1,269</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Federal Revenue	\$ 89,973	\$ 89,973	\$ 39,922	\$ (50,051)
TOTAL REVENUE	<u>89,973</u>	<u>89,973</u>	<u>\$ 39,922</u>	<u>\$ (50,051)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 89,973</u>	<u>\$ 89,973</u>		
<b>EXPENDITURES</b>				
Current				
Support Services				
Support Services-Students	\$ 41,769	\$ 41,769	\$ 41,625	\$ 144
Support Services-General Administration	3,176	3,176	2,955	221
Support Services-School Administration	45,028	45,028	39,913	5,115
TOTAL EXPENDITURES	<u>\$ 89,973</u>	<u>\$ 89,973</u>	<u>\$ 84,493</u>	<u>\$ 5,480</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 39,922
Differences-Budget to GAAP	
Current Year Receivable	58,387
Prior Year Receivable	(13,816)
Total Revenues (GAAP Basis)	<u>\$ 84,493</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 84,493
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 84,493</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 37,054	\$ 57,293	\$ 39,453	\$ (17,840)
TOTAL REVENUE	<u>37,054</u>	<u>57,293</u>	<u>\$ 39,453</u>	<u>\$ (17,840)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 37,054</u>	<u>\$ 57,293</u>		
EXPENDITURES				
Current				
Instruction	\$ 35,745	\$ 55,313	\$ 36,632	\$ 18,681
Support Services				
Support Services-General Administration	1,309	1,980	1,347	633
TOTAL EXPENDITURES	<u>\$ 37,054</u>	<u>\$ 57,293</u>	<u>\$ 37,979</u>	<u>\$ 19,314</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 39,453
Differences-Budget to GAAP	
Current Year Receivable	10,629
Prior Year Receivable	(12,103)
Total Revenues (GAAP Basis)	<u>\$ 37,979</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 37,979
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 37,979</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 125,055	\$ 134,249	\$ 312,591	\$ 178,342
TOTAL REVENUE	<u>125,055</u>	<u>134,249</u>	<u>\$ 312,591</u>	<u>\$ 178,342</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 125,055</u>	<u>\$ 134,249</u>		
EXPENDITURES				
Current				
Instruction	\$ 125,055	\$ 134,249	\$ 96,393	\$ 37,856
TOTAL EXPENDITURES	<u>\$ 125,055</u>	<u>\$ 134,249</u>	<u>\$ 96,393</u>	<u>\$ 37,856</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 312,591
Differences-Budget to GAAP	
Current Year Receivable	5,654
Prior Year Receivable	(221,852)
Total Revenues (GAAP Basis)	<u>\$ 96,393</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 96,393
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 96,393</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Federal Revenue	\$ 37,000	\$ 82,478	\$ 68,310	\$ (14,168)
TOTAL REVENUE	<u>37,000</u>	<u>82,478</u>	<u>\$ 68,310</u>	<u>\$ (14,168)</u>
Cash Balance Budgeted	<u>21,203</u>	<u>21,203</u>		
TOTAL REVENUE & CASH	<u>\$ 58,203</u>	<u>\$ 103,681</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ 17,419	\$ 42,469	\$ 17,693	\$ 24,776
Support Services				
Support Services-Students	40,368	57,378	39,990	17,388
Support Services-General Administration	416	3,834	2,113	1,721
TOTAL EXPENDITURES	<u>\$ 58,203</u>	<u>\$ 103,681</u>	<u>\$ 59,796</u>	<u>\$ 43,885</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 68,310
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 68,310</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 59,796
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 59,796</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 65,285	\$ 131,838	\$ 126,519	\$ (5,319)
TOTAL REVENUE	<u>65,285</u>	<u>131,838</u>	<u>\$ 126,519</u>	<u>\$ (5,319)</u>
Cash Balance Budgeted	<u>6,324</u>	<u>6,324</u>		
TOTAL REVENUE & CASH	<u>\$ 71,609</u>	<u>\$ 138,162</u>		
EXPENDITURES				
Current				
Instruction	\$ 1,183	\$ 61,349	\$ 2,249	\$ 59,100
Support Services				
Support Services-Students	70,426	70,626	68,055	2,571
Support Services-General Administration	-	5,109	-	5,109
Student Transportation	-	1,078	-	1,078
TOTAL EXPENDITURES	<u>\$ 71,609</u>	<u>\$ 138,162</u>	<u>\$ 70,304</u>	<u>\$ 67,858</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 126,519
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 126,519</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 70,304
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 70,304</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 45,000	\$ 45,000	\$ 37,599	\$ (7,401)
TOTAL REVENUE	<u>45,000</u>	<u>45,000</u>	<u>\$ 37,599</u>	<u>\$ (7,401)</u>
Cash Balance Budgeted	<u>50,974</u>	<u>50,974</u>		
TOTAL REVENUE & CASH	<u>\$ 95,974</u>	<u>\$ 95,974</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ 95,974	\$ 95,974	\$ 59,620	\$ 36,354
TOTAL EXPENDITURES	<u>\$ 95,974</u>	<u>\$ 95,974</u>	<u>\$ 59,620</u>	<u>\$ 36,354</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 37,599
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 37,599</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 59,620
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 59,620</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Federal Revenue	\$ -	\$ -	\$ 2,161	\$ 2,161
<b>TOTAL REVENUE</b>	<u>-</u>	<u>-</u>	<u>\$ 2,161</u>	<u>\$ 2,161</u>
Cash Balance Budgeted	<u>8,792</u>	<u>8,792</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 8,792</u>	<u>\$ 8,792</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ 8,792	\$ 8,792	\$ 1,785	\$ 7,007
<b>TOTAL EXPENDITURES</b>	<u>\$ 8,792</u>	<u>\$ 8,792</u>	<u>\$ 1,785</u>	<u>\$ 7,007</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 2,161
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 2,161</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 1,785
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 1,785</u>

