



Accounting & Consulting Group, LLP

Certified Public Accountants

STATE OF NEW MEXICO
ALAMOGORDO MUNICIPAL SCHOOL DISTRICT NO. 1
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2013



Alamogordo Public Schools

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INTRODUCTORY SECTION

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
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 Alamogordo Municipal School District No. 1
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STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Official Roster
June 30, 2013

<u>Name</u>	<u>Board of Education</u>	<u>Title</u>
Dr. Allan Rickman		Board President
David Weaver		Board Vice President
Steve Jaszai		Board Member
David Borunda		Board Member
David Ceballes		Board Member
Lt. Col. Cory Bennett		Ex-Officio Member

Administrative Officials

Dr. George Straface	Superintendent
Carol Genest	Director of Business and Finance
Tom Bregler	Comptroller

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

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 comparison for the general fund of Alamogordo Municipal School District No. 1 (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, the combining financial statements for the general fund, and the budgetary comparisons for the major capital projects fund, debt service fund, and all nonmajor funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2013, and the respective changes in financial position thereof, 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 and the combining financial statements for General Fund of the District as of June 30, 2013, and the respective changes in financial position, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects, the respective budgetary basis of accounting as prescribed in the New Mexico Administrative Code, as more fully described in Note 2 to the financial statements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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 the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments*, introductory section and Supporting Schedules I through IV required by 2.2.2.NMAC 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 and Supporting Schedules I through IV required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and Supporting Schedules I through IV required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2013 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
November 1, 2013

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statement of Net Position
 June 30, 2013

	<u>Primary Government Governmental Activities</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 17,328,804
Receivables:	
Property taxes	472,959
Due from other governments	1,350,947
Other	13,839
Inventory	82,308
Total current assets	19,248,857
Noncurrent assets	
Restricted assets:	
Cash and cash equivalents	4,477,309
Bond issuance costs, net of accumulated amortization of \$186,520	364,513
Capital assets	133,536,034
Less: accumulated depreciation	(66,326,586)
Total noncurrent assets	72,051,270
Total assets	\$ 91,300,127

The accompanying notes are an integral part of these financial statements

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Liabilities	
Current liabilities	
Accounts payable	\$ 604,482
Accrued payroll	2,389,308
Accrued interest	349,986
Accrued compensated absences	146,701
Current portion of loans and capital leases payable	167,618
Current portion of bonds payable	<u>3,565,000</u>
Total current liabilities	<u>7,223,095</u>
Noncurrent liabilities	
Accrued compensated absences	44,987
Loans and capital leases payable	133,190
Bonds payable	28,540,000
Bond premium, net of accumulated amortization of \$135,880	<u>428,708</u>
Total noncurrent liabilities	<u>29,146,885</u>
Total liabilities	<u>36,369,980</u>
Net position	
Net investment in capital assets	43,914,842
Restricted for:	
Debt service	4,301,975
Capital projects	1,516,256
Special revenue	1,125,891
Unrestricted	<u>4,071,183</u>
Total net position	<u>54,930,147</u>
Total liabilities and net position	<u>\$ 91,300,127</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statement of Activities
 For the Year Ended June 30, 2013

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:			
Governmental Activities:			
Instruction	\$ 27,873,359	\$ 148,461	\$ 4,465,584
Support services - students	5,709,097	30,408	914,653
Support services - instruction	4,502,201	23,980	721,296
Support services - general administration	1,277,238	6,803	204,626
Support services - school administration	2,570,529	13,691	411,824
Central services	2,234,297	11,900	357,956
Operation and maintenance of plant	6,673,508	35,545	1,069,161
Student transportation	1,622,206	-	1,381,982
Other support services	217,855	-	-
Food services operations	3,020,382	655,545	2,007,706
Amortization	50,590	-	-
Interest and other charges	779,500	-	-
<i>Total governmental activities</i>	<u>\$ 56,530,762</u>	<u>\$ 926,334</u>	<u>\$ 11,534,788</u>

General Revenues:

Taxes:

Property taxes, levied for operating programs

Property taxes, levied for debt services

Property taxes, levied for capital projects

State equalization guarantee

Local sources

Investment income

Miscellaneous income

Loss on disposition of assets and exchange of land

Total general revenues

Change in net position

Net position, beginning

Net position, ending

The accompanying notes are an integral part of these financial statements

<u>Program Revenues</u> <u>Capital Grants and</u> <u>Contributions</u>	<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in Net</u> <u>Position</u> <u>Government</u> <u>Activities</u>
\$ 446,520	\$ (22,812,794)
91,457	(4,672,578)
72,123	(3,684,801)
20,461	(1,045,348)
41,179	(2,103,835)
35,793	(1,828,648)
106,907	(5,461,895)
-	(240,224)
-	(217,855)
-	(357,131)
-	(50,590)
-	(779,500)
<u>\$ 814,440</u>	<u>(43,255,200)</u>

266,315
4,294,464
1,349,795
39,406,786
7,000
9,259
19,767
<u>(52,510)</u>
<u>45,300,876</u>
2,045,676
<u>52,884,471</u>
<u>\$ 54,930,147</u>

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Bond Building Capital Projects Fund	Debt Service Fund
<i>Assets</i>			
Cash and cash equivalents	\$ 5,497,645	\$ 9,111,202	\$ 4,105,994
Receivables:			
Property taxes	22,217	-	302,456
Due from other governments	46,314	-	-
Other	11,557	-	-
Inventory	52,349	-	-
Due from other funds	852,768	-	-
 <i>Total assets</i>	 \$ 6,482,850	 \$ 9,111,202	 \$ 4,408,450
 <i>Liabilities</i>			
Accounts payable	\$ 209,521	\$ 94,536	\$ -
Accrued payroll	2,019,622	-	-
Deferred revenue:			
Property taxes	15,768	-	215,690
Due to other funds	-	-	-
 <i>Total liabilities</i>	 2,244,911	 94,536	 215,690
 <i>Fund balances</i>			
Nonspendable:			
Inventory	52,349	-	-
Spendable:			
Restricted for:			
Transportation	2	-	-
Instructional materials	574,510	-	-
Food services	-	-	-
Extracurricular activities	-	-	-
Education	-	-	-
Capital acquisitions and improvements	-	9,016,666	-
Debt service	-	-	4,192,760
Committed for:			
Subsequent year's expenditures	1,123,169	-	-
Unassigned	2,487,909	-	-
 <i>Total fund balances</i>	 4,237,939	 9,016,666	 4,192,760
 <i>Total liabilities and fund balances</i>	 \$ 6,482,850	 \$ 9,111,202	 \$ 4,408,450

The accompanying notes are an integral part of these financial statements

Other Governmental Funds	Total
\$ 3,091,272	\$ 21,806,113
148,286	472,959
1,304,633	1,350,947
2,282	13,839
29,959	82,308
-	852,768
<u>\$ 4,576,432</u>	<u>\$ 24,578,934</u>
\$ 300,425	\$ 604,482
369,686	2,389,308
107,646	339,104
<u>852,768</u>	<u>852,768</u>
<u>1,630,525</u>	<u>4,185,662</u>
29,959	82,308
-	2
-	574,510
276,500	276,500
43,362	43,362
785,234	785,234
1,429,516	10,446,182
381,336	4,574,096
-	1,123,169
<u>-</u>	<u>2,487,909</u>
<u>2,945,907</u>	<u>20,393,272</u>
<u>\$ 4,576,432</u>	<u>\$ 24,578,934</u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position
 June 30, 2013

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

Fund balances - total governmental funds	\$	20,393,272
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		67,209,448
Other noncurrent assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Bond issuance costs		364,513
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		339,104
Liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued compensated absences not due and payable		(191,688)
Accrued interest payable		(349,986)
Bond premiums		(428,708)
Bonds, loans and capital leases payable		<u>(32,405,808)</u>
Total net position - governmental funds	\$	<u><u>54,930,147</u></u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2013

	<u>General Fund</u>	<u>Bond Building Capital Projects Fund</u>	<u>Debt Service Fund</u>
<i>Revenues</i>			
Property taxes	\$ 264,993	\$ -	\$ 4,006,152
Intergovernmental revenue			
Federal flowthrough	419,840	-	-
Federal direct	1,212,843	-	-
Local sources	-	-	-
State flowthrough	931,711	-	-
State direct	39,406,786	-	-
Transportation distribution	1,381,982	-	-
Charges for services	162,552	-	-
Investment income	-	5,709	2,080
Miscellaneous	1,896	-	-
<i>Total revenues</i>	<u>43,782,603</u>	<u>5,709</u>	<u>4,008,232</u>
<i>Expenditures</i>			
Current			
Instruction	25,136,476	-	-
Support services - students	3,788,103	-	-
Support services - instruction	886,370	-	-
Support services - general administration	925,104	-	39,989
Support services - school administration	2,254,852	-	-
Central services	1,985,053	-	-
Operation and maintenance of plant	5,759,686	8,557	-
Student transportation	1,620,521	-	-
Other support services	204,167	-	-
Food services operations	38,423	-	-
Capital outlay	72,855	2,924,125	-
Debt service			
Principal	-	-	2,525,000
Interest	-	-	742,733
Bond issuance costs	-	55,772	-
<i>Total expenditures</i>	<u>42,671,610</u>	<u>2,988,454</u>	<u>3,307,722</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,110,993</u>	<u>(2,982,745)</u>	<u>700,510</u>
<i>Other financing sources (uses)</i>			
Proceeds from sale of capital assets	19,780	-	-
Transfers in	-	-	-
Transfers (out)	-	-	-
Bond premium	-	-	125,000
Bond proceeds	-	5,000,000	-
<i>Total other financing sources (uses)</i>	<u>19,780</u>	<u>5,000,000</u>	<u>125,000</u>
<i>Net change in fund balances</i>	1,130,773	2,017,255	825,510
<i>Fund balances - beginning</i>	<u>3,107,166</u>	<u>6,999,411</u>	<u>3,367,250</u>
<i>Fund balances - end of year</i>	<u>\$ 4,237,939</u>	<u>\$ 9,016,666</u>	<u>\$ 4,192,760</u>

The accompanying notes are an integral part of these financial statements

Other Governmental Funds	Total
\$ 1,613,409	\$ 5,884,554
6,673,204	7,093,044
625,287	1,838,130
7,000	7,000
852,665	1,784,376
319,267	39,726,053
-	1,381,982
763,782	926,334
1,470	9,259
17,871	19,767
<u>10,873,955</u>	<u>58,670,499</u>
2,493,623	27,630,099
1,911,374	5,699,477
817,913	1,704,283
241,955	1,207,048
298,070	2,552,922
50,938	2,035,991
896,194	6,664,437
1,000	1,621,521
-	204,167
2,971,625	3,010,048
1,065,432	4,062,412
940,838	3,465,838
52,205	794,938
-	55,772
<u>11,741,167</u>	<u>60,708,953</u>
<u>(867,212)</u>	<u>(2,038,454)</u>
-	19,780
453	453
(453)	(453)
-	125,000
-	5,000,000
<u>-</u>	<u>5,144,780</u>
(867,212)	3,106,326
<u>3,813,119</u>	<u>17,286,946</u>
<u>\$ 2,945,907</u>	<u>\$ 20,393,272</u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2013

Exhibit B-2
 Page 2 of 2

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

Net change in fund balances - total governmental funds	\$	3,106,326
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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:

Capital expenditures		4,062,412
Depreciation expense		(3,356,500)
Book value of capital assets disposed		(293)
Book value in excess of fair market value of land exchanged		(71,997)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:

Change in deferred revenue related to property taxes receivables		26,020
Change in deferred revenue related to grant receivables		(67,571)

The issuance of long-term debt (e.g. bonds, notes, 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 position. 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:

Original bond premiums		(125,000)
Current year amortization of bond premium		47,741
Original bond issuance cost		55,772
Current year amortization of bond issuance cost		(50,590)
Bond proceeds		(5,000,000)
Increase in accrued compensated absences not due and payable		(14,179)
Increase in accrued interest payable		(32,303)
Principal payments on bonds		3,305,000
Principal payments on capital leases		160,838

Change in net position of governmental activities	\$	<u>2,045,676</u>
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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 General Fund

Exhibit C-1

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 254,229	\$ 254,229	\$ 265,398	\$ 11,169
Intergovernmental revenue				
Federal flowthrough	128,246	128,246	419,840	291,594
Federal direct	809,817	1,050,093	1,212,843	162,750
Local sources	-	-	-	-
State flowthrough	492,608	492,608	894,707	402,099
State direct	39,673,709	39,552,925	39,406,786	(146,139)
Transportation distribution	1,014,510	1,381,980	1,381,982	2
Charges for services	82,000	74,464	162,344	87,880
Investment Income	-	-	-	-
Miscellaneous	-	-	27,579	27,579
<i>Total revenues</i>	<u>42,455,119</u>	<u>42,934,545</u>	<u>43,771,479</u>	<u>836,934</u>
<i>Expenditures</i>				
Current				
Instruction	26,692,191	25,751,755	23,633,806	2,117,949
Support services - students	3,824,020	3,859,910	3,791,483	68,427
Support services - instruction	972,837	1,296,117	1,204,812	91,305
Support services - general administration	872,597	1,078,447	970,475	107,972
Support services - school administration	2,254,674	2,305,088	2,254,223	50,865
Central services	2,085,091	2,075,291	1,985,295	89,996
Operation and maintenance of plant	5,581,653	6,088,945	5,846,464	242,481
Student transportation	1,356,510	1,630,907	1,619,951	10,956
Other support services	111,974	188,032	175,652	12,380
Food services operations	-	38,681	38,423	258
<i>Total expenditures</i>	<u>43,751,547</u>	<u>44,313,173</u>	<u>41,520,584</u>	<u>2,792,589</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,296,428)</u>	<u>(1,378,628)</u>	<u>2,250,895</u>	<u>3,629,523</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,296,428	1,378,628	-	(1,378,628)
Proceeds from sale of capital assets	-	-	13,878	13,878
<i>Total other financing sources (uses)</i>	<u>1,296,428</u>	<u>1,378,628</u>	<u>13,878</u>	<u>(1,364,750)</u>
<i>Net change in fund balances</i>	-	-	2,264,773	2,264,773
<i>Fund balances - beginning of year</i>	-	-	4,085,640	4,085,640
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,350,413</u>	<u>\$ 6,350,413</u>
Net change in fund balances (Non-GAAP budgetary basis)				\$ 2,264,773
Adjustments to revenues for taxes and insurance recoveries				17,026
Adjustments to expenditures for supplies and payroll expenditures				<u>(1,151,026)</u>
Net change in fund balances (GAAP Basis)				<u>\$ 1,130,773</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2013

Exhibit D-1

<i>Current Assets</i>	
Cash and cash equivalents	\$ 873,271
Receivables	4,811
	<hr/>
<i>Total current assets</i>	878,082
	<hr/>
<i>Noncurrent Assets</i>	
Capital assets, net of accumulated depreciation of \$763	14,505
	<hr/>
<i>Total noncurrent assets</i>	14,505
	<hr/>
<i>Total assets</i>	<u>\$ 892,587</u>
	<hr/>
<i>Current Liabilities</i>	
Accounts payable	\$ 5,980
Accrued payroll	1,167
Due to student organizations	885,440
	<hr/>
<i>Total liabilities</i>	<u>\$ 892,587</u>
	<hr/>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies

Alamogordo Municipal School District No. 1 “the District” is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the City of Alamogordo. 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 School Board is authorized to establish policies and regulations for its own government consistent with the laws of the State of New Mexico and the regulations of the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The District operates sixteen schools within the District with a total enrollment of approximately 6,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

During the year ended June 30, 2013, the District adopted Governmental Accounting Standards Board (GASB) Statements No. 60 through 63. GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements. The District does not have any Service Concession Arrangements. GASB Statement No. 61, The Financial Reporting Entity: Omnibus— an amendment of GASB Statements No. 14 and No. 34, modifies certain requirements for inclusion of component units in the financial reporting entity. GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which incorporates into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in FASB and AICPA Pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources

A. Financial Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61. Blended component units, although legally separate entities, are in substance part of the government’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the District has no component units, and is not a component unit of another governmental agency.

