

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

**COMPREHENSIVE FINANCIAL ANNUAL REPORT AND
SUPPLEMENTAL INFORMATION
WITH INDEPENDENT AUDITORS' REPORT THEREON
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

TABLE OF CONTENTS

JUNE 30, 2013

INTRODUCTORY SECTION:

Official Roster viii

FINANCIAL SECTION

Independent Auditors' Report 1 – 3

BASIC FINANCIAL STATEMENTS:

Government-Wide Financial Statements:

Statement of Net Position 4

Statement of Activities 5

Fund Financial Statements:

Balance Sheet – Governmental Funds 6

Reconciliation of Governmental Funds Balance Sheet to the
Statement of Net Position 7

Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds 8

Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds to the Statement of Activities 9

Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary
Basis) and Actual (Non-GAAP Budgetary Basis) –
General Funds 10
Title I - IASA Fund 11

Statement of Fiduciary Assets and Liabilities – Agency Funds 12

NOTES TO FINANCIAL STATEMENTS 13 - 54

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

TABLE OF CONTENTS

JUNE 30, 2013 (continued)

Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis) – Bond Building Fund	55
Fund Descriptions – General Funds	56
Combining Balance Sheet – General Funds.....	57
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – General Funds.....	58
Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis):	
Operational Fund.....	59
Instructional Materials Fund	60
Pupil Transportation Fund	61
Non-Major Governmental Funds Combining Balance Sheet - By Fund Type	62
Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances - By Fund Type.....	63
Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis):	
Non-Major Special Revenues Funds.....	64
Non-Major Capital Projects Funds	65
Non-Major Debt Service Funds	66
Fund Descriptions – Non-Major Special Revenue Funds	67- 75
Combining Balance Sheets – Non-Major Special Revenue Funds.....	76- 90
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Special Revenue Funds.....	91 – 105
Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis):	
IDEA-B Discretionary Fund	106
Athletic Fund	107
English Language Acquisition Fund	108

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

TABLE OF CONTENTS

JUNE 30, 2013 (continued)

Entitlement IDEA-B Fund	109
Preschool IDEA-B Fund	110
Fresh Fruits in Classroom Fund	111
Food Services Fund	112
Teacher Principal Training and Recruiting Fund	113
Title I School Improvement Fund	114
Rural and Low Income Schools Fund.....	115
IDEA-B Risk Pool Fund	116
Carl Perkins Secondary Culinary Fund	117
Dual Credit Instructional Fund.....	118
Impact Aid Special Education Fund.....	119
Impact Aid Indian Education Fund.....	120
Title XIX Medicaid 3/21 Years Fund.....	121
Indian Education Formula Grant Fund	122
LANL Foundation Fund	123
Breakfast for Elementary Students Fund.....	124
Kindergarten 3 Plus Fund.....	125
NM Gear UP/USDE Fund.....	126
Private Direct Grants Fund.....	127
GO Bond Student Library Fund.....	128
Grads Child Care Fund	129
Grads Instruction Fund.....	130
IDEA-B Results Plan Fund	131
Formative Assessments Fund.....	132
Office of Cultural Affairs Fund	133
Fund Descriptions – Non-Major Capital Projects Funds	134
Combining Balance Sheets – Non-Major Capital Projects Funds.....	135
Combining Statements of Revenues, Expenditures and Changes in Fund Balances – Non-Major Capital Projects Funds	136
Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis):	
Capital Improvements SB-9 Fund	137
Ed. Technology Equipment Act Fund.....	138
Fund Descriptions – Non-Major Debt Service Funds.....	139
Combining Balance Sheets – Non-Major Debt Service Funds	140

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

TABLE OF CONTENTS

JUNE 30, 2013 (continued)

Combining Statements of Revenues, Expenditures and Changes in Fund Balances –
Non-Major Debt Service Funds 141

Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary
Basis) and Actual (Non-GAAP Budgetary Basis):

 Debt Service Fund..... 142
 Ed. Technology Equipment Act Fund..... 143

COMPONENT UNIT INFORMATION

Combining Statements of Net Position – All Component Units 145

Combining Statements of Activities – All Component Units 146

Fund Descriptions – Anansi Charter School 147 - 148

Statements of Net Position – Anansi Charter School 149

Statements of Activities – Anansi Charter School..... 150

Balance Sheets – All Major Funds – Anansi Charter School..... 151 - 153

Reconciliation of Governmental Funds Balance Sheet to the
Statement of Net Position..... 154

Statements of Revenues, Expenditures and Changes in Fund Balances –
Anansi Charter School 155 – 157

Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds to the Statement of Activities 158

Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary
Basis) and Actual (Non-GAAP Budgetary Basis):

 Operational Fund..... 159
 Instructional Materials Fund 160
 Title I IASA Fund 161
 Entitlement IDEA-B Fund 162
 GO Bond Student Library Fund..... 163
 Bond Building Fund 164
 Capital Improvements SB-9 Fund 165
 GO Bond Student Library Fund..... 166

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

TABLE OF CONTENTS

JUNE 30, 2013 (continued)

26109 Fund	167
LANL Foundation Fund	168
Total	169
Statement of Cash Flows – Friends of Anansi Charter School	170
Fund Descriptions – Taos Charter School	171 - 172
Statements of Net Position – Taos Charter School	173
Statements of Activities – Taos Charter School	174
Balance Sheets – All Major Funds – Taos Charter School	175 - 178
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	179
Statements of Revenues, Expenditures and Changes in Fund Balances – Taos Charter School	180 - 183
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	184
Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis):	
Operational Fund	185
Instructional Materials Fund	186
Title I IASA Fund	187
Entitlement IDEA-B Fund	188
GO Bond Student Library Fund	189
GO Bond Student Library Fund	190
Bond Building Fund	191
Capital Improvements SB-9 Fund	192
Ed. Technologies Fund	193
Library GO Bond Fund	194
Total	195
Statement of Fiduciary Assets and Liabilities – Agency Funds - Taos Charter School	196
Statement of Cash Flows – Friends of Taos Charter School	197
Fund Descriptions – Vista Grande Charter School	198 - 199