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

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

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

Year Ended June 30, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 79,995	\$ 88,509	\$ 79,961	\$ (8,548)
TOTAL REVENUE	<u>79,995</u>	<u>88,509</u>	<u>\$ 79,961</u>	<u>\$ (8,548)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 79,995</u>	<u>\$ 88,509</u>		
EXPENDITURES				
Current				
Support Services-Students	\$ 79,995	\$ 88,509	\$ 75,654	\$ 12,855
TOTAL EXPENDITURES	<u>\$ 79,995</u>	<u>\$ 88,509</u>	<u>\$ 75,654</u>	<u>\$ 12,855</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 79,961
Differences-Budget to GAAP	
Current Year Deferral	-
Prior Year Deferral	2,024
Total Revenues (GAAP Basis)	<u>\$ 81,985</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 75,654
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 75,654</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ 5,496	\$ -	\$ (5,496)
<b>TOTAL REVENUE</b>	<u>-</u>	<u>5,496</u>	<u>-</u>	<u>(5,496)</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 5,496</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ -	\$ 5,496	\$ 5,496	\$ -
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 5,496</u>	<u>\$ 5,496</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	5,496
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 5,496</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 5,496
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 5,496</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ 1,512	\$ 1,512	\$ 3,369	\$ 1,857
<b>TOTAL REVENUE</b>	<u>1,512</u>	<u>1,512</u>	<u>3,369</u>	<u>1,857</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 1,512</u>	<u>\$ 1,512</u>		
<b>EXPENDITURES</b>				
Current				
Support Services-Instruction	\$ 1,512	\$ 1,512	\$ 1,511	\$ 1
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,512</u>	<u>\$ 1,512</u>	<u>\$ 1,511</u>	<u>\$ 1</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 3,369
Differences-Budget to GAAP	
Current Year Receivable	-
Prior Year Receivable	(1,858)
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 1,511</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 1,511
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 1,511</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 - 2012 G.O. BOND STUDENT LIBRARY

Year Ended June 30, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ 17,565	\$ 17,565	\$ -	\$ (17,565)
TOTAL REVENUE	<u>17,565</u>	<u>17,565</u>	<u>\$ -</u>	<u>\$ (17,565)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 17,565</u>	<u>\$ 17,565</u>		
EXPENDITURES				
Current				
Support Services				
Support Services-Instruction	\$ 17,565	\$ 17,565	\$ 8,925	\$ 8,640
TOTAL EXPENDITURES	<u>\$ 17,565</u>	<u>\$ 17,565</u>	<u>\$ 8,925</u>	<u>\$ 8,640</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	8,925
Total Revenues (GAAP Basis)	<u>\$ 8,925</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 8,925
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 8,925</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 - NEW MEXICO READS TO LEAD

Year Ended June 30, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ 77,652	\$ 22,875	\$ (54,777)
<b>TOTAL REVENUE</b>	<u>-</u>	<u>77,652</u>	<u>22,875</u>	<u>(54,777)</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 77,652</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ -	\$ 76,936	\$ 47,409	\$ 29,527
Support Services				
Support Services-General Administration	-	716	-	716
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 77,652</u>	<u>\$ 47,409</u>	<u>\$ 30,243</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 22,875
Differences-Budget to GAAP	
Current Year Receivable	24,534
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 47,409</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 47,409
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 47,409</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 - ROBOTICS 2013

Year Ended June 30, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ 24,777	\$ -	\$ (24,777)
<b>TOTAL REVENUE</b>	<u>-</u>	<u>24,777</u>	<u>-</u>	<u>(24,777)</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 24,777</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ -	\$ 24,777	\$ 24,777	\$ -
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 24,777</u>	<u>\$ 24,777</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	24,777
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 24,777</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 24,777
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 24,777</u>

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

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

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

Year Ended June 30, 2014

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ 20,000	\$ -	\$ 20,000
<b>TOTAL REVENUE</b>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 20,000</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ -	\$ 18,000	\$ 15,725	\$ 2,275
Student Transportation	-	2,000	1,897	103
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 17,622</u>	<u>\$ 2,378</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	17,622
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 17,622</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 17,622
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 17,622</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--NM GROWN FRESH FRUITS AND VEGETABLES

Year Ended June 30, 2014

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ 591	\$ -	\$ (591)
<b>TOTAL REVENUE</b>	<u>-</u>	<u>591</u>	<u>-</u>	<u>(591)</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 591</u>		
<b>EXPENDITURES</b>				
Current				
Food Services-Operations	\$ -	\$ 591	\$ 590	\$ 1
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 591</u>	<u>\$ 590</u>	<u>\$ 1</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ -
Differences-Budget to GAAP	
Current Year Receivable	590
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 590</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 590
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 590</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--NEXT GENERATION ASSESSMENTS

Year Ended June 30, 2014

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Flow Through Grants	\$ -	\$ 20,300	\$ -	\$ (20,300)
TOTAL REVENUE	<u>-</u>	<u>20,300</u>	<u>-</u>	<u>(20,300)</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 20,300</u>		
EXPENDITURES				
Current				
Support Services				
Support Services-Students	\$ -	\$ 20,300	\$ 20,300	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 20,300</u>	<u>\$ 20,300</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	20,300
Total Revenues (GAAP Basis)	<u>\$ 20,300</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 20,300
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 20,300</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ 2,405	\$ 4,405	\$ 4,100	\$ (305)
<b>TOTAL REVENUE</b>	<u>2,405</u>	<u>4,405</u>	<u>4,100</u>	<u>(305)</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 2,405</u>	<u>\$ 4,405</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ 2,405	\$ 4,405	\$ 3,366	\$ 1,039
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,405</u>	<u>\$ 4,405</u>	<u>\$ 3,366</u>	<u>\$ 1,039</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 4,100
Differences-Budget to GAAP	
Current Year Deferral	(3,138)
Prior Year Deferral	2,404
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 3,366</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 3,366
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 3,366</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