B. Government-wide and fund financial statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not have any *business-type activities*.

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, state equalization, and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

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

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by the District's school tax levy, state equalization and transportation funds, state instructional material allocations, and earnings from investments. Expenditures include all costs associated with the daily operations of the school except for those items included in other funds. The General Fund includes the *Pupil Transportation Fund*, which is used to account for transportation distribution received from the New Mexico Public Education Department which is used to pay for the costs associated with transporting school age children. It also includes the *Instructional Materials Fund*, which is used to account for the monies received from the New Mexico Public Education Department for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Bond Building Capital Projects Fund* is used to account for bond proceeds plus any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District. Authority for the creation of this fund is the New Mexico Public Education Department.

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. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Additionally, the District reports the following agency fund:

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

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

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

D. Assets, Liabilities and Net Position or Equity

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

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

Restricted Assets: The Debt Service Fund is used to report resources set aside for the payment of long-term debt principal and interest.

Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in Otero County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2013 is considered "measurable and available" and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2013. Period of availability is deemed to be sixty days subsequent to year end.

Certain Special Revenue funds are administered on a reimbursement method of funding; other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Inventory: The District’s method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost and consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed.

Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). The District was a Phase II government for purposes of implementing GASB Statement No. 34 however, the District does not have any infrastructure assets to report.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Library books are not capitalized because they are considered to have a useful life of less than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction projects paid for by the Public School Capital Outlay Council are included in the District’s capital assets. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Land improvements	20-50
Buildings and improvements	20-50
Furniture, fixtures and equipment	5-10

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Deferred Revenues: There are two sets of circumstances in which the District accrues deferred revenue.

- *Unearned revenue* - Under both the accrual and the modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for *deferred revenue*.
- *Unavailable revenue* – Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual (it must be both measureable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue. The District has recorded \$339,104 in deferred revenue related to property taxes considered “unavailable.”

Compensated Absences: It is the District’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Twelve-month employees may accumulate up to 20 days of vacation leave; any leave beyond these limits must be used by June 30th of the current contract year unless carryover approval is obtained from the Superintendent.

Qualified employees are entitled to accumulate sick leave. There is no limit to the amount of sick leave which an employee may accumulate; however, upon termination, sick leave is not paid out to the employee.

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In the past, the liability has been paid from the general fund.

Accrued Payroll: In the fund financial statements, governmental fund types recognize the accrual of unpaid wages and benefits that employees have earned at the close of each fiscal year. The amount recognized in the fund financial statements represents checks that were held at year end in relation to employee’s summer payroll.

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 position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method or the straight-line method if the difference from the effective interest method is minimal. 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 the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Fund Balance Classification Policies and Procedures: The District has implemented GASB Statement No. 54 and has defined the various categories reported in fund balance. For committed fund balance, the District's highest level of decision-making authority is the Board of Education. The formal action that is required to be taken to establish a fund balance commitment is a resolution of the Board of Education.

For assigned fund balance, the Board of Education or an official or body to which the School Board of Education delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

For the classification of fund balances, the District considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the District considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Nonspendable Fund Balance: At June 30, 2013, the nonspendable fund balance in the general fund and food service fund are made up of inventory in the amounts of \$52,349 and \$29,959, respectively, that are not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2013, the restricted fund balance on the governmental funds balance sheet is made up of \$1,679,608 restricted for providing transportation, instructional materials, food services, extracurricular activities and education to the students of the District, \$10,446,182 restricted for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act [22-24-1 NMSA 1978], or any combination of these purposes, and \$4,574,096 restricted for the payment of principal and interest of the future debt service requirements. The District has also committed fund balance in the amount of \$1,123,169 for expenditures in the subsequent year.

Net Position: Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets: Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position: Net position is reported as restricted when constraints are placed on the use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, capital projects, and debt service" are described on pages 31 and 60-63.
- c. Unrestricted Net Position: Net position that do not meet the definition of "Restricted" or "Net Investment in Capital Assets."

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

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. Significant estimates for the District are management's estimate of depreciation on assets over their estimated useful lives and the current portion of accrued compensated absences.

E. Revenues

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$39,406,786 in state equalization guarantee distributions during the year ended June 30, 2013.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$5,910,574 in tax revenues in the government-wide financial statements during the year ended June 30, 2013. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district. The District received \$1,381,982 in transportation distributions during the year ended June 30, 2013.

Instructional Materials: The Public Education Department (Department) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2013 totaled \$470,884.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues (continued)

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1 of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. However, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District received \$306,589 in state SB-9 matching during the year ended June 30, 2013.

Public School Capital Outlay: The public school capital outlay fund was created under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used for: capital expenditures deemed by the public school capital outlay council to be necessary for an adequate educational program per Section 22-24-4(B); core administrative functions of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved.

The District received \$308,867 in state Public School Capital Outlay matching during the year ended June 30, 2013.

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operates under its own budget, which has been approved by the Federal Department or the flow-through agency (usually the New Mexico Public Education Department). The various budgets are approved by the local School Board and the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

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

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

Actual expenditures may not exceed the budget at the function (or “series”) level. 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 District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the State of New Mexico Public Education Department.
2. In May or June of each year, the proposed “operating” budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. 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 Public Education Department.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 2. Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the original budget and the final budget.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

The School Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico Administrative Code 6.20.2.9 prohibits the District from exceeding budgetary control at the function level.

The appropriated budget for the year ended June 30, 2013, was properly amended by the District's Board of Education throughout the year. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ (1,296,428)	\$ (1,378,628)
Bond Building Capital Projects Fund	\$ (5,892,842)	\$ (13,119,464)
Debt Service Fund	\$ (2,757,301)	\$ (3,412,758)
Other Governmental Funds	\$ (1,269,900)	\$ (3,625,593)

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

The reconciliation between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis for each governmental fund are included in each individual budgetary comparison.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 3. Deposits and Investments

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2013.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

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 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.

By operation of federal law, beginning January 1, 2013, funds deposited in a noninterest-bearing transaction account no longer will receive unlimited deposit insurance coverage by the Federal Deposit Insurance Corporation (FDIC). Beginning January 1, 2013, all of the District's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2013, \$22,230,540 of the District's bank balances of \$22,980,540 was exposed to custodial credit risk. \$14,314,154 was uninsured and collateralized by collateral held by the pledging bank's trust department not in the District's name, and \$7,916,386 was uninsured and uncollateralized.

	First American Bank	First National Bank	Wells Fargo Bank	Total
Amount of deposits	\$ 14,905,839	\$ 3,647,775	\$ 4,426,926	\$ 22,980,540
FDIC coverage	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	<u>14,655,839</u>	<u>3,397,775</u>	<u>4,176,926</u>	<u>22,230,540</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	7,456,607	2,680,621	4,176,926	14,314,154
Uninsured and uncollateralized	<u>\$ 7,199,232</u>	<u>\$ 717,154</u>	<u>\$ -</u>	<u>\$ 7,916,386</u>
Collateral requirement (50%)	\$ 7,327,920	\$ 1,698,888	\$ 2,088,463	\$ 11,115,271
Pledged securities	7,456,607	2,680,621	4,865,823	15,003,051
Over (under) collateralized	<u>\$ 128,687</u>	<u>\$ 981,733</u>	<u>\$ 2,777,360</u>	<u>\$ 3,887,780</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 3. Deposits and Investments (continued)

The collateral pledged is listed on Schedule III 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.

The District utilizes internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2013. Funds 24101 through 25254 are federal funds and 27106 through 27171 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2013:

24101	Title I IASA	\$ 134,916
24106	Entitlement IDEA-B	107,998
24109	Preschool IDEA-B	10,249
24113	Education of Homeless	353
24115	IDEA-B Private School Share	244
24120	IDEA-B "Risk Pool"	8,495
24124	Title I 1003g Grant	78,548
24154	Teacher/Principal Training/Recruiting	132,717
24162	Title I School Improvement	12,111
24174	Carl D. Perkins Secondary Current	11,283
24176	Carl D. Perkins Secondary Redistribution	9,240
25254	DOD Education Activity	81,192
27106	2010 G.O. Bond Student Library	6,458
27114	New Mexico Reads to Lead	246,274
27155	Breakfast for Elementary Students	1,579
27171	2010 GOB Instructional Materials	11,111
		<hr/>
	Total	<u>\$ 852,768</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 3. Deposits and Investments (continued)

Investments

As of June 30, 2013, the District did not have any investment balances.

Reconciliation to the Statement of Net Position

The carrying amount of deposits and investments shown above are included in the District's statement of net position as follows:

Cash and cash equivalents per Exhibit A-1	\$ 17,328,804
Restricted cash per Exhibit A-1	4,477,309
Cash - Statement of Fiduciary Assets and Liabilites per Exhibit D-1	873,271
 Total cash and cash equivalents	 22,679,384
Add: outstanding checks	2,880,574
Less: deposits in transit	(2,579,068)
Less: petty cash	(350)
 Bank balance of deposits	 \$ 22,980,540

NOTE 4. Accounts Receivable

Accounts receivable as of June 30, 2013, are as follows:

	General Fund	Debt Service Fund	Other Governmental Funds	Total
Property taxes receivable	\$ 22,217	\$ 302,456	\$ 148,286	\$ 472,959
Due from other governments:				
Federal sources	-	-	855,094	855,094
State sources	46,314	-	449,539	495,853
Other receivables:				
ROTC	5,655	-	-	5,655
Sale of assets	5,902	-	-	5,902
Miscellaneous	-	-	2,282	2,282
	 \$ 80,088	 \$ 302,456	 \$ 1,455,201	 \$ 1,837,745

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$339,104 that were not collected within the period of availability have been reclassified as deferred revenue in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 5. Interfund Receivables, Payables, and Transfers

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. The composition of interfund balances during the year ended June 30, 2013 is as follows:

<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Amount</u>
General Fund	Title I IASA	\$ 134,916
General Fund	Entitlement IDEA-B	107,998
General Fund	Preschool IDEA-B	10,249
General Fund	Education of Homeless	353
General Fund	IDEA-B Private School Share	244
General Fund	IDEA-B "Risk Pool"	8,495
General Fund	Title I 1003g Grant	78,548
General Fund	Teacher/Principal Training/Recruiting	132,717
General Fund	Title I School Improvement	12,111
General Fund	Carl D. Perkins Secondary Current	11,283
General Fund	Carl D. Perkins Secondary Redistribution	9,240
General Fund	DOD Education Activity	81,192
General Fund	2010 G.O. Bond Student Library	6,458
General Fund	New Mexico Reads to Lead	246,274
General Fund	Breakfast for Elementary Students	1,579
General Fund	2010 GOB Instructional Materials	<u>11,111</u>
	Total	<u>\$ 852,768</u>

All interfund balances are intended to be repaid within one year.

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
Food Service Special Revenue Fund	Fresh Fruits & Vegetables Special Revenue Fund	\$ 453
	Total	<u>\$ 453</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2013, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

Capital assets, net of accumulated depreciation, at June 30, 2013 appear in the Statement of Net Position as follows:

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,891,582	\$ 48,875	\$ 120,872	\$ 3,819,585
Construction in progress	2,190,779	851,947	2,012,871	1,029,855
Total capital assets not being depreciated	<u>6,082,361</u>	<u>900,822</u>	<u>2,133,743</u>	<u>4,849,440</u>
Capital assets being depreciated:				
Buildings and improvements	114,590,482	4,818,037	-	119,408,519
Land improvements	1,282,946	235,233	-	1,518,179
Furniture, fixtures, and equipment	7,695,161	170,066	105,331	7,759,896
Total capital assets being depreciated	<u>123,568,589</u>	<u>5,223,336</u>	<u>105,331</u>	<u>128,686,594</u>
Less accumulated depreciation:				
Buildings and improvements	57,066,020	2,962,128	-	60,028,148
Land improvements	200,457	69,217	-	269,674
Furniture, fixtures, and equipment	5,808,647	325,155	105,038	6,028,764
Total accumulated depreciation	<u>63,075,124</u>	<u>3,356,500</u>	<u>105,038</u>	<u>66,326,586</u>
Total capital assets, net of depreciation	<u>\$ 66,575,826</u>	<u>\$ 2,767,658</u>	<u>\$ 2,134,036</u>	<u>\$ 67,209,448</u>

The District exchanged land during the year. The District received land with a fair market value of \$48,875 in exchange for land the District was originally recorded at \$120,872.

Depreciation expense for the year ended June 30, 2013 was charged to the following functions:

Governmental Activities	
Direct instruction	\$ 236,326
Support services - students	4,798
Support services - instruction	2,789,041
General administration	44,925
Central services	128,013
Operation and maintenance of plant	148,179
Food services operation	5,218
Total	<u>\$ 3,356,500</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 7. Long-term Debt

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

	Balance June 30, 2012	Additions	Retirements	Balance June 30, 2013	Due Within One Year
General Obligation Bonds					
Series 2006	\$ 3,675,000	\$ -	\$ 850,000	\$ 2,825,000	\$ 500,000
Ed Tech Note					
Series 2008	655,000	-	655,000	-	-
General Obligation Bonds					
Series 2009	5,500,000	-	500,000	5,000,000	500,000
General Obligation Bonds					
Series 2010	3,250,000	-	750,000	2,500,000	1,000,000
General Obligation Bonds					
Series 2011	10,000,000	-	425,000	9,575,000	700,000
Ed Tech Note					
Series 2011B	1,330,000	-	125,000	1,205,000	275,000
General Obligation Bonds					
Series 2012	6,000,000	-	-	6,000,000	350,000
General Obligation Bonds					
Series 2013	<u>-</u>	<u>5,000,000</u>	<u>-</u>	<u>5,000,000</u>	<u>240,000</u>
Total Bonds	30,410,000	5,000,000	3,305,000	32,105,000	3,565,000
Capital Lease					
Energy Efficient	461,646	-	160,838	300,808	167,618
Compensated Absences	<u>181,794</u>	<u>156,595</u>	<u>146,701</u>	<u>191,688</u>	<u>146,701</u>
Total Long-Term Debt	<u>\$ 31,053,440</u>	<u>\$ 5,156,595</u>	<u>\$ 3,612,539</u>	<u>\$ 32,597,496</u>	<u>\$ 3,879,319</u>

General obligation bonds and the capital lease are secured by and payable solely from the Debt Service Fund and the Ed Tech Debt Service Fund.