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

TABLE OF CONTENTS

JUNE 30, 2013 (continued)

Statements of Net Position – Vista Grande Charter School	200
Statements of Activities – Vista Grande Charter School.....	201
Balance Sheets – All Major Funds – Vista Grande Charter School.....	202 - 204
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position.....	205
Statements of Revenues, Expenditures and Changes in Fund Balances – Vista Grande Charter School.....	206 - 208
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	209
Statement of Revenues and Expenditures – Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis):	
Operational Fund.....	210
Instructional Materials Fund	211
Technology for Education Fund	212
Entitlement IDEA-B Fund	213
GO Bond Student Library Fund.....	214
Capital Improvements SB-9 Fund	215
29102 Fund	216
Bond Building Fund	217
Activities Fund	218
Golden Apple Foundation Fund	219
Total	220
Statement of Fiduciary Assets and Liabilities – Agency Funds – Vista Grande School.....	221
Schedule of Changes in Assets and Liabilities – All Agency Funds Taos Municipal Schools	222
Schedule of Changes in Assets and Liabilities – All Agency Funds Taos Charter School	223
Schedule of Changes in Assets and Liabilities – All Agency Funds Vista Grande Charter School.....	224
Schedule of Cash Receipts and Disbursements – All Funds Taos Municipal Schools	225 - 228

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

TABLE OF CONTENTS

JUNE 30, 2013 (continued)

Schedule of Cash Receipts and Disbursements – All Funds Anansi Charter School	229
Schedule of Cash Receipts and Disbursements – All Funds Taos Charter School	230
Schedule of Cash Receipts and Disbursements – All Funds Vista Grande Charter School.....	231

SUPPLEMENTARY INFORMATION

Schedule of Pledged Collateral.....	233
Schedule of Expenditures of Federal Awards	234 – 235
Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements...	236
Schedule of Findings and Questioned Costs (Section I)	237
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>	238 – 239
Report on Compliance With Requirements That Could Have a Direct and Material Effect On Each Major Program and On Internal Control Over Compliance in Accordance With <u>OMB Circular A-133</u>	240 – 242
Schedule of Findings and Questioned Costs (Section II)	243 – 253
Exit Conference	254

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT**

OFFICIAL ROSTER

JUNE 30, 2013

Board of Education

David Chavez.....Board President
Jason Silva.....Board Vice President
Zach Cordova Board Secretary
Mark Flores IIBoard Member
James Sanborn.....Board Member

School Officials

Dr. Rod Weston Superintendent
Connie Wood Finance Director
Maya Romero Assistant to the Finance Director

Kubiak & Melton, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico
and
The Board of Education
Taos Municipal School District
Taos, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major funds, the aggregate discretely presented component units, the aggregate remaining fund information and the budgetary comparisons for the general fund and the major special revenue funds of the Taos Municipal School District (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 have also audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons for all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness on 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 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, the aggregate discretely presented component units, and the aggregate remaining fund information of the District as of June 30, 2013, and the respective changes in financial position, and the respective budgetary comparisons for the general fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2013, and the respective changes in financial position, and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information:

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

comparisons. The Schedule of Expenditures of Federal Awards as required by the Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and other schedules required by 2.2.2. NMAC are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedule of Expenditures of Federal Awards and other schedules required by 2.2.2. NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying financial 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 other schedules required by 2.2.2. NMAC, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2013 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provision 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.