Year Ended June 30, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ 3,000	\$ 6,000	\$ 3,000
<b>TOTAL REVENUE</b>	<u>-</u>	<u>3,000</u>	<u>6,000</u>	<u>3,000</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 3,000</u>		
<b>EXPENDITURES</b>				
<b>Current</b>				
Instruction	\$ -	\$ 3,000	\$ 3,000	\$ -
Support Services				
Support Services-Students			-	-
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ -</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 6,000
Differences-Budget to GAAP	
Prior Year Receivable	(2,106)
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 3,894</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 3,000
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 3,000</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ 6,500	\$ 31,350	\$ 24,850
<b>TOTAL REVENUE</b>	<u>-</u>	<u>6,500</u>	<u>31,350</u>	<u>24,850</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 6,500</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ -	\$ 6,500	\$ 6,500	\$ -
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 6,500</u>	<u>\$ 6,500</u>	<u>\$ -</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 31,350
Differences-Budget to GAAP	
Current Year Receivable	-
Prior Year Receivable	(20,800)
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 10,550</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 6,500
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 6,500</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 PLUS

Year Ended June 30, 2014

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ -	\$ 13,500	\$ 13,500	\$ -
<b>TOTAL REVENUE</b>	<u>-</u>	<u>13,500</u>	<u>13,500</u>	<u>-</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ -</u>	<u>\$ 13,500</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ -	\$ 9,000	\$ 4,211	\$ 4,789
Support Services				
Support Services-School Administration	-	4,500	4,000	500
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ 13,500</u>	<u>\$ 8,211</u>	<u>\$ 5,289</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 13,500
Differences-Budget to GAAP	
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 13,500</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 8,211
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 8,211</u>

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



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

June 30, 2014

	Operational	Transportation	Instructional Materials	TOTALS
<b>ASSETS</b>				
Cash on Deposit	\$ 1,931,644	\$ 638	\$ 15,249	\$ 1,947,531
Due from Other Funds	392,163	-	-	392,163
Due from other Agencies	-	-	-	-
Property Tax Receivable	6,568	-	-	6,568
Inventory	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 2,330,375</b>	<b>\$ 638</b>	<b>\$ 15,249</b>	<b>\$ 2,346,262</b>
<b>LIABILITIES AND FUND BALANCE</b>				
Accounts Payable	\$ 29,385	\$ -	\$ -	\$ 29,385
Accrued Payroll	263,918	638	-	264,556
Due to Other Funds	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>293,303</b>	<b>638</b>	<b>-</b>	<b>293,941</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	6,568	-	-	6,568
Unearned Revenue	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>6,568</b>	<b>-</b>	<b>-</b>	<b>6,568</b>
<b>FUND BALANCE</b>				
Nonspendable	-	-	-	-
Restricted:				
Transportation	-	-	-	-
Instructional Materials	-	-	15,249	15,249
Capital Projects Funds	-	-	-	-
Debt Service	-	-	-	-
Cafeteria	-	-	-	-
Athletics	-	-	-	-
Special Revenue Funds	-	-	-	-
Unassigned	2,030,504	-	-	2,030,504
<b>TOTAL FUND BALANCE</b>	<b>2,030,504</b>	<b>-</b>	<b>15,249</b>	<b>2,045,753</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 2,330,375</b>	<b>\$ 638</b>	<b>\$ 15,249</b>	<b>\$ 2,346,262</b>

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, 2014

	Operational	Transportation	Instructional Materials	TOTALS
<b>REVENUE</b>				
Federal Programs	\$ 506,084	\$ -	\$ -	\$ 506,084
State Programs	20,895	778,552	140,962	940,409
State Equalization	13,921,436	-	-	13,921,436
Interest Earnings	3,045	-	-	3,045
Private/Direct Grants	-	-	-	-
Charges For Services	-	-	-	-
Fees	42,063	-	-	42,063
Donations	-	-	-	-
Sale of Property	-	-	-	-
Miscellaneous	300	-	-	300
Indirect Cost	44,187	-	-	44,187
Rent and Royalties	79,265	-	-	79,265
Refund of Prior Year's Expenditures	2,737	-	-	2,737
Forest Reserve	117,372	-	-	117,372
Sale of Bond Proceeds	-	-	-	-
Premium on Bond Sale	-	-	-	-
Local Property Taxes	219,692	-	-	219,692
<b>TOTAL REVENUES</b>	<b>14,957,076</b>	<b>778,552</b>	<b>140,962</b>	<b>15,876,590</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
Instruction	8,657,394	-	126,102	8,783,496
Support Services				
Support Services-Students	1,359,314	-	-	1,359,314
Support Services-Instruction	309,858	-	-	309,858
Support Services-General Administration	381,140	-	-	381,140
Support Services-School Administration	1,027,697	-	-	1,027,697
Central Services	526,152	-	-	526,152
Operation & Maintenance of Plant	2,020,478	-	-	2,020,478
Student Transportation	-	778,552	-	778,552
Other Support Services	-	-	-	-
Food Services-Operations	-	-	-	-
Community Services-Operations	-	-	-	-
Acquisition & Construction	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>14,282,033</b>	<b>778,552</b>	<b>126,102</b>	<b>15,186,687</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>675,043</b>	<b>-</b>	<b>14,860</b>	<b>689,903</b>
<b>Other Financing Sources (uses)</b>				
Refunds to PED	-	-	-	-
Transfer IN (OUT)	-	-	-	-
<b>Total Other Financial Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change In Fund Balances</b>	<b>675,043</b>	<b>-</b>	<b>14,860</b>	<b>689,903</b>
<b>FUND BALANCE</b>				
as of June 30, 2013	1,355,461	-	389	1,355,850
Restatement	-	-	-	-
Restated Balance	1,355,461	-	389	1,355,850
<b>FUND BALANCE as of June 30, 2014</b>	<b>\$ 2,030,504</b>	<b>\$ -</b>	<b>\$ 15,249</b>	<b>\$ 2,045,753</b>