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2013 are for governmental activities.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the general obligation bonds and the capital lease outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 3,732,618	\$ 829,374	\$ 4,561,992
2015	3,733,190	754,559	4,487,749
2016	3,300,000	666,411	3,966,411
2017	3,190,000	577,788	3,767,788
2018	2,850,000	485,789	3,335,789
2019-2023	11,600,000	1,174,987	12,774,987
2024-2026	4,000,000	175,500	4,175,500
	<u>\$ 32,405,808</u>	<u>\$ 4,664,408</u>	<u>\$ 37,070,216</u>

The annual requirements to amortize the General Obligation School Building Bonds Series 2006 outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 500,000	\$ 97,850	\$ 597,850
2015	500,000	77,850	577,850
2016	500,000	58,725	558,725
2017	500,000	40,350	540,350
2018	500,000	21,725	521,725
2019	325,000	6,175	331,175
	<u>\$ 2,825,000</u>	<u>\$ 302,675</u>	<u>\$ 3,127,675</u>

The annual requirements to amortize the General Obligation School Building Bonds Series 2009 outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 500,000	\$ 165,500	\$ 665,500
2015	650,000	148,250	798,250
2016	750,000	127,250	877,250
2017	800,000	102,000	902,000
2018	800,000	74,000	874,000
2019-2021	1,500,000	90,000	1,590,000
	<u>\$ 5,000,000</u>	<u>\$ 707,000</u>	<u>\$ 5,707,000</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the General Obligation School Building Bonds Series 2010 outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 1,000,000	\$ 40,624	\$ 1,040,624
2015	1,000,000	20,626	1,020,626
2016	500,000	5,312	505,312
	<u>\$ 2,500,000</u>	<u>\$ 66,562</u>	<u>\$ 2,566,562</u>

The annual requirements to amortize the General Obligation School Building Bonds Series 2011 outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 700,000	\$ 295,875	\$ 995,875
2015	225,000	286,625	511,625
2016	850,000	273,749	1,123,749
2017	1,300,000	246,875	1,546,875
2018	1,500,000	208,126	1,708,126
2019-2022	5,000,000	359,062	5,359,062
	<u>\$ 9,575,000</u>	<u>\$ 1,670,312</u>	<u>\$ 11,245,312</u>

The annual requirements to amortize the Education Technology Notes Series 2011B outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 275,000	\$ 19,715	\$ 294,715
2015	440,000	14,270	454,270
2016	250,000	8,375	258,375
2017	240,000	3,000	243,000
	<u>\$ 1,205,000</u>	<u>\$ 45,360</u>	<u>\$ 1,250,360</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the General Obligation School Building Bonds Series 2012 outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 350,000	\$ 112,625	\$ 462,625
2015	350,000	107,375	457,375
2016	100,000	104,000	204,000
2017	125,000	102,313	227,313
2018	25,000	101,188	126,188
2019-2023	3,050,000	394,500	3,444,500
2024-2025	2,000,000	40,000	2,040,000
	<u>\$ 6,000,000</u>	<u>\$ 962,001</u>	<u>\$ 6,962,001</u>

The annual requirements to amortize the General Obligation School Building Bonds Series 2013 outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 240,000	\$ 87,406	\$ 327,406
2015	435,000	96,850	531,850
2016	350,000	89,000	439,000
2017	225,000	83,250	308,250
2018	25,000	80,750	105,750
2019-2023	1,725,000	325,250	2,050,250
2024-2026	2,000,000	135,500	2,135,500
	<u>\$ 5,000,000</u>	<u>\$ 898,006</u>	<u>\$ 5,898,006</u>

General Obligation School Building Bonds Series 2006 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on November 7, 2006 with staggered maturity dates. The last maturity date is August 1, 2018. The principal payment ranges from \$325,000 to \$850,000 with annual payments due August 1. The interest rate ranges from 3.65% to 4.25%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

Education Technology Notes Series 2008 – The District issued Education Technology Notes in the amount of \$3,680,000 on July 22, 2008 with staggered maturity dates. The last maturity date was August 1, 2012. The principal payments ranged from \$655,000 to \$1,250,000 with annual payments due August 1. The interest rate ranges from 2.65% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

General Obligation School Building Bonds Series 2009 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on April 21, 2009 with staggered maturity dates. The last maturity date is August 1, 2020. The principal payment ranges from \$500,000 to \$800,000 with annual payments due August 1. The interest rate ranges from 3.00% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2010 – The District issued General Obligation School Building Bonds in the amount of \$4,000,000 on February 23, 2010 with staggered maturity dates. The last maturity date is August 1, 2015. The principal payment ranges from \$500,000 to \$1,000,000 with annual payments due August 1. The interest rate ranges from 2.00% to 2.125%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2011 – The District issued General Obligation School Building Bonds in the amount of \$10,000,000 on December 14, 2010 with staggered maturity dates. The last maturity date is August 1, 2021. The principal payment ranges from \$225,000 to \$1,500,000 with annual payments due August 1. The interest rate ranges from 2.00% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

Education Technology Notes Series 2011B – The District issued Education Technology Notes in the amount of \$1,330,000 on July 20, 2011 with staggered maturity dates. The last maturity date is August 1, 2016. The principal payment ranges from \$125,000 to \$440,000 with annual payments due August 1. The interest rate ranges from 1.45% to 2.50%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2012 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on May 16, 2012 with staggered maturity dates. The last maturity date is August 1, 2024. The principal payment ranges from \$25,000 to \$1,000,000 with annual payments due August 1. The interest rate ranges from 1.50% to 2.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2013 – The District issued General Obligation School Building Bonds in the amount of \$5,000,000 on May 26, 2013 with staggered maturity dates. The last maturity date is August 1, 2025. The principal payment ranges from \$25,000 to \$600,000 with annual payments due August 1. The interest rate ranges from 2.00% to 2.50%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 7. Long-term Debt (continued)

The District has entered into a capital lease agreement with LaSalle Bank National Association for energy efficient equipment in the amount of \$1,445,876 on May 8, 2004 with quarterly payments due, including interest, with a rate of 4.11%. The last maturity date is February 26, 2015.

The annual requirements to amortize the Energy Efficient Capital Lease outstanding as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 167,618	\$ 9,779	\$ 177,397
2015	133,190	2,713	135,903
	<u>\$ 300,808</u>	<u>\$ 12,492</u>	<u>\$ 313,300</u>

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2013, compensated absences increased \$9,894 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities. See Note 1 for more details.

NOTE 8. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error omissions; and natural disasters, for which the District is a member of the New Mexico Public School Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$15,000 deductible per occurrence with a maximum annual deductible of \$60,000. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor’s Forgery, Credit Card Forgery, and Money Orders. A limit of \$100,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA’s assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2013, there have been no claims that have exceeded insurance coverage.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 9. Pension Plan – Educational Retirement Board

Plan Description. Substantially all of the District’s full-time employees participate in an educational 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, other employees of state public school districts, colleges and universities, and some state agency employees) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P. O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB’s website at www.nmerb.org.

Funding Policy.

Member Contributions

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

Employer Contributions

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

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

The contribution requirements of plan members and the District are established in State Statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District’s contributions to ERB for the fiscal years ended June 30, 2013, 2012, and 2011 were \$3,244,040, \$2,977,858, \$3,580,231, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan

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

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan (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.

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

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

The District's contribution to the RHCA for the years ended June 30, 2013, 2012, and 2011 were \$585,300, \$569,619, \$530,099, respectively, which equal the required contributions for each year.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 11. Contingent Liabilities

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

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 12. Other Required Individual Fund Disclosures

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

- A. Deficit fund balance of individual funds. The District did not have any funds with deficit fund balances for the year ended June 30, 2013.
- B. Excess of expenditures over appropriations. The District did not have any funds with line item expenditures in excess of the budgeted appropriations for the year ended June 30, 2013.
- C. Designated cash appropriations in excess of available balance. The District did not have any funds with designated cash appropriations in excess of available balances for the year ended June 30, 2013.

NOTE 13. Concentrations

The District depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the District is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State Appropriations.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2013

NOTE 14. Commitments

The District had multiple construction projects ongoing as of the year ended June 30, 2013 that are to continue into the following fiscal year. These projects are as follows:

	Expected total project	paid as of 6/30/13	estimate for FY 13-14	estimate for FY 14-15
Desert Star Elementary (new construction)	7,551,548	(319,246)	2,169,691	5,062,611
Yucca Elementary (renovations)	1,751,597	(166,082)	158,552	1,426,964
Washington Ave Project	500,000	-	500,000	-
Total Commitments			<u>\$ 2,828,243</u>	<u>\$ 6,489,575</u>

NOTE 15. Joint Powers Agreements

The City of Alamogordo and the District are in agreement for the water rates charged to the District and the usage of the practice fields, District's running track, Recreation Center Pool, Oregon Tennis Courts, Desert Lakes Golf Course, Academy Del Sol and Hawaii Complex gyms, City equipment for turf renovation, and Alameda Park Pavilion. The City and the District are both responsible parties. The beginning and ending dates of this agreement are 07-01-2010 to 06-30-2014.

The New Mexico State University at Alamogordo (NMSU-A) and the District are in agreement to sponsor the APS-NMSU-A Joint Community Education Program to meet the needs for life-long learning and personal enrichment within the Alamogordo community. The responsible party is the NM State University at Alamogordo. The audit responsibility is with NMSU-A.

The Dell City Independent School District, Texas, and the District are in agreement that students who reside in Cienega, NM, within the Alamogordo Municipal School District, may be permitted to attend schools within the Dell City Independent School District. The District shall pay tuition to Dell City Independent School District for the students who attend Dell City Independent School District.

NOTE 16. Restricted Net Position

The government-wide statement of net position reports \$6,944,122 of restricted net position, all of which is restricted by enabling legislation. For descriptions of the related restrictions for restricted for special revenue, debt service and capital projects, see pages 31 and 60-63.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2013

NOTE 17. Subsequent Events

The District and the PSCOC Awarded the RFP for the new elementary, Desert Star, to National Construction for an overall cost of \$16,434,259, of which \$12,689,587 was determined to be the adequacy level (minimum requirement for student needs). The District's portion is 30% of the adequacy level (\$3,806,876) plus 100% for anything above adequacy (\$3,744,672) for a total of \$7,551,548. The PSFA's portion is 70% of the adequacy level for a total of \$8,882,711.

The District and the National Education Association of Alamogordo ratified the 2013-2014 Collective Bargaining Agreement which included an additional 0.5% raise to all employees over the 2012-13 salary schedules. Estimated cost is \$153,384.

The date to which events occurring after June 30, 2013, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is November 1, 2013 which is the date on which the financial statements were issued.

NOTE 18. Subsequent Pronouncements

In March 2012, GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The District will implement this standard during fiscal year June 30, 2014.

In March 2012, GASB Statement No. 66 *Technical Corrections-2012—an amendment of GASB Statements No. 10 and No. 62*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The District will implement this standard during fiscal year June 30, 2014.

In June 2012, GASB Statement No. 67 *Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Earlier application is encouraged. The standard is expected to have no effect on the District in upcoming years.

In June 2012, GASB Statement No. 68 *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Earlier application is encouraged. The District will implement this standard during the fiscal year June 30, 2015.

In January 2013, GASB Statement No. 69 *Government Combinations and Disposals of Government Operations*, Effective Date: The provisions of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. Earlier application is encouraged. The provisions of this Statement generally are required to be applied prospectively. The District is still evaluating how this standard will affect the District.

In April 2013, GASB Statement No. 70 *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, Effective Date: The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Earlier application is encouraged. Except for disclosures related to cumulative amounts paid or received in relation to a financial guarantee, the provisions of this Statement are required to be applied retroactively. Disclosures related to cumulative amounts paid or received in relation to a financial guarantee may be applied prospectively. The District is still evaluating how this reporting standard will affect the District.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Nonmajor Governmental Fund Descriptions
June 30, 2013

Special Revenue Funds

ALL FEDERAL FUNDS – The Special Revenue Funds are used to account for grant funds received from the U.S. Department of Education through the New Mexico Public Education Department. These funds are to be used for purposes specified in the grant awards and may not be used for any other purpose.

Food Services (21000) – This fund is used to account for all financial transactions related to the food service operation. Authority for the creation of this fund is the National School Lunch Act, as amended, 42 U.S.C. 1751 1760, 1779.

Athletics (22000) – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

Title I IASA (24101) – This fund is used to account for a program funded by a Federal grant to assist the District in providing supplemental education opportunities for academically disadvantaged children in the area in which they reside. Funding is allocated to the District through the New Mexico Public Education Department. Authority for the creation of this fund is Part A, Chapter I, Title I of the Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 102-383.

Entitlement IDEA-B (24106) – This fund is used to account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U.S.C. 1411-1420.

Preschool IDEA-B (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all disabled children from ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is the Individuals with Disabilities Education Act (IDEA), Part B, Section 619, as amended, 20 U.S.C. 1419.

Education of Homeless (24113) – This fund is used to provide tutoring and remedial academic services to homeless children and youth within the District. Funding is by the New Mexico Public Education Department.

IDEA-B Private School Share (24115) – Under 34 CFR § 300.132-300.133, an LEA must spend a proportionate amount of their IDEA-B Basic Entitlement and, if applicable, Preschool sub-grant funds for special education and related services (“equitable participation services”) to students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district served by the LEA. The private schools must be nonprofit institutions. Children aged three through five are considered to be parentally-placed private school children with disabilities, only if they are enrolled in a private school that meets the definition of elementary school in 34 CFR §300.13. New Mexico State law defines an elementary school as “a public school providing instruction for grades kindergarten through eight, unless there is a junior high school program approved by the state board [department], in which case it means a public school providing instruction for grades kindergarten through six” 22-1-3(A) NMSA 1978.

Fresh Fruits & Vegetables (24118) – This fund is used to assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

IDEA-B “Risk Pool” (24120) – Reallocation by PED based upon available amounts from Fund 24106 Entitlement IDEA-B. This fund accounts for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U.S.C. 1411-1420.

Title I 1003g Grant (24124) – The objective of this grant is to provide in conjunction with Title I funds for school improvement reserved under section 1003(a) of the ESEA. School Improvement Grants under section 1003(g) of the ESEA are used to improve student achievement in Title I schools identified for improvement, corrective action, or restructuring so as to enable those schools to make adequate yearly progress (AYP) and exit improvement status. Funding is by the Elementary and Secondary Education Act of 1965, as amended, Title I, Part B, Subpart 1.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Nonmajor Governmental Fund Descriptions
June 30, 2013

Special Revenue Funds (continued)

Teacher/Principal Training/Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is the Rehabilitation Act of 1973, as amended, Title III, Section 303(b)-(d). 20 U.S.C. 777a and 797a.