Kubiak & Melton, LLC

Kubiak & Melton, LLC
Albuquerque, New Mexico
November 11, 2013

**STATE OF NEW MEXICO
TAOS SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2013**

	Governmental Activities	Component Units
ASSETS		
Cash and Cash Equivalents	\$ 5,637,097	\$ 841,924
Receivables:		
Delinquent Property Taxes Receivable	341,756	14,808
Grants	1,422,188	91,067
Due From Agency Fund	-	-
Food Inventory	39,962	-
Prepaid Assets	-	46,584
Total Current Assets	<u>7,441,003</u>	<u>994,383</u>
Non-Current:		
Prepaid Assets	-	745,226
Non-Depreciable Assets	3,514,139	837,500
Depreciable Capital Assets, Net	<u>60,841,376</u>	<u>3,425,002</u>
Total Assets	<u>\$ 71,796,518</u>	<u>\$ 6,002,111</u>
LIABILITIES		
Accounts Payable	\$ 484,718	\$ 23,424
Accrued Payroll	-	125,109
Accrued Interest	641,554	-
Due to Other Funds	-	5,890
Deferred Lease Income	-	46,584
Deferred Revenue	-	29,235
Current Portion of Long-Term Debt	<u>1,950,000</u>	<u>23,722</u>
Total Current Liabilities	<u>3,076,272</u>	<u>253,964</u>
Noncurrent Liabilities:		
Accrued Compensated Absences	1,827,727	-
Long-Term Debt	37,250,000	1,636,025
Deferred Lease Income	-	745,226
Total Long-Term Liabilities	<u>39,077,727</u>	<u>2,381,251</u>
Total Liabilities	<u>42,153,999</u>	<u>2,635,215</u>
NET POSITION		
Net Investment in Capital Assets	25,155,515	3,347,981
Restricted:		
Debt Service	3,999,353	-
Capital Projects	1,114,122	163
Inventories	39,962	-
Unrestricted	<u>(666,433)</u>	<u>18,752</u>
Total Net Position	<u>29,642,519</u>	<u>3,366,896</u>
Total Liabilities and Net Position	<u>\$ 71,796,518</u>	<u>\$ 6,002,111</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TAOS SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Functions and Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units
Functions and Programs						
PRIMARY GOVERNMENT						
Governmental Activities:						
Direct Instruction	\$ 20,333,686	\$ 328,218	\$ -	\$ -	\$ (20,005,468)	\$ -
Instructional Support	2,975,869	-	-	-	(2,975,869)	-
Food Services	1,806,941	95,640	-	-	(1,711,301)	-
Interest	12,838	-	-	-	(12,838)	-
Depreciation - Unallocated	1,150,771	-	-	-	(1,150,771)	-
Change in Compensated Absences	(62,106)	-	-	-	62,106	-
Total Governmental Activities	<u>\$ 26,217,999</u>	<u>\$ 423,858</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(25,794,141)</u>	<u>-</u>
Component Units:						
Anansi Charter School	\$ 1,432,569	\$ 254,802	\$ 1,172,686	\$ 87	-	(4,994)
Taos Charter School	1,493,792	178,939	1,567,683	520	-	253,350
Vista Grande High School	1,198,763	5,527	1,225,145	-	-	31,909
Total Component Units	<u>\$ 4,125,124</u>	<u>\$ 439,268</u>	<u>\$ 3,965,514</u>	<u>\$ 607</u>	<u>\$ -</u>	<u>\$ 280,265</u>
General Revenues						
Property Taxes						
General Purpose					4,829,228	5,000
Delinquent					341,757	
Debt Service					-	-
Capital Projects					-	-
Grants and Contributions - Not Restricted						
Federal Aid - Not Restricted					3,827,464	-
State Aid - Not Restricted					20,076,873	-
Local Aid - Not Restricted					-	-
Unrestricted Investment Income					13,818	58
Total General Revenues					29,089,140	5,058
Gain on Disposal of Capital Assets					-	-
Change in Net Position					<u>3,294,999</u>	<u>285,323</u>
Beginning Net Position as Reported					30,472,924	3,271,663
Restatement					(4,125,404)	(190,090)
Beginning Net Position as Restated					<u>26,347,520</u>	<u>3,081,573</u>
Ending Net Position					<u>\$ 29,642,519</u>	<u>\$ 3,366,896</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
BALANCE SHEET
JUNE 30, 2013**

	<u>General Funds</u>	<u>Title I IASA</u>	<u>Bond Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Pooled Cash and Investments	\$ 1,478,965	\$ -	\$ 77,544	\$ 5,776,831	\$ 7,333,340
Receivables:					-
Delinquent Property Taxes	10,494	-		331,262	341,756
Grants	-	288,461		1,133,727	1,422,188
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	39,962	39,962
Total Assets	<u>\$ 1,489,459</u>	<u>\$ 288,461</u>	<u>\$ 77,544</u>	<u>\$ 7,281,782</u>	<u>\$ 9,137,246</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Cash Overdraft	\$ -	\$ 358,162	\$ -	\$ 1,338,081	\$ 1,696,243
Accounts Payable	140,439	-	151,638	192,641	484,718
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	10,494	-	-	331,263	341,757
Total Liabilities	<u>150,933</u>	<u>358,162</u>	<u>151,638</u>	<u>1,861,985</u>	<u>2,522,718</u>
Fund Balances					
Nonspendable:					
Inventories				-	-
Assigned For:					
Debt Service				3,999,353	3,999,353
Special Revenue Funds				306,322	306,322
Capital Projects Funds	-	-	-	1,114,122	1,114,122
Unassigned	1,338,526	(69,701)	(74,094)	-	1,194,731
Total Fund Balances	<u>1,338,526</u>	<u>(69,701)</u>	<u>(74,094)</u>	<u>5,419,797</u>	<u>6,614,528</u>
Total Liabilities and Fund Balances	<u>\$ 1,489,459</u>	<u>\$ 288,461</u>	<u>\$ 77,544</u>	<u>\$ 7,281,782</u>	<u>\$ 9,137,246</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Fund Balances - Total Governmental Funds		\$ 6,614,528
Ad Valorum - Deferred Revenue - Delinquent Property Taxes		341,757
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Capital Assets	82,573,016	
Accumulated Depreciation	<u>(18,217,501)</u>	
Net Capital Assets		64,355,515
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
Bonds Payable	(39,200,000)	
Accrued Interest Payable	(641,554)	
Compensated Absences	<u>(1,827,727)</u>	
		<u>(41,669,281)</u>
Net Position of Governmental Activities		<u>\$ 29,642,519</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>General Fund</u>	<u>Title I IASA</u>	<u>Bond Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
REVENUES:					
Taxes	\$ 176,441	\$ -	\$ -	\$ 4,652,787	\$ 4,829,228
Charges for Services	256,631	-	-	167,227	423,858
Local Sources	-	-	-	-	-
State Sources	19,525,083	-	-	551,790	20,076,873
Federal Sources	98,735	875,362	-	2,853,367	3,827,464
Investment and Interest Income	<u>2,344</u>	<u>-</u>	<u>9,143</u>	<u>2,331</u>	<u>13,818</u>
Total Revenues	20,059,234	875,362	9,143	8,227,502	29,171,241
EXPENDITURES:					
Current:					
Direct Instruction	20,333,686	-	-	-	20,333,686
Instructional Support	-	875,004	-	2,100,865	2,975,869
Food Services	-	-	-	1,806,941	1,806,941
Capital Outlay	-	-	1,879,143	-	1,879,143
Debt Service:	-	-	-	-	-
Bonds	-	-	-	5,699,592	5,699,592
Interest	-	-	-	12,838	12,838
Total Expenditures	<u>20,333,686</u>	<u>875,004</u>	<u>1,879,143</u>	<u>9,620,236</u>	<u>32,708,069</u>
Excess (Deficiency) of Revenues Over Expenditures	(274,452)	358	(1,870,000)	(1,392,734)	(3,536,828)
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Loan Proceeds	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(274,452)	358	(1,870,000)	(1,392,734)	(3,536,828)
Fund Balance at the Beginning of the Year	1,673,136	(70,059)	1,795,906	6,813,449	10,212,432
Restatement	<u>(60,158)</u>	<u>-</u>	<u>-</u>	<u>(918)</u>	<u>(61,076)</u>
Fund Balance at the End of the Year	<u>\$ 1,338,526</u>	<u>\$ (69,701)</u>	<u>\$ (74,094)</u>	<u>\$ 5,419,797</u>	<u>\$ 6,614,528</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2013**