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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Residential/Non-Residential Taxes	\$ 213,698	\$ 213,698	\$ 219,692	\$ 5,994
Fees Activities	3,000	3,000	2,273	(727)
Fees-Users	25,000	25,000	39,791	14,791
Donations/Gifts	-	-	300	300
Interest Income	1,500	1,500	3,045	1,545
State Equalization	14,196,063	14,196,063	13,921,436	(274,627)
Impact Aid	264,596	264,596	506,084	241,488
Rent	60,000	60,000	78,537	18,537
Access Board	-	-	20,895	20,895
Refunds	-	-	2,737	2,737
Royalties	35,000	35,000	727	(34,273)
Indirect Cost - (DFG)	5,000	5,000	1,297	(3,703)
Indirect Cost - (Flow Through Grants)	21,795	21,795	42,890	21,095
Forest Reserve	-	-	117,372	117,372
<b>TOTAL REVENUE</b>	<u>14,825,652</u>	<u>14,825,652</u>	<u>\$ 14,957,076</u>	<u>\$ 131,424</u>
Cash Balance Budgeted	<u>911,306</u>	<u>911,306</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 15,736,958</u>	<u>\$ 15,736,958</u>		
<b>EXPENDITURES</b>				
<b>Current</b>				
Instruction	\$ 9,359,607	\$ 9,199,857	\$ 8,657,390	\$ 542,467
Support Services				
Support Services-Students	1,606,545	1,603,545	1,359,314	244,231
Support Services-Instruction	372,728	372,728	309,858	62,870
Support Services-General Administration	466,788	491,788	381,140	110,648
Support Services-School Administration	1,043,163	1,043,163	1,027,697	15,466
Central services	571,230	571,230	526,152	45,078
Operation & Maintenance of Plant	2,221,554	2,250,716	2,020,478	230,238
Student Transportation	-	-	-	-
Other Support Services	53,085	53,085	-	53,085
Community Services-operations	42,258	42,258	-	42,258
<b>TOTAL EXPENDITURES</b>	<u>\$ 15,736,958</u>	<u>\$ 15,628,370</u>	<u>\$ 14,282,029</u>	<u>\$ 1,346,341</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 14,957,076
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 14,957,076</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 14,282,029
Differences-budget to GAAP	
Prior Year Payable	(29,381)
Current Year Payable	29,385
Total Expenditures (GAAP Basis)	<u>\$ 14,282,033</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Equalization	\$ 795,362	\$ 778,552	\$ 778,552	\$ -
TOTAL REVENUE	<u>795,362</u>	<u>778,552</u>	<u>\$ 778,552</u>	<u>\$ -</u>
Cash Balance Budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 795,362</u>	<u>\$ 778,552</u>		
<b>EXPENDITURES</b>				
Current				
Student Transportation	\$ 795,362	\$ 778,552	\$ 778,552	\$ -
TOTAL EXPENDITURES	<u>\$ 795,362</u>	<u>\$ 778,552</u>	<u>\$ 778,552</u>	<u>\$ -</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 778,552
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 778,552</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 778,552
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 778,552</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, 2014

	ORIGINAL BUDGET	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
State Flow Through Grants	\$ 110,883	\$ 130,633	\$ 140,962	\$ 10,329
Refunds	-	-	-	-
<b>TOTAL REVENUE</b>	<u>110,883</u>	<u>130,633</u>	<u>\$ 140,962</u>	<u>\$ 10,329</u>
Cash Balance Budgeted	-	-		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 110,883</u>	<u>\$ 130,633</u>		
<b>EXPENDITURES</b>				
Current				
Instruction	\$ 110,883	\$ 131,022	\$ 126,102	\$ 4,920
<b>TOTAL EXPENDITURES</b>	<u>\$ 110,883</u>	<u>\$ 131,022</u>	<u>\$ 126,102</u>	<u>\$ 4,920</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 140,962
Differences-Budget to GAAP	
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 140,962</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 126,102
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 126,102</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Residential/Non-Residential Taxes	\$ 1,223,861	\$ 1,223,861	\$ 1,266,251	\$ 42,390
Interest Income	1,500	1,500	2,530	1,030
State Flow Through Grants	-	47,324	47,324	-
Insurance Recoveries	-	-	319	319
<b>TOTAL REVENUE</b>	<u>\$ 1,225,361</u>	<u>\$ 1,272,685</u>	<u>\$ 1,316,424</u>	<u>\$ 43,739</u>
Cash Balance Budgeted	<u>2,096,849</u>	<u>-</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 3,322,210</u>	<u>\$ 1,272,685</u>		
<b>EXPENDITURES</b>				
Current				
Support Services				
Support Services-General Administration	\$ 12,000	\$ 16,000	\$ 12,663	\$ 3,337
Acquisition & Construction	3,310,210	3,458,858	856,980	2,601,878
<b>TOTAL EXPENDITURES</b>	<u>\$ 3,322,210</u>	<u>\$ 3,474,858</u>	<u>\$ 869,643</u>	<u>\$ 2,605,215</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 1,316,424
Differences-Budget to GAAP	
Property tax Receivable	-
Prior Year Tax Receivables	-
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 1,316,424</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 869,643
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 869,643</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, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Interest Income	\$ 4,500	\$ 4,500	\$ 4,373	\$ (127)
Bond Proceeds				-
TOTAL REVENUE	<u>4,500</u>	<u>4,500</u>	<u>\$ 4,373</u>	<u>\$ (127)</u>
Cash Balance Budgeted	<u>3,719,910</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 3,724,410</u>	<u>\$ 4,500</u>		
<b>EXPENDITURES</b>				
Current				
Acquisition & Construction	\$ 3,724,410	\$ 4,798,894	\$ 2,562,253	\$ 2,236,641
TOTAL EXPENDITURES	<u>\$ 3,724,410</u>	<u>\$ 4,798,894</u>	<u>\$ 2,562,253</u>	<u>\$ 2,236,641</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 4,373
Differences-Budget to GAAP	
Total Revenues (GAAP Basis)	<u>\$ 4,373</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 2,562,253
Differences-budget to GAAP	
Current Year Payable	-
Prior Year Payable	<u>(192,218)</u>
Total Expenditures (GAAP Basis)	<u>\$ 2,370,035</u>