Title I School Improvement (24162) – This fund is used to improve student achievement in Title I Schools with a status of Priority or Focus. Authority for creation of this fund is Title 34, Code of Federal Regulations (CFR), Parts 74-86 and 97-99.

Carl D. Perkins (24174 – Carl D. Perkins Secondary Current) (24175 – Carl D Perkins Secondary - PY Unliq. Obligations) (24176 – Carl D. Perkins Secondary - Redistribution) – The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Public Education Department. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

Impact Aid Special Education (25145) – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) 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 (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

Title XIX Medicaid (25153) – This fund is used to account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et seq., as amended; Public Law 92-223; Public Law 92-603; Public Law 93-66; Public Law 93-233; Public Law 96-499; Public Law 97-35; Public Law 97-248; Public Law 98-369; Public Law 99-272; Public Law 99-509; Public Law 100-93; Public Law 100-202; Public Law 100-203; Public Law 100-360; Public Law 100-436; Public Law 100-485; Public Law 100-647; Public Law 101-166; Public Law 101-234; Public Law 101-239; Public Law 101-508; Public Law 101-517; Public Law 102-234; Public Law 102-170; Public Law 102-394; Public Law 103-66; Public Law 103-112; Public Law 103-333; Public Law 104-91; Public Law 104-191; Public Law 104-193; Public Law 104-208, 104-134; Balanced Budget Act of 1997, Public Law 105-33; Public Law 106-113; Public Law 106-554; Public Law 108-27; Public Law 108-173; Public Law 109-91; Public Law 109-171; Public Law 109-432; Public Law 110-28.

ALAMO DOD (25179) – To provide assistance to schools with significant numbers of military dependent students. Required by the New Mexico Public Education Department Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Funding authorized by Public Law 111-84.

DOD Education Activity (25254) – To provide *Power Up* – 21st Century technology skills for Grades 5, 6, and 9. Mathematics and Reading Achievement for Grades 5, 6, and 9 and easing the challenges of military students for all grades. Required by the New Mexico Public Education Department Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Funding authorized by Section 574 (d) of Public Law 109-364, as amended.

Dual Credit Instructional Materials (27103) – SB943 (2007) and SB31 (2008) create a dual credit program that allows public high school students in school districts, charter schools and state-supported schools in the state to earn both high school and college credit for qualifying dual credit courses. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Nonmajor Governmental Fund Descriptions
June 30, 2013

Special Revenue Funds (continued)

Library GO Bonds 2009-2010 (27105) – The purpose of this fund is to be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Authority for the creation of this fund is the New Mexico Public Education Department.

2010 G.O. Bond Student Library Fund (27106) – This award allows schools to acquire library books, equipment and library resources for public school library resources for public school libraries statewide. The funding was made available through Senate Bill 1, Laws of 2010, 2nd Special Session B3. Authority for the creation of this fund is the New Mexico Public Education Department.

Formative Assessments – Laws of 2012 (27111) – Used to purchase formative assessments approved by the Public Education Department. The formative assessments will give teachers essential tools for monitoring student progress and making timely, strategic interventions throughout the school year. Authority for the creation of this fund is the New Mexico Public Education Department.

New Mexico Reads to Lead (27114) – This fund is used to purchase core reading program materials for grades K-5 in alignment with Common Core State Standards. Authority for the creation of this fund is the New Mexico Public Education Department.

Breakfast for Elementary Students (27155) – To account for Legislative Appropriation to implement Breakfast in the Classroom for elementary schools in need of improvement based on AYP designation. Authority for the creation of this fund is the New Mexico Public Education Department.

2010 GOB Instructional Materials (27171) – Used to purchase books and instructional materials for schools which received a letter grade of “A” or those which are recognized as a “Top Growth” school. Authority for the creation of this fund is the New Mexico Public Education Department.

GRADS – Instruction (28190) – To assist in the cost for caps and gowns for students who are graduating. Authority for the creation of this fund is the New Mexico Public Education Department.

Private Direct Grants (Categorical) (29102) – To account for local grants awarded to provide additional funding for specific projects. Authority for the creation of this fund is the New Mexico Public Education Department.

Capital Projects Funds

Public School Capital Outlay (31200) – The purpose of this fund is to account for funds received from the local ad valorem tax levy for use in remodeling and equipping classroom facilities. Funding authority is the New Mexico Public Education Department.

Special Capital Outlay - Local (31300) – To account for resources received from revenue generated by local sources for the purpose of remodeling and improvements on existing structures. Authority for the creation of this fund is the New Mexico Public Education Department.

Capital Improvements SB-9 (31700) – To account for resources received through Senate Bill 9 and local tax levies obtained for the purpose of building, remodeling, and equipping classroom facilities. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Nonmajor Governmental Fund Descriptions
June 30, 2013

Capital Projects Funds (continued)

Energy Efficiency Act (31800) – To account for school projects designed to increase the efficiency of the District’s buildings. The legislation allows the District to incur long-term contracts to complete these projects. Savings from the modifications made are used to fund the projects. This was approved by the Public Building Energy Efficiency Act (6-21-1 to 6-23-10, NMSA 1978)

Education Technology Equipment Act (31900) – To ensure that American children have skills they need to succeed in the information-intensive 21st century, the federal government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing information infrastructure; and encouraging the creation of excellent educational software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch. 288, 63 Stat 377, and the National Defense Authorization Act for the fiscal year 1996, Public Law 104-106.

Debt Service Funds

Ed Tech Debt Service (43000) – To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

	Special Revenue			
	Food Services	Athletics	Title I IASA	Entitlement IDEA-B
<i>Assets</i>				
Cash and cash equivalents	\$ 422,480	\$ 43,591	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	-	-	219,436	210,285
Other	2,282	-	-	-
Inventory	29,959	-	-	-
	<u>\$ 454,721</u>	<u>\$ 43,591</u>	<u>\$ 219,436</u>	<u>\$ 210,285</u>
<i>Liabilities</i>				
Accounts payable	\$ 10,006	\$ -	\$ 334	\$ -
Accrued payroll	138,256	229	84,186	102,287
Deferred revenue:				
Property taxes	-	-	-	-
Due to other funds	-	-	134,916	107,998
	<u>148,262</u>	<u>229</u>	<u>219,436</u>	<u>210,285</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	29,959	-	-	-
Spendable:				
Restricted for:				
Food services	276,500	-	-	-
Extracurricular activities	-	43,362	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
	<u>306,459</u>	<u>43,362</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 454,721</u>	<u>\$ 43,591</u>	<u>\$ 219,436</u>	<u>\$ 210,285</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Preschool IDEA-B	Education of Homeless	IDEA-B Private School Share	Fresh Fruits & Vegetables	IDEA-B "Risk Pool"
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
13,932	353	311	-	8,495
-	-	-	-	-
-	-	-	-	-
<u>\$ 13,932</u>	<u>\$ 353</u>	<u>\$ 311</u>	<u>\$ -</u>	<u>\$ 8,495</u>
\$ -	\$ -	\$ -	\$ -	\$ -
3,683	-	67	-	-
-	-	-	-	-
10,249	353	244	-	8,495
<u>13,932</u>	<u>353</u>	<u>311</u>	<u>-</u>	<u>8,495</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 13,932</u>	<u>\$ 353</u>	<u>\$ 311</u>	<u>\$ -</u>	<u>\$ 8,495</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

	Special Revenue			
	Title I 1003g Grant	Teacher/ Principal Training /Recruiting	Title I School Improvement	Carl D. Perkins Secondary Current
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	84,984	144,493	12,111	11,283
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 84,984</u>	<u>\$ 144,493</u>	<u>\$ 12,111</u>	<u>\$ 11,283</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 202	\$ -	\$ -
Accrued payroll	6,436	11,574	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Due to other funds	78,548	132,717	12,111	11,283
<i>Total liabilities</i>	<u>84,984</u>	<u>144,493</u>	<u>12,111</u>	<u>11,283</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 84,984</u>	<u>\$ 144,493</u>	<u>\$ 12,111</u>	<u>\$ 11,283</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Carl D Perkins Secondary - PY Unliq. Obligations	Carl D. Perkins Secondary Redistribution	Impact Aid Special Education	Title XIX Medicaid	ALAMO DOD
\$ -	\$ -	\$ 166,469	\$ 379,138	\$ 194,160
-	-	-	-	-
230	9,240	-	50,734	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 230</u>	<u>\$ 9,240</u>	<u>\$ 166,469</u>	<u>\$ 429,872</u>	<u>\$ 194,160</u>
\$ 230	\$ -	\$ 1,016	\$ 597	\$ -
-	-	-	5,962	10,851
-	-	-	-	-
-	9,240	-	-	-
<u>230</u>	<u>9,240</u>	<u>1,016</u>	<u>6,559</u>	<u>10,851</u>
-	-	-	-	-
-	-	-	-	-
-	-	165,453	423,313	183,309
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>165,453</u>	<u>423,313</u>	<u>183,309</u>
<u>\$ 230</u>	<u>\$ 9,240</u>	<u>\$ 166,469</u>	<u>\$ 429,872</u>	<u>\$ 194,160</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

	Special Revenue			
	DOD Education Activity	Dual Credit Instructional Materials	Library GO Bonds 2009-2010	2010 G.O. Bond Student Library Fund
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	89,207	-	-	6,670
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	\$ 89,207	\$ -	\$ -	\$ 6,670
<i>Liabilities</i>				
Accounts payable	\$ 1,860	\$ -	\$ -	\$ 212
Accrued payroll	6,155	-	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Due to other funds	81,192	-	-	6,458
<i>Total liabilities</i>	89,207	-	-	6,670
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
<i>Total fund balances</i>	-	-	-	-
<i>Total liabilities and fund balances</i>	\$ 89,207	\$ -	\$ -	\$ 6,670

The accompanying notes are an integral part of these financial statements

Special Revenue

Formative Assessments - Laws of 2012	New Mexico Reads to Lead	Breakfast for Elementary Students	2010 GOB Instructional Materials	GRADS - Instruction
\$ -	\$ -	\$ -	\$ -	\$ 10,192
-	-	-	-	-
-	246,274	1,579	11,111	400
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 246,274</u>	<u>\$ 1,579</u>	<u>\$ 11,111</u>	<u>\$ 10,592</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	246,274	1,579	11,111	-
-	246,274	1,579	11,111	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	10,592
-	-	-	-	-
-	-	-	-	-
-	-	-	-	10,592
<u>\$ -</u>	<u>\$ 246,274</u>	<u>\$ 1,579</u>	<u>\$ 11,111</u>	<u>\$ 10,592</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

	Special Revenue	Capital Projects		
	Private Direct Grants (Categorical)	Public School Capital Outlay	Special Capital Outlay - Local	Capital Improvements SB-9
<i>Assets</i>				
Cash and cash equivalents	\$ 2,567	\$ -	\$ -	\$ 1,333,663
Receivables:				
Property taxes	-	-	-	108,382
Due from other governments	-	112,954	-	70,551
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 2,567</u>	<u>\$ 112,954</u>	<u>\$ -</u>	<u>\$ 1,512,596</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 112,954	\$ -	\$ 172,997
Accrued payroll	-	-	-	-
Deferred revenue:				
Property taxes	-	-	-	77,763
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>112,954</u>	<u>-</u>	<u>250,760</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	2,567	-	-	-
Capital acquisitions and improvements	-	-	-	1,261,836
Debt service	-	-	-	-
<i>Total fund balances</i>	<u>2,567</u>	<u>-</u>	<u>-</u>	<u>1,261,836</u>
<i>Total liabilities and fund balances</i>	<u>\$ 2,567</u>	<u>\$ 112,954</u>	<u>\$ -</u>	<u>\$ 1,512,596</u>

The accompanying notes are an integral part of these financial statements

Capital Projects		Debt Service	
Energy Efficiency Act	Education Technology Equipment Act	Ed Tech Debt Service	Total Nonmajor Governmental Funds
\$ 21,597	\$ 146,100	\$ 371,315	\$ 3,091,272
-	-	39,904	148,286
-	-	-	1,304,633
-	-	-	2,282
-	-	-	29,959
<u>\$ 21,597</u>	<u>\$ 146,100</u>	<u>\$ 411,219</u>	<u>\$ 4,576,432</u>
\$ -	\$ 17	\$ -	\$ 300,425
-	-	-	369,686
-	-	29,883	107,646
-	-	-	852,768
-	17	29,883	1,630,525
-	-	-	29,959
-	-	-	276,500
-	-	-	43,362
-	-	-	785,234
21,597	146,083	-	1,429,516
-	-	381,336	381,336
<u>21,597</u>	<u>146,083</u>	<u>381,336</u>	<u>2,945,907</u>
<u>\$ 21,597</u>	<u>\$ 146,100</u>	<u>\$ 411,219</u>	<u>\$ 4,576,432</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2013

Special Revenue

	<u>Food Services</u>	<u>Athletics</u>	<u>Title I IASA</u>	<u>Entitlement IDEA-B</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	2,007,706	-	1,333,985	1,598,495
Federal direct	-	-	-	-
Local sources	-	7,000	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	655,545	108,237	-	-
Investment income	184	35	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>2,663,435</u>	<u>115,272</u>	<u>1,333,985</u>	<u>1,598,495</u>
<i>Expenditures</i>				
Current:				
Instruction	-	129,965	628,701	810,802
Support services - students	-	-	128,956	686,708
Support services - instruction	-	-	412,760	32,730
Support services - general administration	-	-	108,718	64,902
Support services - school administration	-	-	3,920	3,353
Central services	-	-	50,930	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	2,897,361	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,897,361</u>	<u>129,965</u>	<u>1,333,985</u>	<u>1,598,495</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(233,926)</u>	<u>(14,693)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	(453)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(453)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(234,379)	(14,693)	-	-
<i>Fund balances - beginning</i>	<u>540,838</u>	<u>58,055</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 306,459</u>	<u>\$ 43,362</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Preschool IDEA-B	Education of Homeless	IDEA-B Private School Share	Fresh Fruits & Vegetables	IDEA-B "Risk Pool"
\$ -	\$ -	\$ -	\$ -	\$ -
75,041	6,959	5,353	63,824	8,495
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>75,041</u>	<u>6,959</u>	<u>5,353</u>	<u>63,824</u>	<u>8,495</u>
62,866	5,399	5,353	-	8,146
9,088	420	-	-	-
-	-	-	-	-
3,087	140	-	-	349
-	-	-	-	-
-	-	-	-	-
-	1,000	-	-	-
-	-	-	63,853	-
-	-	-	-	-
-	-	-	-	-
<u>75,041</u>	<u>6,959</u>	<u>5,353</u>	<u>63,853</u>	<u>8,495</u>
-	-	-	(29)	-
-	-	-	453	-
-	-	-	-	-
-	-	-	453	-
-	-	-	424	-
-	-	-	(424)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2013