Net Change in Fund Balances - Total Governmental Funds \$ (3,536,828)

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period these amounts are:

Capital Outlay	1,879,143	
Depreciation Expense	<u>(1,150,771)</u>	
		728,372
Delinquent Property Tax Revenue		341,757
Compensated Absences		62,106

The issuance of long-term debt (bonds) 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.

Also, governmental funds report the effect of issuance costs, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items

Capital Outlay Related to Bond Expenditures	<u>5,699,592</u>	
		<u>5,699,592</u>

Change in Net Position of Governmental Activities **\$ 3,294,999**

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Taxes	\$ 164,504	\$ 164,504	\$ 176,441	\$ 11,937
Charges for Services	2,650	2,650	256,631	253,981
Local Sources	-	-	-	-
State Sources	19,031,878	19,418,718	19,525,083	106,365
Federal Sources	62,200	62,200	98,735	36,535
Investment and Interest Income	<u>76,375</u>	<u>76,375</u>	<u>2,344</u>	<u>(74,031)</u>
Total Revenues	19,337,607	19,724,447	20,059,234	334,787
Expenditures				
Direct Instruction	22,139,397	21,377,566	20,333,686	1,043,880
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	<u>22,139,397</u>	<u>21,377,566</u>	<u>20,333,686</u>	<u>1,043,880</u>
Budgeted Cash Balance	<u>\$ 2,801,790</u>	<u>\$ 1,653,119</u>	<u>\$ 274,452</u>	<u>\$ 709,093</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL -
TITLE I - IASA
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Federal Sources	\$ 944,962	\$ 1,226,220	\$ 246,810	\$ (979,410)
Other	-	-	-	-
Total Revenues	<u>944,962</u>	<u>1,226,220</u>	<u>246,810</u>	<u>(979,410)</u>
Expenditures				
Direct Instruction	-	-	-	-
Instructional Support	944,962	1,999,105	875,004	1,124,101
Food Services	-	-	-	-
Total Expenditures	<u>944,962</u>	<u>1,999,105</u>	<u>875,004</u>	<u>1,124,101</u>
Budgeted Cash Balance	<u>\$ -</u>	<u>\$ 772,885</u>	<u>\$ 628,194</u>	<u>\$ 2,103,511</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
FIDUCIARY FUND
JUNE 30, 2013**

ASSETS

Cash on Deposit	\$ <u>398,898</u>
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LIABILITIES

Due to Operational Fund	\$ 12,461
Deposits Held for Others	<u>386,437</u>
Total Liabilities	<u>\$ 398,898</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Taos Municipal School District (District) is a special purpose government corporation governed by an elected five-member Board of Education (Board). The Board is the basic level of government, which has oversight responsibility and control over all activities related to the public school education in the Town of Taos, New Mexico and the surrounding areas. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District's financial statements include all entities over which the Board of Education exercises oversight responsibility. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters

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

1. Blended Component Unit

The District does not have any component units reported as blended component units.

2. Discretely Presented Component Units

The District has three component units reported as discretely presented component units. Anansi Charter School, Taos Charter School and Vista Grande High School are closely related to Taos Municipal Schools and are the financial responsibility of the District.

The summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of the District's management, who are responsible for their integrity and objectivity. The financial statements of the District conform to Generally Accepted Accounting Principles (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

reporting principles. The more significant of the District's accounting policies are described below.

Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or benefit directly from goods, services or privileges provided by a given function or segment, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements.

Interfund Transactions

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

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

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results can differ from these estimates.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues, net of estimated refunds and estimated uncollectible amounts, in the year in 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.

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 are generally recorded when the related liability is incurred, the same 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 and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund

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

Bond Building Fund

This fund provides financing for the construction of buildings, the purchase of equipment and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds which have been approved by the voters of the District.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Title I IASA Fund

The Improving America's Schools Act of Title I provides extra help to disadvantaged students while holding schools accountable for their results at the same level as other students. This is a federally funded program.

Additionally, the District reports the following fund types:

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources, which are legally restricted to expenditures for specified purposes.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service Funds

Debt service funds are used to account for the services of long-term debt not being financed by proprietary or non-expendable trust funds.

Fiduciary Funds

Fiduciary funds are the agency funds used to account for financial resources used by the student activity groups for which the District has a stewardship.

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

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.

Assets, Liabilities and Net Position or Equity

1. 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 investment of the District's funds in a wide variety of instruments, including certificates of deposit and other similar obligations, state investment pool and money market accounts. The District is also allowed to

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

invest in United States Government obligations. All funds of the District must follow these investment guidelines.

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 by collateral deposited as security or by bond given by financial institutions.

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 100% of the asked price on United States treasury bills of the same maturity on the day of deposit.

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

2. Receivables and Payables

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

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

Under GASB Statement No. 33, property taxes are defined as impressed non-exchange revenue. Assets from impressed non-exchange transaction are reported when the District has an enforceable legal claim on the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days. Therefore, the District has

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

recorded a delinquent tax receivable and revenue from taxes received within the 60 days following year-end. A receivable and deferred revenue have been recorded for uncollected delinquent taxes. On the government-wide financial statements, the District has recorded delinquent property taxes receivable and revenue for taxes assessed as of year-end that have not been collected, as prescribed in GASB 34. An allowance for refunds and uncollectibles has not been recorded.