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

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

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

Year Ended June 30, 2014

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
<b>REVENUE</b>				
Residential/Non-Residential Taxes	\$ 3,638,254	\$ 3,638,254	\$ 3,645,964	\$ 7,710
Interest Income	1,500	1,500	2,150	650
Bond Proceeds	-	-	9,783	9,783
<b>TOTAL REVENUE</b>	<u>3,639,754</u>	<u>3,639,754</u>	<u>\$ 3,657,897</u>	<u>\$ 18,143</u>
Cash Balance Budgeted	<u>3,537,304</u>	<u>3,537,304</u>		
<b>TOTAL REVENUE &amp; CASH</b>	<u>\$ 7,177,058</u>	<u>\$ 7,177,058</u>		
<b>EXPENDITURES</b>				
<b>Current</b>				
Support Services-General Administration	\$ 36,000	\$ 36,000	\$ 36,460	\$ (460)
Principal	2,440,000	2,440,000	2,440,000	-
Interest and Finance Charges	1,205,147	1,205,147	1,205,147	-
Other Debt Service	-	105,211	105,210	1
<b>TOTAL EXPENDITURES</b>	<u>\$ 3,681,147</u>	<u>\$ 3,786,358</u>	<u>\$ 3,786,817</u>	<u>\$ (459)</u>

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

**Sources/inflows of resources**

Actual amounts (budgetary basis)	\$ 3,657,897
Differences-Budget to GAAP	
Property tax Receivable	-
Prior Year Tax Receivables	-
<b>Total Revenues (GAAP Basis)</b>	<u>\$ 3,657,897</u>

**Uses/outflows of resources**

Actual amounts (budgetary basis)	\$ 3,786,817
Differences-budget to GAAP	
<b>Total Expenditures (GAAP Basis)</b>	<u>\$ 3,786,817</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, 2014

	BALANCE 7/01/13	ADDITIONS	TRANSFERS	DEDUCTIONS	BALANCE 6/30/14
High School	\$ 126,426	\$ 182,179	\$ -	\$ 187,363	\$ 121,242
Middle School	32,955	61,458	-	59,725	34,688
Nob Hill Elementary	6,837	16,589	-	15,565	7,861
Sierra Vista Elementary	9,261	46,566	-	41,976	13,851
White Mountain Elementary	30,192	63,613	-	52,660	41,145
Scholarships	14,002	3,229	-	500	16,731
Total	<u>\$ 219,673</u>	<u>\$ 373,634</u>	<u>\$ -</u>	<u>\$ 357,789</u>	<u>\$ 235,518</u>

STATE OF NEW MEXICO  
 RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2014

		FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR NUMBER	PROGRAM EXPENDITURES
<u>US DEPARTMENT OF EDUCATION</u>				
Passed through New Mexico Public Education Department				
Impact Aid	<1>	84.041	11000	\$ 506,084
Title I		84.010	24101	549,767
Idea B Entitlement		84.027	24106	498,922
NM Autism Project		84.027	24108	9,279
Idea B Preschool		84.027	24109	35,284
Idea B Early Intervention		84.027	24112	-
Idea B Risk Pool		84.027	24120	1,269
Teacher/Principal Training		84.367	24154	84,493
Rural & Low Income Schools		84.358	24160	37,979
Title I School Improvement		84.010	24162	96,393
Impact Aid Special Ed	<1>	84.041	25145	59,796
Impact Aid Indian Ed	<1>	84.041	25147	70,304
Title XIX Medicaid		93.778	25153	59,620
Indian Education		84.060	25184	75,654
Total Department of Education				<u>2,084,844</u>
<u>US DEPARTMENT OF AGRICULTURE</u>				
Passed Through New Mexico Public Education Department				
Forest Reserve		10.665	11000	117,372
Child and Adult Care Food Program		10.558	25171	1,785
National School Lunch	<1>	10.555	21000	834,236
School Food Commodity Distribution Program	<1>	10.559	21000	43,097
Total Department of Agriculture				<u>996,490</u>
<u>TOTAL FEDERAL AWARDS EXPENDITURES</u>				<u>\$ 3,081,334</u>
<1> Major Program				
Reconciliation to Federal Revenues in Financial Statements:				
Federal Revenues Per Financial Statements				\$ 3,128,725
Change in Fund Balance				(47,391)
				<u>\$ 3,081,334</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 \$43,097 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, 2014

	TOTAL DEPOSITS	FDIC INSURANCE	UNINSURED BANK BALANCE	COLLATERAL REQUIRED	COLLATERAL PLEDGED	SECURITY DEFICIT	UNINSURED & UNCOLLATERALIZED DEPOSITS
BBVA BANK	\$ 13,119,239	\$ 250,000	\$ 12,869,239	\$ 6,434,620	\$ 15,348,096	\$ -	\$ -

COLLATERAL	CUSIP #	MATURITY	MARKET VALUE
GNMA POOL #558955	36213M5Q7	05/15/29	\$ 4,231,893
FHLMC ARM #780996	31349SC92	10/01/33	469,931
FHLMC ARM #780996	31349SC92	10/01/33	96,672
FHLMC ARM #780996	31349SC92	10/01/33	300,487
FNR 2006-41 MC	31395DCG2	07/25/35	2,728,989
FNMA ARM #745166	31403CZ79	12/01/35	347,668
FHLMC #848357	110114002	12/01/35	96,336
FHLMC ARM1Q1444	3128S5S96	03/01/36	206,451
FHLMC ARM 1Q1421	3128S5SJA	11/01/38	1,297,684
FHLMC ARM #1Q1326	3128S5PK4	03/01/39	414,332
FNMA ARM AJ8074	3138EO6L8	12/01/41	404,839
FHR 4035 K	3137ANUX1	01/15/42	576,509
FNS 412 F2	31395QDG2	08/25/42	1,062,519
FNS 412 F2	31395QDG2	08/25/42	179,328
FNS 412 F2	31395QDG2	08/25/42	762,144
FNMA ARM AL2549	3138EJZP6	10/01/42	577,172
FHLMC ARM 848897	311300L3E3	10/01/42	660,196
FHLMC ARM 2B0837	3128LL4W3	10/01/42	760,052
FNMA ARM AQ2410	31138MHVC4	03/01/43	174,894
			<u>\$ 15,348,096</u>