	Special Revenue			
	Title I 1003g Grant	Teacher/ Principal Training /Recruiting	Title I School Improvement	Carl D. Perkins Secondary Current
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	542,596	395,500	38,294	55,811
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>542,596</u>	<u>395,500</u>	<u>38,294</u>	<u>55,811</u>
<i>Expenditures</i>				
Current:				
Instruction	117,862	131,209	38,294	55,811
Support services - students	332,760	-	-	-
Support services - instruction	-	238,731	-	-
Support services - general administration	-	18,133	-	-
Support services - school administration	91,974	7,427	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>542,596</u>	<u>395,500</u>	<u>38,294</u>	<u>55,811</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Carl D Perkins Secondary - PY Unliq. Obligations	Carl D. Perkins Secondary Redistribution	Impact Aid Special Education	Title XIX Medicaid	ALAMO DOD
\$ -	\$ -	\$ -	\$ -	\$ -
230	9,240	170,953	-	-
-	-	-	381,922	243,365
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>230</u>	<u>9,240</u>	<u>170,953</u>	<u>381,922</u>	<u>243,365</u>
230	8,860	21,784	16,103	44,542
-	-	116,240	526,541	-
-	-	-	-	-
-	380	5,936	24,020	-
-	-	359	17,404	173,633
-	-	-	-	-
-	-	999	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>230</u>	<u>9,240</u>	<u>145,318</u>	<u>584,068</u>	<u>218,175</u>
-	-	25,635	(202,146)	25,190
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	25,635	(202,146)	25,190
-	-	139,818	625,459	158,119
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 165,453</u>	<u>\$ 423,313</u>	<u>\$ 183,309</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2013

	Special Revenue			
	DOD Education Activity	Dual Credit Instructional Materials	Library GO Bonds 2009-2010	2010 G.O. Bond Student Library Fund
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	360,722	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	17,374	-	19,116
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>360,722</u>	<u>17,374</u>	<u>-</u>	<u>19,116</u>
<i>Expenditures</i>				
Current:				
Instruction	119,251	17,374	-	-
Support services - students	100,630	-	-	-
Support services - instruction	73,262	-	-	19,116
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	8	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>293,151</u>	<u>17,374</u>	<u>-</u>	<u>19,116</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>67,571</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	67,571	-	-	-
<i>Fund balances - beginning</i>	<u>(67,571)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Formative Assessments - Laws of 2012	New Mexico Reads to Lead	Breakfast for Elementary Students	2010 GOB Instructional Materials	GRADS - Instruction
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
41,314	246,274	8,984	14,030	-
-	-	-	-	10,400
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>41,314</u>	<u>246,274</u>	<u>8,984</u>	<u>14,030</u>	<u>10,400</u>
-	246,274	-	14,030	10,767
-	-	-	-	10,031
41,314	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	8,984	-	-
-	-	-	-	-
-	-	-	-	-
<u>41,314</u>	<u>246,274</u>	<u>8,984</u>	<u>14,030</u>	<u>20,798</u>
-	-	-	-	(10,398)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(10,398)
-	-	-	-	20,990
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,592</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2013

	Special Revenue	Capital Projects		
	Private Direct Grants (Categorical)	Public School Capital Outlay	Special Capital Outlay - Local	Capital Improvements SB-9
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ 1,343,508
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	306,589
State direct	-	308,867	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	687
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	-	308,867	-	1,650,784
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	13,456
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	5	741,625
Student transportation	-	-	-	-
Food services operations	1,427	-	-	-
Capital outlay	-	308,867	-	719,938
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	1,427	308,867	5	1,475,019
<i>Excess (deficiency) of revenues over expenditures</i>	(1,427)	-	(5)	175,765
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	(1,427)	-	(5)	175,765
<i>Fund balances - beginning</i>	3,994	-	5	1,086,071
<i>Fund balances - end of year</i>	\$ 2,567	\$ -	\$ -	\$ 1,261,836

The accompanying notes are an integral part of these financial statements

<u>Capital Projects</u>		<u>Debt Service</u>	
<u>Energy Efficiency Act</u>	<u>Education Technology Equipment Act</u>	<u>Ed Tech Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 269,901	\$ 1,613,409
-	-	-	6,673,204
-	-	-	625,287
-	-	-	7,000
198,984	-	-	852,665
-	-	-	319,267
-	-	-	763,782
-	226	338	1,470
-	17,871	-	17,871
<u>198,984</u>	<u>18,097</u>	<u>270,239</u>	<u>10,873,955</u>
-	-	-	2,493,623
-	-	-	1,911,374
-	-	-	817,913
-	-	2,834	241,955
-	-	-	298,070
-	-	-	50,938
-	153,565	-	896,194
-	-	-	1,000
-	-	-	2,971,625
-	36,627	-	1,065,432
160,838	-	780,000	940,838
16,559	-	35,646	52,205
<u>177,397</u>	<u>190,192</u>	<u>818,480</u>	<u>11,741,167</u>
<u>21,587</u>	<u>(172,095)</u>	<u>(548,241)</u>	<u>(867,212)</u>
-	-	-	453
-	-	-	(453)
-	-	-	-
21,587	(172,095)	(548,241)	(867,212)
10	318,178	929,577	3,813,119
<u>\$ 21,597</u>	<u>\$ 146,083</u>	<u>\$ 381,336</u>	<u>\$ 2,945,907</u>

STATE OF NEW MEXICO

Statement B-1

Alamogordo Municipal School District No. 1
 Food Services Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,594,373	1,652,388	1,841,540	189,152
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	121,000	121,000	-	(121,000)
Charges for services	749,771	749,771	653,263	(96,508)
Investment income	75	75	184	109
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,465,219</u>	<u>2,523,234</u>	<u>2,494,987</u>	<u>(28,247)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	2,538,614	3,025,583	2,610,318	415,265
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,538,614</u>	<u>3,025,583</u>	<u>2,610,318</u>	<u>415,265</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(73,395)</u>	<u>(502,349)</u>	<u>(115,331)</u>	<u>387,018</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	73,395	502,349	-	(502,349)
Transfers in	-	-	-	-
Transfers (out)	-	-	(453)	453
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>73,395</u>	<u>502,349</u>	<u>(453)</u>	<u>(501,896)</u>
<i>Net change in fund balance</i>	-	-	(115,784)	(114,878)
<i>Fund balance - beginning of year</i>	-	-	538,264	538,264
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 422,480</u>	<u>\$ 423,386</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (115,784)
Adjustments to revenues for commodities received				168,448
Adjustments to expenditures for food service operations				<u>(287,043)</u>
Net change in fund balance (GAAP Basis)				<u>\$ (234,379)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

Alamogordo Municipal School District No. 1
Athletics Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	7,000	7,000
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	80,000	80,001	108,237	28,236
Investment income	35	35	35	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>80,035</u>	<u>80,036</u>	<u>115,272</u>	<u>35,236</u>
<i>Expenditures</i>				
Current				
Instruction	128,225	138,091	129,736	8,355
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>128,225</u>	<u>138,091</u>	<u>129,736</u>	<u>8,355</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(48,190)</u>	<u>(58,055)</u>	<u>(14,464)</u>	<u>43,591</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	48,190	58,055	-	(58,055)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>48,190</u>	<u>58,055</u>	<u>-</u>	<u>(58,055)</u>
<i>Net change in fund balance</i>	-	-	(14,464)	(14,464)
<i>Fund balance - beginning of year</i>	-	-	58,055	58,055
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,591</u>	<u>\$ 43,591</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (14,464)
No adjustments to revenues				-
Adjustments to expenditures for payroll expenses				(229)
Net change in fund balance (GAAP Basis)				<u>\$ (14,693)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-3

Alamogordo Municipal School District No. 1
 Title I IASA Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,395,752	1,593,182	1,791,089	197,907
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	1,395,752	1,593,182	1,791,089	197,907
<i>Expenditures</i>				
Current				
Instruction	574,641	807,705	575,247	232,458
Support services	770,061	726,142	654,020	72,122
Central services	51,050	59,335	50,927	8,408
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,395,752	1,593,182	1,280,194	312,988
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	510,895	510,895
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<i>Net change in fund balance</i>	-	-	510,895	510,895
<i>Fund balance - beginning of year</i>	-	-	(645,811)	(645,811)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (134,916)	\$ (134,916)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 510,895
Adjustments to revenues for federal grants				(457,104)
Adjustments to expenditures for instructional and payroll expenditures				(53,791)
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-4

Alamogordo Municipal School District No. 1
 Entitlement IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,443,907	1,894,842	2,067,437	172,595
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,443,907</u>	<u>1,894,842</u>	<u>2,067,437</u>	<u>172,595</u>
<i>Expenditures</i>				
Current				
Instruction	-	1,073,581	739,036	334,545
Support services	-	821,261	781,448	39,813
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,894,842</u>	<u>1,520,484</u>	<u>374,358</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,443,907</u>	<u>-</u>	<u>546,953</u>	<u>546,953</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(1,443,907)	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(1,443,907)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	546,953	546,953
<i>Fund balance - beginning of year</i>	-	-	(654,951)	(654,951)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (107,998)</u>	<u>\$ (107,998)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 546,953
Adjustments to revenues for federal grants				(468,942)
Adjustments to expenditures for instructional and payroll expenditures				(78,011)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

Alamogordo Municipal School District No. 1
 Preschool IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	67,372	124,957	87,187	(37,770)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>67,372</u>	<u>124,957</u>	<u>87,187</u>	<u>(37,770)</u>
<i>Expenditures</i>				
Current				
Instruction	-	100,838	60,080	40,758
Support services	-	24,119	12,175	11,944
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>124,957</u>	<u>72,255</u>	<u>52,702</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>67,372</u>	<u>-</u>	<u>14,932</u>	<u>14,932</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(67,372)	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(67,372)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	14,932	14,932
<i>Fund balance - beginning of year</i>	-	-	(25,181)	(25,181)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,249)</u>	<u>\$ (10,249)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 14,932
Adjustments to revenues for federal grants				(12,146)
Adjustments to expenditures for payroll expenditures				<u>(2,786)</u>
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-6

Alamogordo Municipal School District No. 1
 Education of Homeless Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	6,264	6,960	6,994	34
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	6,264	6,960	6,994	34
<i>Expenditures</i>				
Current				
Instruction	4,764	5,400	5,399	1
Support services	-	560	560	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	1,500	1,000	1,000	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	6,264	6,960	6,959	1
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	35	35
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<i>Net change in fund balance</i>	-	-	35	35
<i>Fund balance - beginning of year</i>	-	-	(388)	(388)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (353)	\$ (353)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 35
Adjustments to revenues for federal grants				(35)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-7

Alamogordo Municipal School District No. 1
 IDEA-B Private School Share Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	7,805	14,456	9,934	(4,522)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>7,805</u>	<u>14,456</u>	<u>9,934</u>	<u>(4,522)</u>
<i>Expenditures</i>				
Current				
Instruction	-	14,456	5,286	9,170
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>14,456</u>	<u>5,286</u>	<u>9,170</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>7,805</u>	<u>-</u>	<u>4,648</u>	<u>4,648</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(7,805)	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(7,805)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	4,648	4,648
<i>Fund balance - beginning of year</i>	-	-	(4,892)	(4,892)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (244)</u>	<u>\$ (244)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 4,648
Adjustments to revenues for federal grants				(4,581)
Adjustments to expenditures for payroll expenditures				(67)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

Alamogordo Municipal School District No. 1
 Fresh Fruits & Vegetables Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	72,063	72,063	64,324	(7,739)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>72,063</u>	<u>72,063</u>	<u>64,324</u>	<u>(7,739)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	72,063	72,063	63,853	8,210
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>72,063</u>	<u>72,063</u>	<u>63,853</u>	<u>8,210</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>471</u>	<u>471</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	453	(453)
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>453</u>	<u>(453)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>924</u>	<u>18</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(924)</u>	<u>(924)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (906)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 924
Adjustments to revenues for federal grants				(500)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 424</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-9

Alamogordo Municipal School District No. 1
 IDEA-B "Risk Pool" Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	8,586	-	(8,586)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,586</u>	<u>-</u>	<u>(8,586)</u>
<i>Expenditures</i>				
Current				
Instruction	-	8,232	8,146	86
Support services	-	354	349	5
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,586</u>	<u>8,495</u>	<u>91</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,495)</u>	<u>(8,495)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(8,495)	(8,495)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,495)</u>	<u>\$ (8,495)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (8,495)
Adjustments to revenues for federal grants				8,495
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

Alamogordo Municipal School District No. 1
 Title I 1003g Grant Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	560,012	580,846	711,952	131,106
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>560,012</u>	<u>580,846</u>	<u>711,952</u>	<u>131,106</u>
<i>Expenditures</i>				
Current				
Instruction	122,496	131,330	117,862	13,468
Support services	437,516	449,516	418,523	30,993
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>560,012</u>	<u>580,846</u>	<u>536,385</u>	<u>44,461</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>175,567</u>	<u>175,567</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	175,567	175,567
<i>Fund balance - beginning of year</i>	-	-	(254,115)	(254,115)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78,548)</u>	<u>\$ (78,548)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 175,567
Adjustments to revenues for federal grants				(169,356)
Adjustments to expenditures for payroll expenditures				(6,211)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-11

Alamogordo Municipal School District No. 1
 Teacher/Principal Training/Recruiting Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	308,323	701,313	346,408	(354,905)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>308,323</u>	<u>701,313</u>	<u>346,408</u>	<u>(354,905)</u>
<i>Expenditures</i>				
Current				
Instruction	76,689	233,683	131,191	102,492
Support services	231,634	467,630	254,645	212,985
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>308,323</u>	<u>701,313</u>	<u>385,836</u>	<u>315,477</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(39,428)</u>	<u>(39,428)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(39,428)	(39,428)
<i>Fund balance - beginning of year</i>	-	-	(93,289)	(93,289)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (132,717)</u>	<u>\$ (132,717)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (39,428)
Adjustments to revenues for federal grants				49,092
Adjustments to expenditures for payroll expenditures				(9,664)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

Alamogordo Municipal School District No. 1
 Title I School Improvement Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	112,168	26,183	(85,985)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>112,168</u>	<u>26,183</u>	<u>(85,985)</u>
<i>Expenditures</i>				
Current				
Instruction	-	109,177	38,294	70,883
Support services	-	2,991	-	2,991
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>112,168</u>	<u>38,294</u>	<u>73,874</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,111)</u>	<u>(12,111)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(12,111)</u>	<u>(12,111)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,111)</u>	<u>\$ (12,111)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (12,111)
Adjustments to revenues for federal grants				12,111
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary Current Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	50,659	56,287	78,518	22,231
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>50,659</u>	<u>56,287</u>	<u>78,518</u>	<u>22,231</u>
<i>Expenditures</i>				
Current				
Instruction	50,659	56,287	55,811	476
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>50,659</u>	<u>56,287</u>	<u>55,811</u>	<u>476</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>22,707</u>	<u>22,707</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	22,707	22,707
<i>Fund balance - beginning of year</i>	-	-	(33,990)	(33,990)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,283)</u>	<u>\$ (11,283)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 22,707
Adjustments to revenues for federal grants				(22,707)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary - PY Unliq. Obligations Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
Adjustments to revenues for federal grants				230
Adjustments to expenditures for instructional expenditures				(230)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary Redistribution Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	10,166	12,267	2,101
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	10,166	12,267	2,101
<i>Expenditures</i>				
Current				
Instruction	-	9,744	8,860	884
Support services	-	422	380	42
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	10,166	9,240	926
Excess (deficiency) of revenues over expenditures	-	-	3,027	3,027
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	3,027	3,027
Fund balance - beginning of year	-	-	(12,267)	(12,267)
Fund balance - end of year	\$ -	\$ -	\$ (9,240)	\$ (9,240)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 3,027
Adjustments to revenues for federal grants				(3,027)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