3. Inventories

United States Department of Agriculture (USDA) commodities are treated as in-kind revenues and are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

4. Capital Assets

Capital assets, which include property, plant and equipment (including computer software) are reported in the applicable government-wide financial statements. Beginning July 1, 2005, the threshold for defining capital assets by the State of New Mexico was raised from \$1,000 to \$5,000 for those items with an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's useful life are not capitalized. The costs of library books are not depreciated unless the individual cost is in excess of \$5,000. Software costs have been included in the cost of computer equipment and are capitalized with that equipment. The District does not develop software for internal or any other use.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects has not been capitalized.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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>
Buildings	40 - 50
Building Improvements	20
Land Improvements	10 - 20
Vehicles	5 - 7
Office Equipment	5
Computer Equipment	3 - 5

5. **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, statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

6. **Fund Balance**

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

7. **Net Position**

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

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Net Investment in Capital Assets

This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. The portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. That portion of the debt is included in restricted for capital projects.

B. Restricted net position

Net position is reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

C. Unrestricted net position

Unrestricted net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

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

8. Revenues

Property Tax Levies

Taos Municipal Schools receive property taxes from the Taos County Treasurer for operational, public school capital improvements, and debt service purposes. Property taxes are assessed on January 1 of each year, except on livestock, and are payable in two equal installments, on November 10 of the year in which the tax bill is prepared and April 10 of the following year. Property taxes are

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

collected by the County Treasurer and remitted to the District in the month following collection.

Although there are no restrictions placed on property taxes collected for operating purposes, restrictions do exist on the amount collected under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) and the amounts collected as a result of issuing general obligation bonds.

Under the provisions of the Public School Capital Improvements Act, any local school board may adopt a resolution to submit to the qualified electors of the school district the question of whether or not a property tax should be imposed on the net taxable revenue value of property allocated to the school district for the purpose of capital improvements. The resolution shall:

Identify the capital improvements;

Specify the rate of the proposed tax, which shall not exceed two dollars on each \$1,000 of net taxable value of property;

Specify the date an election will be held;

Limit the imposition of the tax to no more than three property tax years.

If approved, any revenues produced by the tax and any state distribution resulting to the District under the Act shall be expended only for the capital improvements specified in the authorized resolution.

General obligation bonds may be issued for the purpose of erecting, remodeling, making additions to and the furnishing of school buildings, or purchasing or improving school grounds or any combination of these purposes. Such bonds shall be fully negotiable and constitute negotiable instruments.

The school board shall establish adequate budgetary provisions, approved by the school management division, to promptly pay, as it becomes due, all principal and interest on general obligation bonds issued by the school district.

The full faith and credit of a school district shall be pledged to the payment of the principal and interest on general obligation bonds issued by the school district.

The board of county commissioners shall levy and collect upon all taxable property within a school district in the county such tax as is necessary to pay the

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

interest and principal on general obligation bonds issued by the school district as the interest and principal becomes due, without limitation as to rate or amount.

State Equalization Guarantee

Each school district in the State of New Mexico receives a “state equalization guarantee distribution” which is defined as “that amount of money distributed to each school district to ensure that the school district’s operating revenue, including its local and federal revenues as defined (Ch. 22, Section 8-25, NMSA 1978) is at least equal to the school district’s program costs.”

A school districts program costs are determined through the use of various formulas using “program units” which take into consideration early childhood education, basic education, special education, bilingual, multi-cultural education. Payment is made from the public school fund under the authority of the chief (director of public school finance). The District received \$18,518,741 in state equalization guarantee distributions during the year.

Transportation Distribution

Money in the transportation distribution of the public school fund 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 kindergarten through twelve attending public school within the school district. Except in unusual circumstances, as determined by the local school board and confirmed by the state transportation director, midday bus routes for early childhood education students shall not be approved for funding in excess of twenty miles one-way.

Money in the vocational education transportation distribution of the public school fund is used for the purpose of making payments to school districts for transportation of students to and from their regular attendance centers and the place where vocation education programs are being offered, pursuant to Section 22-16-4.1 (NMSA 1978) of the Act. The transportation distribution is allocated to each school district according to an objective formula developed by the state transportation director and the director of public school finance.

In the event the sum of the proposed transportation allocations to each school district exceeds the amounts in the transportation distribution, each school district to receive an allocation shares in a reduction in the proportion that each school district’s forty-day average daily membership of all school districts to received allocations.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Local school boards shall negotiate school bus contracts in accordance with regulations promulgated by the state transportation director with the approval of the State Board of Education.

Local school boards, with the approval of the state transportation director, may provide additional transportation services pursuant to Section 22-16-2 NMSA 1978 to meet established program needs.

The District received \$846,769 in transportation distribution funds during the year.

SB-9 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. Provided, however, in the event that sufficient funds are not available in the public school capital improvement fund to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District received \$0 in state SB-9 matching during the year.

Critical Capital Outlay

Under the provisions of Chapter 22, Article 24, a critical capital outlay fund was created. The money in the fund may be used only for capital expenditures deemed by the public school capital outlay council necessary for an adequate educational program, and the capital outlay expenditures are limited to the purchase, or construction of temporary or permanent classrooms.

The council shall approve an application for grant assistance from the fund when the council determines that:

A critical need exists requiring action;

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The residents of the school district have provided all available resources to the district to meet its capital outlay requirements;

The school district has used its resources in a prudent manner;

The district is in a county or counties which have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year as certified by the property tax division; and

The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978.

The Council shall consider all applications for assistance from the fund and after public hearing shall either approve or deny the application. Applications for grant assistance shall only be accepted by the council after a district has complied with the provisions of this section. The Council shall list all applications in order of priority and all allocations shall be made on a priority basis.