SECURITIES HELD AT  
 COMPASS BANK, BIRMINGTON, AL

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

BANK SUMMARY

June 30, 2014

BANK	ACCT TYPE	FUND	BANK BALANCE	DEPOSITS IN TRANSIT	OUTSTANDING CHECKS	CASH BALANCE
BBVA COMPASS	* CHK	OPERATIONAL	* \$ 1,921,397	\$ 13,603	\$ 56,909	\$ 1,878,091
	* CHK	FOOD SERVICES	* 274,452	-	68,910	205,542
	* CHK	CAPITAL IMPROVEMENTS SB-9	* 2,738,484	-	88,030	2,650,454
	* CHK	CAPITAL PROJECTS	* 3,601,004	-	1,362,270	2,238,734
	* CHK	DEBT SERVICE	3,547,431	-	-	3,547,431
	* CHK	ATHLETICS	45,155	-	2,590	42,565
	* CHK	PAYROLL CLEARING	754,215	-	751,347	2,868
	* CHK	NOB HILL EARLY CHILDHOOD	7,861	-	-	7,861
	* CHK	SIERRA VISTA	13,850	-	-	13,850
	* CHK	WHITE MOUNTAIN ELEMENTARY	41,145	-	-	41,145
	* CHK	RUIDOSO MIDDLE SCHOOL	34,687	-	-	34,687
	* CHK	RUIDOSO HIGH SCHOOL	122,827	-	1,583	121,244
		SCHOLARSHIP	16,731	-	-	16,731
TOTAL BBVA COMPASS			<u>\$ 13,119,239</u>	<u>\$ 13,603</u>	<u>\$ 2,331,639</u>	<u>\$ 10,801,203</u>

\* interest bearing

CASH PER FINANCIAL STATEMENTS	\$ 10,862,865
AGENCY CASH	235,518
ACCRUED PAYROLL	(297,180)
	<u>\$ 10,801,203</u>

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2014

	Operational	Transportation	Food Services	Athletics	Federal Projects	Local & State	SB-9
Audited Net Cash							
JUNE 30, 2013	\$ 763,631	\$ -	\$ 125,562	\$ 24,695	\$ 137,192	\$ -	\$ 2,203,673
	-	-	-	-	-	-	-
CASH BALANCE							
JUNE 30, 2013	763,631	-	125,562	24,695	137,192	-	2,203,673
Add: Prior year void checks	-	-	-	250	-	-	-
2013-2014 Revenue	14,957,076	778,552	978,177	61,961	1,904,694	113,399	1,316,424
Loans Paid back	621,210	-	-	-	-	-	-
Loans In	-	-	-	-	289,920	102,243	-
Transfers In	-	-	-	-	-	-	-
	15,578,286	778,552	978,177	61,961	2,194,614	215,642	1,316,424
TOTAL AVAILABLE CASH	16,341,917	778,552	1,103,739	86,656	2,331,806	215,642	3,520,097
Less:							
2013-2014 Expenditures	14,284,901	778,552	898,197	44,338	1,580,546	147,706	869,643
Loans Out	392,163	-	-	-	-	-	-
Loans Paid Back	-	-	-	-	566,645	54,565	-
Paid Back To PED	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
	14,677,064	778,552	898,197	44,338	2,147,191	202,271	869,643
NET CASH, JUNE 30, 2014	1,664,853	-	205,542	42,318	184,615	13,371	2,650,454
Accrued Payroll	263,918	638	493	-	31,276	855	-
Payroll Clearing Cash	2,868	-	-	-	-	-	-
TOTAL CASH JUNE 30, 2014	<u>\$ 1,931,639</u>	<u>\$ 638</u>	<u>\$ 206,035</u>	<u>\$ 42,318</u>	<u>\$ 215,891</u>	<u>\$ 14,226</u>	<u>\$ 2,650,454</u>

Ed Tech Debt Service	Debt Service	Instructional Materials	SPECIAL CAP OUTLAY STATE	Bond Building	Public School Capital Outlay	Special Capital Outlay Local	Total
\$ 13,410	\$ 3,659,581	\$ 389	\$ 576	\$ 4,796,614	\$ 500	\$ -	\$ 11,725,823
	-	-	-	-	-	-	-
13,410	3,659,581	389	576	4,796,614	500	-	11,725,823
							250
3,394	3,657,897	140,962	-	4,373	-	-	23,916,909
-	-	-	-	-	-	-	621,210
-	-	-	-	-	-	-	392,163
-	16,258	-	-	-	-	-	16,258
3,394	3,674,155	140,962	-	4,373	-	-	24,946,790
16,804	7,333,736	141,351	576	4,800,987	500	-	36,672,613
	-	-	-	-	-	-	-
34	3,786,817	126,102	-	2,562,253	-	-	25,079,089
-	-	-	-	-	-	-	392,163
-	-	-	-	-	-	-	621,210
-	-	-	576	-	500	-	1,076
16,258	-	-	-	-	-	-	16,258
16,292	3,786,817	126,102	576	2,562,253	500	-	26,109,796
							-
512	3,546,919	15,249	-	2,238,734	-	-	10,562,817
-	-	-	-	-	-	-	297,180
-	-	-	-	-	-	-	2,868
<u>\$ 512</u>	<u>\$ 3,546,919</u>	<u>\$ 15,249</u>	<u>\$ -</u>	<u>\$ 2,238,734</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,862,865</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* (NO Material Weaknesses; Significant Deficiencies Identified; and Reportable Instances of Noncompliance, and Other Matters Identified)**

**Independent Auditor's Report**

Mr. Timothy Keller  
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, 2014, 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 December 9, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (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.

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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. 2012-001, 2011-001, 2014-001, 2014-002, 2014-003, 2014-004, and 2014-005.