Alamogordo Municipal School District No. 1
Impact Aid Special Education Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	116,235	116,235	170,953	54,718
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>116,235</u>	<u>116,235</u>	<u>170,953</u>	<u>54,718</u>
<i>Expenditures</i>				
Current				
Instruction	42,400	54,549	21,784	32,765
Support services	189,004	196,804	121,519	75,285
Central services	1,500	3,500	-	3,500
Operation and maintenance of plant	-	1,200	999	201
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>232,904</u>	<u>256,053</u>	<u>144,302</u>	<u>111,751</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(116,669)</u>	<u>(139,818)</u>	<u>26,651</u>	<u>166,469</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	116,669	139,818	-	(139,818)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>116,669</u>	<u>139,818</u>	<u>-</u>	<u>(139,818)</u>
<i>Net change in fund balance</i>	-	-	26,651	26,651
<i>Fund balance - beginning of year</i>	-	-	139,818	139,818
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,469</u>	<u>\$ 166,469</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 26,651
No adjustments to revenues				-
Adjustments to expenditures for support services and maintenance				(1,016)
Net change in fund balance (GAAP Basis)				<u>\$ 25,635</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

Alamogordo Municipal School District No. 1
 Title XIX Medicaid Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	300,000	300,000	382,882	82,882
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>300,000</u>	<u>300,000</u>	<u>382,882</u>	<u>82,882</u>
<i>Expenditures</i>				
Current				
Instruction	-	20,500	16,103	4,397
Support services	712,077	823,283	563,368	259,915
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	30,461	30,461	-	30,461
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>742,538</u>	<u>874,244</u>	<u>579,471</u>	<u>294,773</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(442,538)</u>	<u>(574,244)</u>	<u>(196,589)</u>	<u>377,655</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	442,538	574,244	-	(574,244)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>442,538</u>	<u>574,244</u>	<u>-</u>	<u>(574,244)</u>
<i>Net change in fund balance</i>	-	-	(196,589)	(196,589)
<i>Fund balance - beginning of year</i>	-	-	575,727	575,727
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 379,138</u>	<u>\$ 379,138</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (196,589)
Adjustments to revenues for federal grants				(960)
Adjustments to expenditures for supplies and payroll expenditures				(4,597)
Net change in fund balance (GAAP Basis)				<u>\$ (202,146)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

Alamogordo Municipal School District No. 1
ALAMO DOD Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	140,958	243,365	243,365	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>140,958</u>	<u>243,365</u>	<u>243,365</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	132,107	214,663	44,542	170,121
Support services	167,865	186,822	163,448	23,374
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>299,972</u>	<u>401,485</u>	<u>207,990</u>	<u>193,495</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(159,014)</u>	<u>(158,120)</u>	<u>35,375</u>	<u>193,495</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	159,014	158,120	-	(158,120)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>159,014</u>	<u>158,120</u>	<u>-</u>	<u>(158,120)</u>
<i>Net change in fund balance</i>	-	-	35,375	35,375
<i>Fund balance - beginning of year</i>	-	-	158,785	158,785
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,160</u>	<u>\$ 194,160</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 35,375
No adjustments to revenues				-
Adjustments to expenditures for payroll expenditures				<u>(10,185)</u>
Net change in fund balance (GAAP Basis)				<u>\$ 25,190</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

Alamogordo Municipal School District No. 1
DOD Education Activity Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	581,520	674,004	393,936	(280,068)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>581,520</u>	<u>674,004</u>	<u>393,936</u>	<u>(280,068)</u>
<i>Expenditures</i>				
Current				
Instruction	337,902	398,997	111,371	287,626
Support services	243,618	274,007	173,892	100,115
Central services	-	1,000	8	992
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>581,520</u>	<u>674,004</u>	<u>285,271</u>	<u>388,733</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>108,665</u>	<u>108,665</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>108,665</u>	<u>108,665</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(189,857)</u>	<u>(189,857)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (81,192)</u>	<u>\$ (81,192)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 108,665
Adjustments to revenues for federal grants				(33,214)
Adjustments to expenditures for payroll expenditures				(7,880)
Net change in fund balance (GAAP Basis)				<u>\$ 67,571</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

Alamogordo Municipal School District No. 1
Dual Credit Instructional Materials Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	17,374	21,034	3,660
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>17,374</u>	<u>21,034</u>	<u>3,660</u>
<i>Expenditures</i>				
Current				
Instruction	-	17,374	17,374	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>17,374</u>	<u>17,374</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,660</u>	<u>3,660</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	3,660	3,660
<i>Fund balance - beginning of year</i>	-	-	(3,660)	(3,660)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 3,660
Adjustments to revenues for state grants				(3,660)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

Alamogordo Municipal School District No. 1
 Library GO Bonds 2009-2010 Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	197	197
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>197</u>	<u>197</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>197</u>	<u>197</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	197	197
<i>Fund balance - beginning of year</i>	-	-	(197)	(197)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 197
Adjustments to revenues for state grants				(197)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-22

Alamogordo Municipal School District No. 1
 2010 G.O. Bond Student Library Fund Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	19,658	19,658	30,340	10,682
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>19,658</u>	<u>19,658</u>	<u>30,340</u>	<u>10,682</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	19,658	19,658	18,904	754
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>19,658</u>	<u>19,658</u>	<u>18,904</u>	<u>754</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>11,436</u>	<u>11,436</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	11,436	11,436
<i>Fund balance - beginning of year</i>	-	-	(17,894)	(17,894)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,458)</u>	<u>\$ (6,458)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 11,436
Adjustments to revenues for state grants				(11,224)
Adjustments to expenditures for support services				(212)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

Alamogordo Municipal School District No. 1
 Formative Assessments - Laws of 2012 Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	42,620	41,314	(1,306)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>42,620</u>	<u>41,314</u>	<u>(1,306)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	42,620	41,314	1,306
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>42,620</u>	<u>41,314</u>	<u>1,306</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-24

Alamogordo Municipal School District No. 1
 New Mexico Reads to Lead Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	246,900	-	(246,900)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>246,900</u>	<u>-</u>	<u>(246,900)</u>
<i>Expenditures</i>				
Current				
Instruction	-	246,900	246,274	626
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>246,900</u>	<u>246,274</u>	<u>626</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(246,274)</u>	<u>(246,274)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(246,274)	(246,274)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (246,274)</u>	<u>\$ (246,274)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (246,274)
Adjustments to revenues for state grants				246,274
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

Alamogordo Municipal School District No. 1
 Breakfast for Elementary Students Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	8,986	8,494	(492)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,986</u>	<u>8,494</u>	<u>(492)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	8,986	8,984	2
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,986</u>	<u>8,984</u>	<u>2</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(490)</u>	<u>(490)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(490)	(490)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,089)</u>	<u>(1,089)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,579)</u>	<u>\$ (1,579)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (490)
Adjustments to revenues for state grants				490
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

Alamogordo Municipal School District No. 1
 2010 GOB Instructional Materials Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	57,350	2,919	(54,431)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>57,350</u>	<u>2,919</u>	<u>(54,431)</u>
<i>Expenditures</i>				
Current				
Instruction	-	57,350	14,030	43,320
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>57,350</u>	<u>14,030</u>	<u>43,320</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(11,111)</u>	<u>(11,111)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(11,111)	(11,111)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,111)</u>	<u>\$ (11,111)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (11,111)
Adjustments to revenues for state grants				11,111
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

Alamogordo Municipal School District No. 1
 GRADS - Instruction Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	17,800	10,000	(7,800)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>17,800</u>	<u>10,000</u>	<u>(7,800)</u>
<i>Expenditures</i>				
Current				
Instruction	20,000	25,790	10,767	15,023
Support services	8,000	13,000	10,031	2,969
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>28,000</u>	<u>38,790</u>	<u>20,798</u>	<u>17,992</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(28,000)</u>	<u>(20,990)</u>	<u>(10,798)</u>	<u>10,192</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	28,000	20,990	-	(20,990)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>28,000</u>	<u>20,990</u>	<u>-</u>	<u>(20,990)</u>
<i>Net change in fund balance</i>	-	-	(10,798)	(10,798)
<i>Fund balance - beginning of year</i>	-	-	20,990	20,990
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,192</u>	<u>\$ 10,192</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (10,798)
Adjustments to revenues for state grants				400
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (10,398)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-28

Alamogordo Municipal School District No. 1
Private Direct Grants (Categorical) Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	3,994	1,427	2,567
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,994</u>	<u>1,427</u>	<u>2,567</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(3,994)</u>	<u>(1,427)</u>	<u>2,567</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	3,994	-	(3,994)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>3,994</u>	<u>-</u>	<u>(3,994)</u>
<i>Net change in fund balance</i>	-	-	(1,427)	(1,427)
<i>Fund balance - beginning of year</i>	-	-	3,994	3,994
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,567</u>	<u>\$ 2,567</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (1,427)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (1,427)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-29

Alamogordo Municipal School District No. 1
 Bond Building Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	5,709	5,709
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>5,709</u>	<u>5,709</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	200,000	1,200,000	187,585	1,012,415
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	5,692,842	11,919,464	3,826,386	8,093,078
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,892,842</u>	<u>13,119,464</u>	<u>4,013,971</u>	<u>9,105,493</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,892,842)</u>	<u>(13,119,464)</u>	<u>(4,008,262)</u>	<u>9,111,202</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	5,892,842	8,119,464	-	(8,119,464)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	5,000,000	5,000,000	-
<i>Total other financing sources (uses)</i>	<u>5,892,842</u>	<u>13,119,464</u>	<u>5,000,000</u>	<u>(8,119,464)</u>
<i>Net change in fund balance</i>	-	-	991,738	991,738
<i>Fund balance - beginning of year</i>	-	-	8,119,464	8,119,464
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,111,202</u>	<u>\$ 9,111,202</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 991,738
No adjustments to revenues				-
Adjustments to expenditures for capital outlay expenditures				1,025,517
Net change in fund balance (GAAP Basis)				<u>\$ 2,017,255</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-30

Alamogordo Municipal School District No. 1
Public School Capital Outlay Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
Adjustments to revenues for state grants				308,867
Adjustments to expenditures for capital outlay expenditures				<u>(308,867)</u>
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

Alamogordo Municipal School District No. 1
 Special Capital Outlay - Local Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	5	5	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(5)</u>	<u>(5)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	5	-	(5)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>5</u>	<u>-</u>	<u>(5)</u>
<i>Net change in fund balance</i>	-	-	(5)	(5)
<i>Fund balance - beginning of year</i>	-	-	5	5
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (5)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (5)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

Alamogordo Municipal School District No. 1
 Capital Improvements SB-9 Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ 1,289,335	\$ 1,289,335	\$ 1,345,649	\$ 56,314
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	306,589	622,290	315,701
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	687	687
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,289,335</u>	<u>1,595,924</u>	<u>1,968,626</u>	<u>372,702</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	14,000	16,000	13,456	2,544
Central services	-	-	-	-
Operation and maintenance of plant	678,000	990,000	618,311	371,689
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	876,438	1,410,723	823,996	586,727
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,568,438</u>	<u>2,416,723</u>	<u>1,455,763</u>	<u>960,960</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(279,103)</u>	<u>(820,799)</u>	<u>512,863</u>	<u>1,333,662</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	279,103	820,799	-	(820,799)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>279,103</u>	<u>820,799</u>	<u>-</u>	<u>(820,799)</u>
<i>Net change in fund balance</i>	-	-	512,863	512,863
<i>Fund balance - beginning of year</i>	-	-	820,800	820,800
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,333,663</u>	<u>\$ 1,333,663</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 512,863
Adjustments to revenues for property taxes and state grants				(317,842)
Adjustments to expenditures for capital outlay expenditures				(19,256)
Net change in fund balance (GAAP Basis)				<u>\$ 175,765</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

Alamogordo Municipal School District No. 1
 Energy Efficiency Act Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	198,984	198,984	198,984	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>198,984</u>	<u>198,984</u>	<u>198,984</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	198,993	198,994	177,397	21,597
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>198,993</u>	<u>198,994</u>	<u>177,397</u>	<u>21,597</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(9)</u>	<u>(10)</u>	<u>21,587</u>	<u>21,597</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	9	10	-	(10)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>9</u>	<u>10</u>	<u>-</u>	<u>(10)</u>
<i>Net change in fund balance</i>	-	-	21,587	21,587
<i>Fund balance - beginning of year</i>	-	-	10	10
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,597</u>	<u>\$ 21,597</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 21,587
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 21,587</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-34

Alamogordo Municipal School District No. 1
 Education Technology Equipment Act Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	226	226
Miscellaneous	-	-	17,871	17,871
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>18,097</u>	<u>18,097</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	473,000	333,942	276,485	57,457
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	379,173	107,173	36,627	70,546
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>852,173</u>	<u>441,115</u>	<u>313,112</u>	<u>128,003</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(852,173)</u>	<u>(441,115)</u>	<u>(295,015)</u>	<u>146,100</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	852,173	441,115	-	(441,115)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>852,173</u>	<u>441,115</u>	<u>-</u>	<u>(441,115)</u>
<i>Net change in fund balance</i>	-	-	(295,015)	(295,015)
<i>Fund balance - beginning of year</i>	-	-	441,115	441,115
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 146,100</u>	<u>\$ 146,100</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (295,015)
No adjustments to revenues				-
Adjustments to expenditures for supplies and capital outlay expenditures				122,920
Net change in fund balance (GAAP Basis)				<u>\$ (172,095)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-35

Alamogordo Municipal School District No. 1

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 3,298,336	\$ 3,298,336	\$ 3,998,878	\$ 700,542
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	2,397	2,397	2,080	(317)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,300,733</u>	<u>3,300,733</u>	<u>4,000,958</u>	<u>700,225</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	33,000	55,000	39,989	15,011
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	5,251,698	5,885,155	2,525,000	3,360,155
Interest	773,336	773,336	742,733	30,603
<i>Total expenditures</i>	<u>6,058,034</u>	<u>6,713,491</u>	<u>3,307,722</u>	<u>3,405,769</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,757,301)</u>	<u>(3,412,758)</u>	<u>693,236</u>	<u>4,105,994</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,757,301	3,287,758	-	(3,287,758)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	125,000	125,000	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,757,301</u>	<u>3,412,758</u>	<u>125,000</u>	<u>(3,287,758)</u>
<i>Net change in fund balance</i>	-	-	818,236	818,236
<i>Fund balance - beginning of year</i>	-	-	3,287,758	3,287,758
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,105,994</u>	<u>\$ 4,105,994</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 818,236
Adjustments to revenues for property taxes				7,274
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 825,510</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-36