Money in the fund shall be distributed by arrant of the Department of Finance and Administration (DFA) on vouchers signed by the Secretary of DFA following certification by the council that the application has been approved.

During the year ended June 30, 2013, the District received \$0 in critical capital outlay funds and \$0 in special capital outlay funds.

Instructional Materials

The New Mexico State Public Education 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. Beginning with the fiscal year ended June 30, 2002, districts received their total allocation at the beginning of the fiscal year instead of being reimbursed for purchases as was done in prior years. During the year ended June 30, 2013, the District received \$159,573 in instructional materials allocation.

Federal Grants

The District receives revenues from various federal departments (both direct and indirect) which are legally restricted to expenditures for specific purposes. These

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

programs are reported as Special Revenue Funds. Each program operates under its own budget, which has been approved by the federal agency or the flow-through agency (in most cases, the New Mexico Department of Education). The various budgets are approved by the local school board and the New Mexico Public Education Department.

9. Indirect Costs

The District's general fund receives indirect cost reimbursements from the various federal programs it administers. These reimbursements are for expenses incurred in performing administrative functions on behalf of the special revenue funds. They are shown as expenditures in the special revenue funds and as other special federal revenue in the general fund.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information:

Budgets for the general, special revenue, capital projects and debt service funds are prepared by management and are approved by the local Board and Public School Budget and Planning Unit of the Department of Education. Auxiliary student activity accounts are not budgeted.

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

Actual expenditures may not exceed the budget at the function 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 approval. If a transfer between series or a budget increase is required, approval must also be obtained from the 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:

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

1. In April or May, the superintendent submits to the District Budget Planning Unit a proposed operating budget for the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Public Education Department.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting is called.
4. 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 New Mexico Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenues funds, debt service funds and capital projects funds.
6. Budgets for the general, special revenue, debt service and capital projects funds are adopted on a basis not consistent with GAAP. Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balances. The appropriated budget for the year ended June 30, 2013 was properly amended by the Board throughout the year. New Mexico state law prohibits a governmental agency from exceeding budgetary control at the function level.

Actual Expenditures in Excess of Budgeted Expenditures:

The following funds had actual expenditures in excess of budgeted expenditures during the fiscal year ended June 30, 2013: Vista Grande Charter: SB-9: \$1,611.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Deficit Fund Equity

Deficit fund balances as of June 30, 2013 were in the following funds: Title I IASA, \$69,701; Bond Building Fund, \$74,094; IDEA-B Discretionary, \$14,338; English Language Acquisition Fund, \$18,597; Fresh Fruits and Vegetables, \$29,060; Food Service Fund, \$84,650; Teacher Principal Training, \$8,845; Safe and Drug Free Schools, \$1,594; Title I Federal Stimulus, \$12,721; Indian E. Formula Grant, \$6,820; Breakfast for Elementary Students, \$9,897; NM Gear, \$44,141; School Based Health Center, \$26,117; Immigrant Funding Title III, \$19,711; ELL Title III Incentive, \$2,467; and Office of Cultural Affairs, \$4,993;

In the Component Units, at Anansi Charter School, the GO Bond Student Library Fund had a deficit fund balance of \$194 and the Library GO Bond fund was \$329. At Vista Grande Charter School, Entitlement IDEA-B had a deficit fund balance of \$623. GO Bond was \$2,021; Capital Improvements was \$3,999, Bond Building Fund was \$37,725 and the Foundation Fund was \$6,272.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

3. CASH AND TEMPORARY INVESTMENTS

The following is the Cash on deposit at each financial institution:

Institution	Type	Fund	Amount
Centinel Bank	Checking - Non-interest bearing	Agency	\$ 457,221
Centinel Bank	Checking - Non-interest bearing	Bond Building	-
Centinel Bank	Checking - Non-interest bearing	Federal	3,789,899
U.S. Bank	Checking - Non-interest bearing	Payroll	2,308,201
U.S. Bank	Checking - Non-interest bearing	Operational	-
			<u>\$ 6,555,321</u>
New Mexico State LGIP Fund		Bond Building	<u>\$ 1,745,326</u>
Total Amount on Deposit			\$ 8,300,647
Deposits in Transit			12,439
Outstanding Checks			<u>(2,277,938)</u>
Total Cash Per Financial Statements			<u>\$ 6,035,148</u>

	<u>Centinel Bank</u>	<u>U.S. Bank</u>	<u>New Mexico State</u>
Cash on Deposit at June 30	\$ 4,247,120	\$ 2,308,201	\$ 1,745,326
Less: Insured by FDIC	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Uninsured Funds	3,997,120	2,058,201	
50% Collateralization	1,998,560	1,029,101	
Pledged Collateral	<u>4,729,002</u>	<u>1,105,703</u>	<u>-</u>
Excess of pledged collateral	<u>\$ 2,730,442</u>	<u>\$ 76,602</u>	<u>\$ 1,745,326</u>

The Schedule of Pledged Collateral is shown as supplementary information on page 233. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. Time deposits, savings deposits and interest-bearing accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

Investments

As of June 30, 2013, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities Less Than One Year</u>
State Investment Pool - 4101 LGIP Fund	<u>\$ 1,745,326</u>	

State Pool – 4101 LGIP investments are 100% invested in U.S. Treasury Obligations.

Interest Rate Risk – Investments: The District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates. The District’s investments were rated AAA by Moody’s Investors Services and S & P and have a weighted average days-to-maturity (WAM) of 27.5 days.