**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 2012-001, 2011-001, 2014-001, 2014-002, 2014-003, and 2014-005.

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

### **The District'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.

A handwritten signature in cursive script that reads "Woodard, Cowen & Co." The signature is written in black ink and is positioned above the typed name of the firm.

Woodard, Cowen, & Company  
Portales, New Mexico  
December 9, 2014



# 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. Timothy Keller, State Auditor  
School Board  
Ruidoso Municipal Schools  
Ruidoso, New Mexico

### **Report on Compliance for Each Major Federal Program**

We have audited Ruidoso Municipal Schools' (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of District's major federal programs for the year ended June 30, 2014. 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, 2014.

### **Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the

auditing procedures that are appropriate in the circumstances for the purpose of expressing 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.

A handwritten signature in cursive script that reads "Woodard, Cowen & Co." The signature is written in dark ink and is positioned above the typed name of the firm.

Woodard, Cowen & Company

Portales, New Mexico

December 9, 2014

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

June 30, 2014

PRIOR YEAR AUDIT FINDINGS – Ruidoso Municipal Schools

**2011-01 – 24 Hour Rule – Significant deficiency**

Condition: Upon review of Activity Funds deposits, it was discovered that two activity fund collections from the high school and three activity fund collections from the elementary were not being deposited within the required 24-hour period. This determination was made by comparing the date of the receipt with the date stamped by the bank on the deposit slip. Each deposit included receipts that were dated more than 24 hours prior to the deposit.

Recommendation: Monitor activity fund deposits so that the District can insure that funds are kept in safe keeping.

Status: Revised and repeated

**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, 2014

I. SUMMARY OF AUDITORS RESULTS:

Report on Financial Statements		Unmodified
Significant Deficiencies on GAGAS	2012-001, 2011-001, 2014-001, 2014-002, 2014-003, 2014-004, and 2014-005	
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	Impact Aid #84.041 National School Lunch #10.555 School Food Commodity Distribution Program #10.559	
Significant Deficiencies on Internal Control over Major Programs		None
Report on Compliance with Major Programs		Unmodified

II. FEDERAL PROGRAM FINDINGS: None

III. FINANCIAL STATEMENT FINDINGS:

**2012-001 Expenditures exceed budget – Significant Deficiency and compliance (Repeated and Revised)**

Statement of Condition: The following fund and function line had expenditures that exceed the budget for that function: Debt Services –Support Services - \$460.

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: The final property tax collection and associated county fee was received after the PED deadline for budget adjustment request.

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

Recommendation: District personnel in charge of maintaining budget data should budget an additional amount to cover the county fee for collecting and disbursing the District's property tax.

Response: Management concurs.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2014

III. FINANCIAL STATEMENT FINDINGS (continued):

**2011-001 – Deposits not made within 24 hours – Significant deficiency and compliance**

Statement of Condition: During the testing of activity fund deposits, 13 of the 43 deposits tested for compliance with the 24hour were not in compliance. All the deposits originated from the high school. In addition, management brought to the attention of the auditors a deposit which was made eight days late and under suspicious circumstances. The deposit was outside of the scope of the audit (September 26, 2014, which is after the period being audited). The District's management and the auditors obtained permission to expand the scope of the audit for activity fund deposits. Upon review of activity fund deposits subsequent to year end, the auditors noted two deposits made from the same source during the eight days the deposit in question should have been deposited. The additional audit work also revealed three more deposits in violation of the 24hour rule out of 13 deposits tested as well as other issues discussed in finding 2014-002.

Criteria: NMAC 6.20.2.14 Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.

Cause: District staff at the high school campus were not processing collected funds and depositing them in a timely manner. No explanation was given as to why one deposit sat in the high school office for eight days while other deposits were being made.

Effect: The purpose of the 24hour rule is to limit the vulnerability of fund to theft or loss. The longer funds sit on District property there is an increased chance of theft or loss. In addition, some activities are dependent on having funds available in the bank to pay for fund raising or operating expenditures. Funds kept in the office are not available for expenditures.

Recommendation: All funds should be deposited with 24 hours or one banking day. Funds that must remain on District property due the bank being closed should be in a secure place to prevent theft or destruction.

Response: This was a flagrant violation of the 24 hour rule. The individual in charge of handling student activity deposits had longevity with the district and had been made aware of the rule and proper procedures numerous times. The individual failed to demonstrate proper controls and adhere to regulatory and statutory guidelines set forth by local and state guidelines. The District placed the individual on administrative leave. Adequate training had been properly provided by the District management.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2014

III. FINANCIAL STATEMENT FINDINGS (continued):

**2014-001 – Receipting of funds – Significant deficiency and compliance**

Statement of Condition: During the review of the activity fund receipting process for the fiscal year ended and the expanded scope described in finding 2014-001, the auditors noted an inconsistency in the receipting from the source of activity deposits. For the fiscal year under audit it was noted that none of the fourteen deposits appear to have proper receipting from the source of the funds. All of these deposits came from one particular activity at the high school. There were no count sheets or documentation supporting the source, denomination, or amount being deposited. For the period in the expanded scope, thirteen deposits were tested that consisted of 48 receipts. Thirty-five of those receipts were completed and signed by students with no documentation of supervisory review. One receipt with a student signature was noted to have been corrected with a “write over” because the student’s first name was misspelled. No explanation was given for this which led the auditor to wonder whether the student actually completed the receipt.

Criteria: PSAB Supplement 18 page 4 states: The club sponsor or authorized staff member shall bring all monies collected and balanced to the receipts, to the designated personnel (typically site bookkeepers or secretaries who must issue a pre numbered receipt to the club sponsor) for deposit by the school district office by the end of the day of collection. In most cases, the duplicate deposit slip, together with all records (cash register tapes, inventory sheets, etc.) must be submitted to the bookkeeper/secretary without delay, for recording in the school’s financial management system (FMS) and depositing into the bank account.

Effect: Individuals handling and recording public monies are not bonded or adequately trained to perform these duties.