Alamogordo Municipal School District No. 1

Ed Tech Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 815,647	\$ 815,647	\$ 283,365	\$ (532,282)
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	738	738	338	(400)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>816,385</u>	<u>816,385</u>	<u>283,703</u>	<u>(532,682)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	8,400	10,400	2,834	7,566
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	1,562,230	1,676,430	780,000	896,430
Interest	35,647	35,647	35,646	1
<i>Total expenditures</i>	<u>1,606,277</u>	<u>1,722,477</u>	<u>818,480</u>	<u>903,997</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(789,892)</u>	<u>(906,092)</u>	<u>(534,777)</u>	<u>371,315</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	789,892	906,092	-	(906,092)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>789,892</u>	<u>906,092</u>	<u>-</u>	<u>(906,092)</u>
<i>Net change in fund balance</i>	-	-	(534,777)	(534,777)
<i>Fund balance - beginning of year</i>	-	-	906,092	906,092
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 371,315</u>	<u>\$ 371,315</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (534,777)
Adjustments to revenues for property taxes				(13,464)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (548,241)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 General Fund
 June 30, 2013

Statement C-1

	Operating	Pupil Transportation	Instructional Materials	Total
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 4,968,877	\$ 572	\$ 528,196	\$ 5,497,645
Receivables:				
Property taxes	22,217	-	-	22,217
Due from other governments	-	-	46,314	46,314
Other	11,557	-	-	11,557
Inventory	52,349	-	-	52,349
Due from other funds	852,768	-	-	852,768
<i>Total assets</i>	\$ 5,907,768	\$ 572	\$ 574,510	\$ 6,482,850
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities</i>				
Accounts payable	\$ 209,521	\$ -	\$ -	\$ 209,521
Accrued payroll	2,019,052	570	-	2,019,622
Deferred revenue:				
Property taxes	15,768	-	-	15,768
<i>Total liabilities</i>	2,244,341	570	-	2,244,911
<i>Fund Balances</i>				
Nonspendable:				
Inventory	52,349	-	-	52,349
Spendable:				
Restricted for:				
Transportation	-	2	-	2
Instructional materials	-	-	574,510	574,510
Committed for:				
Subsequent year's expenditures	1,123,169	-	-	1,123,169
Unassigned	2,487,909	-	-	2,487,909
<i>Total fund balances</i>	3,663,427	2	574,510	4,237,939
<i>Total liabilities and fund balances</i>	\$ 5,907,768	\$ 572	\$ 574,510	\$ 6,482,850

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 General Fund
 For the Year Ended June 30, 2013

Statement C-2

	Operating	Pupil Transportation	Instructional Materials	Total
<i>Revenues:</i>				
Property taxes	\$ 264,993	\$ -	\$ -	\$ 264,993
Intergovernmental revenue:				
Federal flowthrough	419,840	-	-	419,840
Federal direct	1,212,843	-	-	1,212,843
State flowthrough	460,827	-	470,884	931,711
State direct	39,406,786	-	-	39,406,786
Transportation distribution	-	1,381,982	-	1,381,982
Charges for services	162,552	-	-	162,552
Miscellaneous	1,896	-	-	1,896
<i>Total revenues</i>	<u>41,929,737</u>	<u>1,381,982</u>	<u>470,884</u>	<u>43,782,603</u>
<i>Expenditures:</i>				
Current:				
Instruction	24,983,695	-	152,781	25,136,476
Support services - students	3,788,103	-	-	3,788,103
Support services - instruction	885,171	-	1,199	886,370
Support services - general administration	925,104	-	-	925,104
Support services - school administration	2,254,852	-	-	2,254,852
Central services	1,985,053	-	-	1,985,053
Operation and maintenance plant	5,759,686	-	-	5,759,686
Student transportation	238,541	1,381,980	-	1,620,521
Other support services	204,167	-	-	204,167
Food services operations	38,423	-	-	38,423
Capital Outlay	72,855	-	-	72,855
<i>Total expenditures</i>	<u>41,135,650</u>	<u>1,381,980</u>	<u>153,980</u>	<u>42,671,610</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>794,087</u>	<u>2</u>	<u>316,904</u>	<u>1,110,993</u>
<i>Other financing sources (uses):</i>				
Proceeds from sale of capital assets	19,780	-	-	19,780
<i>Total other financing sources (uses)</i>	<u>19,780</u>	<u>-</u>	<u>-</u>	<u>19,780</u>
<i>Net change in fund balances</i>	813,867	2	316,904	1,130,773
<i>Fund balances - beginning of year</i>	<u>2,849,560</u>	<u>-</u>	<u>257,606</u>	<u>3,107,166</u>
<i>Fund balances - end of year</i>	<u>\$ 3,663,427</u>	<u>\$ 2</u>	<u>\$ 574,510</u>	<u>\$ 4,237,939</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-3

Alamogordo Municipal School District No. 1

Operating Fund

Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		(Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ 254,229	\$ 254,229	\$ 265,398	\$ 11,169
Intergovernmental revenue:				
Federal flowthrough	128,246	128,246	419,840	291,594
Federal direct	809,817	1,050,093	1,212,843	162,750
State flowthrough	81,500	81,500	470,137	388,637
State direct	39,673,709	39,552,925	39,406,786	(146,139)
Transportation distribution	-	-	-	-
Charges for services	82,000	74,464	162,344	87,880
Investment income	-	-	-	-
Miscellaneous	-	-	27,579	27,579
<i>Total revenues</i>	<u>41,029,501</u>	<u>41,141,457</u>	<u>41,964,927</u>	<u>823,470</u>
<i>Expenditures:</i>				
Current:				
Instruction	26,106,876	25,084,240	23,481,025	1,603,215
Support services - students	3,824,020	3,859,910	3,791,483	68,427
Support services - instruction	971,638	1,294,918	1,203,613	91,305
Support services - general administration	872,597	1,078,447	970,475	107,972
Support services - school administration	2,254,674	2,305,088	2,254,223	50,865
Central services	2,085,091	2,075,291	1,985,295	89,996
Operation and maintenance of plant	5,581,653	6,088,945	5,846,464	242,481
Student transportation	342,000	248,927	238,541	10,386
Other support services	111,974	188,032	175,652	12,380
Food services operations	-	38,681	38,423	258
<i>Total expenditures</i>	<u>42,150,523</u>	<u>42,262,479</u>	<u>39,985,194</u>	<u>2,277,285</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,121,022)</u>	<u>(1,121,022)</u>	<u>1,979,733</u>	<u>3,100,755</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	1,121,022	1,121,022	-	(1,121,022)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Proceeds from sale of capital assets	-	-	13,878	13,878
<i>Total other financing sources (uses)</i>	<u>1,121,022</u>	<u>1,121,022</u>	<u>13,878</u>	<u>(1,107,144)</u>
<i>Net change in fund balance</i>	-	-	1,993,611	1,993,611
<i>Fund balance - beginning of year</i>	-	-	3,828,034	3,828,034
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,821,645</u>	<u>\$ 5,821,645</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 1,993,611
Adjustments to revenues for taxes, grant revenues, charges for services, and miscellaneous revenues				(29,288)
Adjustments to expenditures for supplies and payroll expenditures				(1,150,456)
Net change in fund balance (GAAP Basis)				<u>\$ 813,867</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-4

Alamogordo Municipal School District No. 1
Pupil Transportation Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Transportation distribution	1,014,510	1,381,980	1,381,982	2
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,014,510</u>	<u>1,381,980</u>	<u>1,381,982</u>	<u>2</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	1,014,510	1,381,980	1,381,410	570
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,014,510</u>	<u>1,381,980</u>	<u>1,381,410</u>	<u>570</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	572	572
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	572	572
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 572</u>	<u>\$ 572</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 572
No adjustments to revenues				-
Adjustments to expenditures for payroll expenditures				(570)
Net change in fund balance (GAAP Basis)				<u>\$ 2</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO

Statement C-5

Alamogordo Municipal School District No. 1

Instructional Materials Fund

Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	411,108	411,108	424,570	13,462
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>411,108</u>	<u>411,108</u>	<u>424,570</u>	<u>13,462</u>
<i>Expenditures:</i>				
Current:				
Instruction	585,315	667,515	152,781	514,734
Support services - students	-	-	-	-
Support services - instruction	1,199	1,199	1,199	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total expenditures</i>	<u>586,514</u>	<u>668,714</u>	<u>153,980</u>	<u>514,734</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(175,406)</u>	<u>(257,606)</u>	<u>270,590</u>	<u>528,196</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	175,406	257,606	-	(257,606)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>175,406</u>	<u>257,606</u>	<u>-</u>	<u>(257,606)</u>
<i>Net change in fund balance</i>	-	-	270,590	270,590
<i>Fund balance - beginning of year</i>	-	-	257,606	257,606
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 528,196</u>	<u>\$ 528,196</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 270,590
Adjustments to revenues for state flowthrough				46,314
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 316,904</u>

The accompanying notes are an integral part of these financial statements

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Deposits
 June 30, 2013

Schedule I

<u>Bank Name/Account Name</u>	<u>Account Type</u>	<u>First American Bank</u>	<u>First National Bank</u>	<u>Wells Fargo Bank</u>	<u>Total</u>
Capital Projects	Checking	\$ 10,428,528	\$ -	\$ -	\$ 10,428,528
Capital Projects	Checking	1	-	-	1
Debt Service	Checking	4,477,310	-	-	4,477,310
Nutrition Services	Checking	-	298,979	-	298,979
Athletics	Checking	-	44,154	-	44,154
Activity	Checking	-	904,282	-	904,282
Payroll	Checking	-	2,400,360	-	2,400,360
Operational	Checking	-	-	4,426,926	4,426,926
Total		14,905,839	3,647,775	4,426,926	22,980,540
Reconciling items		<u>184,034</u>	<u>(2,308,332)</u>	<u>1,822,792</u>	<u>(301,506)</u>
Reconciled balance June 30, 2013		<u><u>\$ 15,089,873</u></u>	<u><u>\$ 1,339,443</u></u>	<u><u>\$ 6,249,718</u></u>	<u>22,679,034</u>

Plus: Petty Cash	350
Less: restricted cash per Exhibit A-1	(4,477,309)
Less: agency cash per Exhibit D-1	<u>(873,271)</u>
Cash and cash equivalents per Exhibit A-1	<u><u>\$ 17,328,804</u></u>

See independent auditors' report

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Cash Reconciliation
 For the Year Ended June 30, 2013

	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
Audited Cash				
June 30, 2012	\$ 1,889,529	\$ -	\$ 257,606	\$ 538,264
Total cash June 30, 2012	<u>1,889,529</u>	<u>-</u>	<u>257,606</u>	<u>538,264</u>
Add:				
2012-2013 revenues	41,978,805	1,381,982	424,570	2,494,988
Repayment of prior year loans	1,938,505	-	-	-
Cash transfers	-	-	-	-
Loans from other funds	-	-	-	-
Bond premium	-	-	-	-
Total cash available	<u>45,806,839</u>	<u>1,381,982</u>	<u>682,176</u>	<u>3,033,252</u>
Less:				
2012-2013 expenditures	39,985,194	1,381,410	153,980	2,610,319
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	453
Loans to other funds	852,768	-	-	-
Net cash	<u>\$ 4,968,877</u>	<u>\$ 572</u>	<u>\$ 528,196</u>	<u>\$ 422,480</u>
Less:				
Due to/from due to pooled cash	852,768	-	-	-
Transfer of expenditures	-	-	-	453
Held checks	<u>(2,006,470)</u>	<u>(570)</u>	<u>-</u>	<u>(125,042)</u>
PED Cash, June 30, 2013	<u>\$ 3,815,175</u>	<u>\$ 2</u>	<u>\$ 528,196</u>	<u>\$ 297,891</u>

See independent auditors' report

Athletics 22000	Non-Instructional Support 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
\$ 58,055	\$ 811,503	\$ -	\$ 874,330	\$ -	\$ -
58,055	811,503	-	874,330	-	-
115,272	798,411	5,202,293	1,191,135	-	104,298
-	-	-	-	-	-
-	-	453	-	-	-
-	-	506,154	81,192	-	265,422
-	-	-	-	-	-
173,327	1,609,914	5,708,900	2,146,657	-	369,720
129,736	736,643	3,983,092	1,217,033	-	346,880
-	-	1,725,808	189,857	-	22,840
-	-	-	-	-	-
-	-	-	-	-	-
\$ 43,591	\$ 873,271	\$ -	\$ 739,767	\$ -	\$ -
-	-	(506,154)	(81,192)	-	(265,422)
-	-	(453)	-	-	-
(229)	(241)	(187,517)	(22,946)	-	-
\$ 43,362	\$ 873,030	\$ (694,124)	\$ 635,629	\$ -	\$ (265,422)

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Cash Reconciliation
 For the Year Ended June 30, 2013

	State Direct 28000	Local/State 29000	Bond Building 31100	School Capital Outlay - Local 31300
Audited Cash				
June 30, 2012	\$ 20,990	\$ 3,994	\$ 8,119,464	\$ 5
Total cash June 30, 2012	<u>20,990</u>	<u>3,994</u>	<u>8,119,464</u>	<u>5</u>
Add:				
2012-2013 revenues	10,000	-	5,005,709	-
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans from other funds	-	-	-	-
Bond premium	-	-	-	-
Total cash available	<u>30,990</u>	<u>3,994</u>	<u>13,125,173</u>	<u>5</u>
Less:				
2012-2013 expenditures	20,798	1,427	4,013,971	5
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans to other funds	-	-	-	-
Net cash	<u>\$ 10,192</u>	<u>\$ 2,567</u>	<u>\$ 9,111,202</u>	<u>\$ -</u>
Less:				
Due to/from due to pooled cash	-	-	-	-
Transfer of expenditures	-	-	-	-
Held checks	-	-	-	-
PED Cash, June 30, 2013	<u>\$ 10,192</u>	<u>\$ 2,567</u>	<u>\$ 9,111,202</u>	<u>\$ -</u>

See independent auditors' report

Capital Improvements SB-9 31700	Energy Efficiency Act 31800	Education Technology Equipment Act 31900	Debt Service 41000	Ed Tech Debt Service 43000	Total
\$ 820,800	\$ 10	\$ 441,115	\$ 3,287,758	\$ 906,092	\$ 18,029,515
820,800	10	441,115	3,287,758	906,092	18,029,515
1,968,626	198,984	18,097	4,000,958	283,703	65,177,831
-	-	-	-	-	1,938,505
-	-	-	-	-	453
-	-	-	-	-	852,768
-	-	-	125,000	-	125,000
2,789,426	198,994	459,212	7,413,716	1,189,795	86,124,072
1,455,763	177,397	313,112	3,307,722	818,480	60,652,962
-	-	-	-	-	1,938,505
-	-	-	-	-	453
-	-	-	-	-	852,768
\$ 1,333,663	\$ 21,597	\$ 146,100	\$ 4,105,994	\$ 371,315	\$ 22,679,384
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(2,343,015)
\$ 1,333,663	\$ 21,597	\$ 146,100	\$ 4,105,994	\$ 371,315	\$ 20,336,369
Cash and cash equivalents balance above					22,679,384
Less: agency cash per Exhibit D-1					(873,271)
Cash and cash equivalents per Exhibit B-1					\$ 21,806,113