Concentration Credit Risk – Investments: For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the District. The investments in the State Pool-4101 LGIP Fund represent 100% of the investment portfolio. Since the District only purchases investments with the highest credit rating, the additional concentration is not viewed as an additional risk by the District. The District’s policy related to concentration risk is to comply with the State Statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-1, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investments fund in securities that are issued by the United States government or by its departments or agencies and are either backed by the full faith and credit of the United States Government or are agencies sponsored by the United States Government. The investments in the Local Government Investment Pool are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares; at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in the amounts of the fund that were invested. Any realized gain or loss on the portfolio is distributed through the investment yield on investment dates. The carrying amount of the portfolio approximates the fair value of all investments at June 30, 2013. The State of New Mexico is the regulatory oversight agency and participation in the pool is voluntary.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

4. RECEIVABLES

Accounts Receivable

Accounts receivable are recorded in the various governmental funds. They consist of amount receivable from local governments relating to various grant agreements and property taxes receivable. The information required to report property taxes at full accrual was not available during the year. Accounts receivable consist of the following:

	General	Other Major	Other Governmental	Total
Property Taxes	<u>\$ 10,494</u>	<u>\$ -</u>	<u>\$ 331,262</u>	<u>\$ 341,756</u>

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances have primarily been recorded when funds overdraw their share of pooled cash related to payroll. The composition of interfund balances as of June 30, 2013 is as follows:

Taos Municipal School District:

	Interfund Receivables	Interfund Payables
Governmental Activities:		
Operations Fund	\$ 12,461	\$ -
Fiduciary Fund:		
NMPSIA - Administration	<u>-</u>	<u>12,461</u>
Total	<u>\$ 12,461</u>	<u>\$ 12,461</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Anansi Charter School:

	Interfund Receivables	Interfund Payables
Governmental Activities:		
Operations Fund	\$ 23,052	\$ -
Special Revenue Fund:		
GO Bond Student Library Fund		\$ 2,290
Entitlement IDEA-B Fund	-	<u>20,762</u>
Total	<u>\$ 23,052</u>	<u>\$ 23,052</u>

There were no operating transfers for the primary government for the year ended June 30, 2013.

5. INVENTORIES

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Food Service Fund consists of purchased food and non-food items and USDA commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventory balances are offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

6. RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS FINANCIAL STATEMENTS

Taos Municipal Schools:

	Operational Fund	Title I IASA	Bond Building Fund	English Language Acquisition	Entitlement IDEA-B Fund
Revenues per Modified Accrual Basis	\$ 19,052,341	\$ 875,362	\$ 9,143	\$ 36,956	\$ 831,811
Prior Year Receivables	(212,873)	(917,013)	-	(16,466)	(384,730)
Current Year Receivables	<u>10,494</u>	<u>288,461</u>	<u>-</u>	<u>13,804</u>	<u>349,618</u>
Revenues per Budgetary Basis	<u>\$ 18,849,962</u>	<u>\$ 246,810</u>	<u>\$ 9,143</u>	<u>\$ 34,294</u>	<u>\$ 796,699</u>
Expenditures per Modified Accrual Basis	\$ 19,197,725	\$ 875,004	\$ 1,879,143	\$ 29,239	\$ 831,811
Prior Year Payables	203,864	-	-	-	-
Current Year Payables	<u>(150,933)</u>	<u>-</u>	<u>(151,638)</u>	<u>-</u>	<u>(38,766)</u>
Expenditures per Budgetary Basis	<u>\$ 19,250,656</u>	<u>\$ 875,004</u>	<u>\$ 1,727,505</u>	<u>\$ 29,239</u>	<u>\$ 793,045</u>
	Preschool IDEA-B Fund	Food Service Fund	Teacher Principal Training Recruiting Title I	Title I School Improvement	Rural and Low Income Schools Fund
Revenues per Modified Accrual Basis	\$ 23,936	\$ 1,455,681	\$ 258,552	\$ 75,419	\$ 60,245
Prior Year Receivables	(32,638)	-	(120,675)	(76,118)	(38,924)
Current Year Receivables	<u>12,344</u>	<u>124,498</u>	<u>258,552</u>	<u>75,419</u>	<u>33,551</u>
Revenues per Budgetary Basis	<u>\$ 3,642</u>	<u>\$ 1,580,179</u>	<u>\$ 396,429</u>	<u>\$ 74,720</u>	<u>\$ 54,872</u>
Expenditures per Modified Accrual Basis	\$ 23,936	\$ 1,806,941	\$ 259,648	\$ 75,419	\$ 60,154
Prior Year Payables	-	-	-	-	-
Current Year Payables	<u>-</u>	<u>(25,213)</u>	<u>(114)</u>	<u>-</u>	<u>-</u>
Expenditures per Budgetary Basis	<u>\$ 23,936</u>	<u>\$ 1,781,728</u>	<u>\$ 259,534</u>	<u>\$ 75,419</u>	<u>\$ 60,154</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

6. RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS FINANCIAL STATEMENTS (CONTINUED)

	IDEA-B Risk Pool	Carl D. Perkins Culinary Fund	Dual Credit Instructional Materials	Breakfast for Elementary Students	Kindergarten 3 Plus
Revenues per Modified Accrual Basis	\$ 5,344	\$ 36,735	\$ 6,215	\$ 25,659	\$ 237,829
Prior Year Receivables	(1,244)	(26,324)	(38,594)	(8,137)	(86,577)
Current Year Receivables	4,100	33,729	-	25,659	98,184
Revenues per Budgetary Basis	<u>\$ 8,200</u>	<u>\$ 44,140</u>	<u>\$ (32,379)</u>	<u>\$ 43,181</u>	<u>\$ 249,436</u>
Expenditures per Modified Accrual Basis	\$ 4,100	\$ 36,734	\$ 6,545	\$ 25,659	\$ 237,849
Prior Year Payables	-	-	-	-	-
Current Year Payables	-	-	-	-	-
Expenditures per Budgetary Basis	<u>\$ 4,100</u>	<u>\$ 36,734</u>	<u>\$ 6,545</u>	<u>\$ 25,659</u>	<u>\$ 237,849</u>