Cause: Site secretary had an arrangement with sponsor to perform duties in a manner that was not in compliance with statutory and regulatory guidelines set forth by the District

Recommendation: Policies and procedures in place reflect existing state regulations, standard administrative procedures and generally accepted accounting practices. As with other funds, business officials should coordinate and implement all policies and rules pertaining to the supervision and administration of student activity funds in schools. This should be accordance with established policies and rules set forth in the district administrative procedures that have been approved by the governing boards. Personnel should then adhere to these policies and procedures.

Response: Management has provided more than adequate training and supervision to District employees regarding policies and procedures pertaining to accountability of public monies. Site secretary was placed on administrative leave for failure to adhere to these policies and procedures.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2014

III. FINANCIAL STATEMENT FINDINGS (continued):

**2014-002 – Athletic ticket sales and collection – Significant deficiency and compliance**

Statement of Condition: The sequentially numbered tickets used for athletic events are not being inventoried. There is no documentation of the beginning and ending numbers of the tickets used during the year. It was also noted that there were gaps in the ending ticket number from one event to the beginning ticket number of the next event. Management was told that the District staff who was handling the tickets destroyed the remaining tickets. This was done without management's knowledge or consent.

Criteria: PSAB Supplement 18, Page 5 (Student activity and athletics) states that policies and controls include a perpetual inventory, be maintained on pre-numbered forms, receipts, or other documents to create an adequate audit trail.

Effect: Management is unable to track unused tickets. The auditor was unable to ascertain the number of tickets sold versus the dollar amounts deposited. The District is at risk of loss of revenue or funds collected at athletic events.

Cause: One individual had taken the athletic ticket sales function completely upon themselves. There was no segregation of duties. One individual maintained ticket inventory, assigned gate sales, handled change fund, counted receipts, and made the deposit.

Recommendation: Ticket inventory needs to be moved to and maintained by someone other than the one charged with handling ticket sales and gate collections.

Response: Management concurs and has already moved the ticket and gate change funds to the central office where tickets sold will be reconciled to the amount to be deposited. All gate receipts will be recounted for verification. Site secretary was placed on administrative leave for failure to meet the statutory and regulatory guidelines.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2014

III. FINANCIAL STATEMENT FINDINGS (continued):

**2014-003 – Athletic event season passes – Significant deficiency and compliance**

Statement of Condition:	There no control over the printing, sales, and collection of money from the sale of season athletic passes. Season pass collections did not reconcile to the number of passes that appear to be sold. Season passes are printed from the high school without any control of the number printed.
Criteria:	PSAB Supplement 18 states that policies and procedures relating to a District's athletic funds should at least maintain a perpetual inventory on pre-numbered forms, receipts or other documents to create an adequate audit trail. PSAB Supplement 18 also states that internal control procedures designed to safeguard monies should be emphasized with special attention to segregation of duties.
Effect:	The District's management cannot reconcile sales and does not have control of the dispersal of the season passes. The District is at risk of loss of revenue or collected funds. Since the passes are produced from a computer document, they could easily be duplicated and reproduced without knowledge or consent of the District or its management.
Cause:	One individual had taken the athletic ticket sales function completely upon themselves. There was no segregation of duties. One individual maintained ticket inventory, assigned gate sales, handled change fund, counted receipts, and made the deposit.
Recommendation:	The production and sale of season passes needs centralized control. An accurate list of sales and collections should be maintained and reconciled to deposits.
Response:	Management concurs and has moved the production and sale of season passes to the central office. Management is considering changing the way passes are produced so they aren't easily reproduced.

**2014-004 – Sam's Club Membership – Significant deficiency**

Statement of Condition:	People other than authorized District employees had Sam's Club memberships under the District's name. The individuals included school employees not authorized to make Sam's purchases, District employee family members, and a past board member. The auditor's did review the Sam's and Wal-Mart purchases and noted that the District did not pay for any authorized items nor was the tax-exempt status taken advantage of.
Criteria:	District policies and sound internal control procedures do not allow unauthorized individuals to perform acts reserved for authorized personnel.
Effect:	Because the membership is tied to the District's purchasing account, the District is at risk of having unauthorized purchases made. The District also has a tax exempt status and thus there is the risk of unauthorized and improper use of that status. The District could also have to pay some unnecessary fees.
Cause:	One District employee told other employees that they could sign up for a Sam's membership under the District's name.
Recommendation:	District management should strictly restrict the access to the Sam's membership.
Response:	Management concurs and has moved to collect membership cards and cancel memberships of those not authorized to make purchases for the District at Sam's. Management has also changed the type of memberships available to prevent others from going into the store. Management is also reviewing membership purchase reports independent of school invoices to monitor membership use.



STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2014

III. FINANCIAL STATEMENT FINDINGS (continued):

**Late audit report 2014-005 significant deficiency and non-compliance**

Statement of condition:	The June 30, 2014 audit report was not received by the Office of the State Auditor by the November 15, 2014 deadline.
Criteria:	Per OSA Rule 2.2.2.9 (C)(1) the deadline to receive an audit report of a school district by the Office of the State Auditor is November 15 following the fiscal year end.
Cause:	Prior to the commencement of fieldwork, the District discovered conditions that violated the District's internal controls. The District's management and the auditors sought and received permission to expand the scope of the audit to perform additional procedures in these areas.
Effect:	The audit report was not submitted as required.
Recommendation:	Management should continue with its retraining and reorganization efforts to strengthen the control structure and environment of the District. This way the District will be able to complete its audits without additional work and examination.
Response:	Management concurs with the recommendation.

STATE OF NEW MEXICO  
RUIDOSO MUNICIPAL SCHOOLS

June 30, 2014

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 December 9, 2014. In attendance at the 4:00 p.m. meeting were George Bickert, Ed.D, Superintendent; Greg Cory School Board Member, Rhonda Vincent, School Board President; and Caron Snow, Director of Finance. Gayland Cowen, CPA and John McKinley, Jr. CPA represented our firm at this meeting. Also in attendance was audit committee member Mary Reeve, Director RECIX.