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2013

Schedule III

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2013
First American Bank				
	FNMA 1Time Call	3/10/2016	3136FPET0	\$ 2,066,800
	Luna Cnty NM SD #1**	8/1/2016	550340CX9	500,000
	FNMA 1Time Call	10/28/2016	3136FTEK1	301,113
	Los Lunas NM Sch Dist**	7/15/2019	545562NG1	250,000
	Albuquerque NM Muni**	8/1/2021	013595QQ9	750,000
	Gallup McKinley Cnty NM**	8/1/2021	364010PH5	850,000
	MBS GNMA I 20-Yr SF-615746	8/15/2023	36290SBP5	31,261
	MBS GNMA I Platinum	2/15/2024	36241KZU5	97,675
	Torrance ETC Cntys NM**	5/15/2025	891400NM1	500,000
	MBS GNMA I 30-Yr SF	5/15/2033	36200KT49	2,109,758
	Total First American Bank			<u>7,456,607</u>
	Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, TX			
First National Bank				
	FNMA Pool #MA0023	4/1/2029	31417YAZ0	322,568
	FNMA Pool #MA0828	7/1/2031	31417Y4N4	1,295,535
	FNMA Pool #909295	1/1/2037	31411JGC4	722,254
	FNMA Pool #872827	6/1/2036	31409JVU1	340,264
	Total First National Bank			<u>2,680,621</u>
	Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, TX			
Wells Fargo Bank				
	FN AJ4880 3.000%	12/1/2026	3138AWM67	2,726,008
	FN AL3505 3.500%	4/1/2043	3138EK3P8	1,219,960
	FN AQ9991 3.000%	2/1/2043	3138MSC56	912,184
	FN AE0215 4.000%	12/1/2039	31419AGZ4	7,671
	Total Wells Fargo Bank			<u>4,865,823</u>
	Name and location of safekeeper for above pledged collateral: Bank of New York Mellon			
	Total Pledged Collateral			<u>\$ 15,003,051</u>

** As per NMSA 2.2.2.10 (N) (4), the value of collateral consisting of obligations of the State of New Mexico, its agencies, institutions, counties, municipalities or other subdivisions shall be par value.

See independent auditors' report

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Changes in Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2013

Schedule IV

	July 1, 2012	Additions	Deletions	Transfers	June 30, 2013
Alamogordo High School	\$ 224,110	\$ 266,726	\$ 270,831	\$ -	\$ 220,005
Academy Del Sol	26,880	2,148	8,867	-	20,161
Chaparral Middle School	58,339	76,537	71,416	(5,737)	57,723
Mountain View Middle School	32,004	44,398	46,296	-	30,106
Holloman Middle School	14,909	30,495	27,831	-	17,573
Buena Vista	3,142	26,203	26,489	-	2,856
Heights	3,189	11,023	9,816	-	4,396
High Rolls	1,325	219	686	-	858
La Luz	1,729	4,501	4,294	-	1,936
North	2,973	13,555	13,911	-	2,617
Oregon	14,530	30,255	28,469	-	16,316
Sacramento	843	6,111	5,964	-	990
Sierra	15,057	39,701	29,851	-	24,907
Yucca	9,418	22,706	21,181	-	10,943
Holloman Primary	15,383	17,795	9,880	1,978	25,276
Holloman Intermediate	1,978	-	-	(1,978)	-
Elementary Music	46	-	-	-	46
DSE	8,622	844	1,344	-	8,122
Learning Resource Center	4,163	2,435	-	-	6,598
Nurses	1,493	26	1,128	-	391
Superintendents Office	4,946	-	4,572	521	895
Human Resources	4,687	4,053	7,730	-	1,010
Curriculum & Instruction	1,204	26	-	-	1,230
Athletics	52,967	123,257	107,686	5,737	74,275
Finance	293,464	61,509	22,801	(5,367)	326,805
Print Shop	12,279	13,160	12,039	-	13,400
Cafeteria	176	267	238	-	205
Operations	237	26	-	-	263
Technology Support Services	282	26	-	-	308
CTE/Student Personnel	154	-	3,323	4,846	1,677
Maintenance	-	383	-	-	383
Warehouse	974	26	-	-	1,000
Totals	\$ 811,503	\$ 798,411	\$ 736,643	\$ -	\$ 873,271
					4,811
					14,505
					<u>\$ 892,587</u>

See independent auditors' report

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COMPLIANCE SECTION



Accounting & Consulting Group, LLP
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***

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

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, and the budgetary comparison of the General Fund of the Alamogordo Municipal School District No. 1 (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated November 1, 2013.

Internal Control Over Financial Reporting

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

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. However material weaknesses may exist that have not been identified. 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 as findings FS 11-01 and FS 2013-001.

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 did not disclose instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District's Responses to Findings

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
November 1, 2013

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FEDERAL FINANCIAL ASSISTANCE



Accounting & Consulting Group, LLP
Certified Public Accountants

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Alamogordo Municipal School District No. 1's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
November 1, 2013

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2013

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number		Expenditures
U.S. Department of Agriculture				
<i>Passthrough - State of NM Public Education Department</i>				
Forest Reserve	11000	10.665		\$ 240,276
Fresh Fruits and Vegetables	24118	10.582		63,853
Nutrition Program				
Food Distribution	21000	10.553 & 10.555	(1)*	166,166
National School Lunch Act	21000	10.553 & 10.555	(1)*	<u>2,731,195</u>
Total U.S. Department of Agriculture Passthrough				<u>3,201,490</u>
U.S. Department of Defense				
<i>Passthrough - State of NM Public Education Department</i>				
Alamo DOD	25179	12.558		218,175
DOD Education Activity	25254	12.557		<u>293,151</u>
Total U.S. Department of Defense Passthrough				<u>511,326</u>
U.S. Department of Education				
<i>Passthrough - State of NM Public Education Department</i>				
Impact Aid - General Fund	11000	84.041	(2)	942,611
Impact Aid Special Education	25145	84.041	(2)	145,318
Title I IASA	24101	84.010	(3)*	1,333,985
Title I School Improvement	24162	84.010	(3)*	38,294
IDEA-B Entitlement	24106	84.027	(4)*	1,598,495
IDEA-B Preschool	24109	84.173	(4)*	75,041
IDEA-B Private School Share	24115	84.027	(4)*	5,353
IDEA-B "Risk Pool"	24120	84.027	(4)*	8,495
Education of Homeless	24113	84.196		6,959
Title I 1003g Grant	24124	84.377	*	542,596
Improving Teacher Quality	24154	84.367A		395,500
Carl D Perkins Secondary	24174	84.048O	(5)	55,811
Carl D Perkins Secondary PY	24175	84.048O	(5)	230
Carl D Perkins - Redistribution	24176	84.048O	(5)	<u>9,240</u>
Total U.S. Department of Education Passthrough				<u>5,157,928</u>
Total Federal Financial Assistance				<u>\$ 8,870,744</u>

* Major program

() Denotes cluster

See independent auditors' report
 See accompanying notes to schedule of expenditures of federal awards

Notes to Schedule of Expenditures of Federal AwardsBasis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Alamogordo Municipal School District No. 1, (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

Subrecipients

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

Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2013 was \$166,166 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.553 and 10.555.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 8,870,744
Total expenditures funded by other sources	<u>51,838,209</u>
Total expenditures	<u><u>\$ 60,708,953</u></u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Findings and Questioned Costs
 June 30, 2013

A. SUMMARY OF AUDIT RESULTS

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors' report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | |
|---|-------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditors' report issued on compliance for major programs | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | No |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
10.553 & 10.555 84.010 84.027 & 84.173 84.377	National School Lunch Program Title I IASA IDEA-B Cluster Title I 1003g Grant

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee? | No |

B. FINDINGS-FINANCIAL STATEMENT AUDIT

FS 11-01 – Lack of Entity-Wide Controls (Repeated/Modified) – Significant Deficiency

Condition: During our process of understanding the District and its environment, we noted instances where elements of the District's internal control framework were nonexistent or deficient. The District's monitoring element was not documented, sufficiently designed, or implemented as we noted the following:

- Lack of review of vendor master file. The Procurement Specialist and the Director of Finance are the only employees that have access to the vendor master file to make changes, however the District does not review any changes made and changes could be made without the approval or knowledge of management.
- Lack of segregation of duties over the Purchase Order process. The Accounts Payable Clerk can re-open purchase orders after the Purchase Orders have been closed without additional management approval.
- Lack of proper access restriction over the Employee Database Master File and review of changes made. The Employee Database Master File is accessible by Payroll personnel and the Finance Director and no review of changes made are being done to ensure the file is accurate and complete and a change could be made without the approval or knowledge of management.
- Lack of review by management to ensure payroll runs are accurate and valid. The only review of payroll expenditures is performed by the payroll clerk who will also investigate any discrepancies.

Criteria: The COSO Internal Control Integrated Framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication and monitoring. With these elements in place, the District can maximize its potential for achieving its performance targets and reduce the risk of loss of resources.

Effect: Without all of the five elements of the COSO Internal Control Integrated Framework present, the District is exposing itself to the risk of misappropriation of assets and does not have set processes in place to maximize the resources of the District to achieve the goals set forth by the District.

Cause: With the changes in management positions during the year, the District has not had the opportunity to update, implement, or change internal controls and processes to address all financial reporting aspects of the District.

Auditors' Recommendations: We recommend that the District incorporate all five elements of the COSO Internal Control Integrated Framework in their organization. In particular, there should be a mechanism in place to document the monitoring of the internal controls in place. We recommend that internal controls be addressed at both the entity level and activity level. We recommend that key management personnel attend a training class on internal control procedures, internal control implementation, and internal control monitoring.

Agency's Response: Management is aware of the need for improved internal controls and is striving to continually improve its processes. Management has been able to resolve many of these issues in the past two fiscal years.

Management has made a file of the 2012-13 vendors and will compare them to any changes in the 2013-14 vendor files and verify that the appropriate documentation is in place. In addition, access to re-opening purchase orders has been electronically restricted to the Purchasing Agent and the Director of Business and Finance only. The Accounts Payable staff had been formally informed that they were not to re-open purchase orders and had already discontinued the practice.

Unfortunately, because of the severe loss of funding the District is experiencing, the Business and Finance Department lost a full time position which makes implementing the above mentioned internal controls in payroll difficult. The District does not have the staff or the resources to fully implement a thorough and complete internal control system of checks and balances and maintain instructional integrity in the classroom. Management anticipates that this audit finding will continue as long as the District continues to lose funding. As mentioned before, the District is always striving for continual improvement.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 2013-001 – Posting of District Activity in an Agency Fund – Significant Deficiency

Condition: During testwork over the District's Capital Assets, we noted the following:

- The District accounted for \$0.32 per mile usage for the use of the District vehicle, such as employees using the District vehicles for training, however the District recorded these revenues in an agency fund and not in the operational fund as the vehicles are owned by the District and the related expenses for fuel and maintenance are charged to the operational fund.
- From the usage charges of the District vehicles, the District purchased 2 vehicles out of non-budgeted funds from the Non-Instructional Educational Support fund (Fund 23000) that should have been budgeted and purchased out of the Operational funds of the District.

Criteria: NMAC 6.20.2.22 states that fixed assets related to specific proprietary or trust funds shall be accounted for in those funds. All other fixed assets shall be accounted for in the general fixed asset account group. PSAB Supplement 3, Uniform Chart of Accounts states that if the District legally owns the resources accounted for in the student activity funds, they should be accounted for in the General or Special Revenue Fund types.

Effect: The District incorrectly posted revenue generated by District activities to an agency fund and not in the operational fund where the related expenses occurred. The District also incurred capital outlay expenditures without the proper budgetary authority or approval by the New Mexico Public Education Department.

Cause: The District was separating the revenues generated by using the District vehicles in order to purchase replacement capital items for the District without using any operational funding.

Auditors' Recommendation: We recommend that the District record the revenue generated by the use of District vehicles in the operational fund, or another approved fund, where the related fuel and maintenance expenditures are incurred as well as to budget for any additional purchases of District vehicles in a District fund with budgetary authority.

Agency's Response: The intent of the District was to generate revenues in order to replace District vehicles used for student transportation and maintenance. The District had interpreted the New Mexico Manual of Procedures for Public School Accounting and Budgeting (PSAB) Supplement 18 Student Activity & Athletics to read that Student Activity funds were *typically* used to account for monies raised by the students for the students, but not always. The District also interpreted the PSAB to read that if the school district legally owned the resources accounted for in student activity funds, they *should* be accounted for in the General or Special Revenue Fund type, but not always. In addition Supplement 18 references "District Funds" several times, which the District interpreted to mean that the District was allowed to have funds in the 23000 account.

In the future the District will account for all revenues generated by vehicle usage in the operational or general fund.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Schedule of Findings and Questioned Costs
June 30, 2013

Schedule VI
Page 4 of 4

C. FEDERAL AWARD FINDINGS

No federal award findings

D. PRIOR YEAR AUDIT FINDINGS

FS 11-01 – Lack of Entity-Wide Controls – Significant Deficiency – Repeated/Modified

FS 11-02 – Internal Controls Over Non-Standard Journal Entries – Material Weakness – Resolved

FS 11-04 – Preparation of and Maintenance of Capital Assets – Significant Deficiency – Resolved

FS 11-05 – Cash Appropriations in Excess of Available Cash Balances – Other Matters – Resolved

FS 11-06 – Preparation of Financial Statements – Material Weakness – Resolved

FS 12-01 - Internal Controls over Receipting – Significant Deficiency - Resolved

FA 11-02 – Indirect Costs – Significant Deficiency – Resolved

FA 11-03 – Participation of Private School Children – Significant Deficiency – Resolved

FA 11-04 – Internal Controls over Reimbursement Basis Grants/Appropriations – Material Weakness – Resolved

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Other Disclosures
June 30, 2013

OTHER DISCLOSURES

Exit Conference

An exit conference was held on November 14, 2013. In attendance were the following:

Representing Alamogordo Municipal School District No. 1:

Dr. George Straface, Superintendent
Carol Genest, Director of Business and Finance
Adrienne Salas, Executive Director of Schools
Tom Bregler, Comptroller
Stephen C. Jaszai, Board Secretary
Russel Virden, Audit Committee
Tommy Fuller, Audit Committee
Pandy Van Auken, NEA Representative

Representing Accounting & Consulting Group, LLP:

Ray Roberts, Partner

Auditor Prepared Financial Statements

Accounting and Consulting Group, LLP prepared the GAAP-basis financial statements and footnotes of Alamogordo Municipal School District No. 1 from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.