	Capital Improvements SB-9 Fund	Debt Services Fund	Ed Tech Debt Service Fund
Revenues per Modified Accrual Basis	\$ 2,080,730	\$ 1,910,139	\$ 664,194
Prior Year Receivables	(220,092)	(311,629)	(123,636)
Current Year Receivables	130,774	149,188	51,300
Revenues per Budgetary Basis	<u>\$ 1,991,412</u>	<u>\$ 1,747,698</u>	<u>\$ 591,858</u>
Expenditures per Modified Accrual Basis	\$ 3,041,821	\$ 1,845,076	\$ 669,779
Prior Year Payables	148,460	217,704	99,940
Current Year Payables	(259,323)	(149,188)	(51,300)
Expenditures per Budgetary Basis	<u>\$ 2,930,958</u>	<u>\$ 1,913,592</u>	<u>\$ 718,419</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

6. RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS FINANCIAL STATEMENTS (CONTINUED)

Anansi Charter School:

	Operational
Revenues per Modified Accrual Basis	\$ 1,056,996
Prior Year Receivables	(26,998)
Current Year Receivables	<u>-</u>
Revenues per Budgetary Basis	<u>\$ 1,029,998</u>
Expenditures per Modified Accrual Basis	\$ 1,107,126
Prior Year Payables	29,282
Current Year Payables	<u>(32,790)</u>
Expenditures per Budgetary Basis	<u>\$ 1,103,618</u>

Taos Charter School:

	Operational
Revenues per Modified Accrual Basis	\$ 1,374,737
Prior Year Receivables	(49,262)
Current Year Receivables	<u>81,832</u>
Revenues per Budgetary Basis	<u>\$ 1,407,307</u>
Expenditures per Modified Accrual Basis	\$ 1,326,081
Prior Year Payables	78,354
Current Year Payables	<u>(81,465)</u>
Expenditures per Budgetary Basis	<u>\$ 1,322,970</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

6. RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS FINANCIAL STATEMENTS (CONTINUED)

Vista Grande Charter School:

	Operational
Revenues per Modified Accrual Basis	\$ 1,170,535
Prior Year Receivables	-
Current Year Receivables	<u>9,235</u>
Revenues per Budgetary Basis	<u>\$ 1,179,770</u>
Expenditures per Modified Accrual Basis	\$ 1,168,533
Prior Year Payables	-
Current Year Payables	<u>(29,901)</u>
Expenditures per Budgetary Basis	<u>\$ 1,138,632</u>

7. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 3,459,110	\$ -	\$ -	\$ 3,459,110
Construction in Progress	<u>29,256,361</u>	-	<u>29,201,332</u>	<u>55,029</u>
Total Capital Assets not being depreciate	32,715,471	-	29,201,332	3,514,139
Capital assets being depreciated:				
Land Improvements	700,739	3,084,250		3,784,989
Buildings and Improvements	43,113,949	28,564,595	-	71,678,544
Furniture, Fixtures and Equipment	<u>3,516,385</u>	<u>78,959</u>	-	<u>3,595,344</u>
Total Capital Assets being depreciated	<u>47,331,073</u>	-	-	<u>79,058,877</u>
Less: Accumulated Depreciation for:	<u>(17,066,730)</u>	<u>(1,150,771)</u>	-	<u>(18,217,501)</u>
Total Capital Assets, Net	<u>\$ 62,979,814</u>	<u>\$ (1,150,771)</u>	<u>\$29,201,332</u>	<u>\$ 64,355,515</u>

Depreciation has been allocated to the functions in the following amounts:

Unallocated	<u>\$ 1,150,771</u>
Total Depreciation Expense	<u>\$ 1,150,771</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

8. LONG-TERM DEBT

During the year ended June 30, 2013, the following changes occurred in the liabilities reported in the District-wide statement of net position:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
General Obligation Bonds	\$ 40,650,000	\$ -	\$ 1,450,000	\$ 39,200,000	\$ 1,950,000
Compensated Absences	1,889,833	-	62,106	1,827,727	-
Total	<u>\$ 42,539,833</u>	<u>\$ -</u>	<u>\$ 1,512,106</u>	<u>\$ 41,027,727</u>	<u>\$ 1,950,000</u>

General Obligation Bonds

Payments on the general obligation bonds are made by the debt services funds. The compensated absences liability will ultimately be liquidated by several of the District's governmental funds, with most being paid by the general fund, transportation fund, food services fund and Title I fund.

The general obligation bonds will be paid from taxes levied against property owners living within the school district boundaries. The annual requirements to retire general obligation bonds as of June 30, 2013, are as follows:

Date of issue - December 23, 2008
Original amount - \$9,900,000
Interest rate - 3.5% to 4.5%

Due in Year Ending	Principal	Interest	Total
2014	\$ 460,000	\$ 402,230	\$ 862,230
2015	475,000	385,868	860,868
2016	485,000	369,068	854,068
2017	500,000	350,580	850,580
2018	520,000	330,180	850,180
2019 - 2023	2,945,000	1,292,736	4,237,736
2024 - 2028	3,670,000	606,306	4,276,306
2029	845,000	19,013	864,013
Total	<u>\$ 9,900,000</u>	<u>\$ 3,755,981</u>	<u>\$13,655,981</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

8. LONG-TERM DEBT (CONTINUED)

Date of issue - December 15, 2009
Original amount - \$16,000,000
Interest rate - 2.125% to 6.5%

Due in Year			
Ending	Principal	Interest	Total
2014	\$ 1,035,000	\$ 770,700	\$ 1,805,700
2015	1,050,000	739,406	1,789,406
2016	1,075,000	701,919	1,776,919
2017	1,105,000	658,013	1,763,013
2018	1,135,000	608,284	1,743,284
2019 - 2023	4,000,000	2,243,789	6,243,789
2024 - 2028	2,120,000	1,764,100	3,884,100
2029 - 2030	<u>3,680,000</u>	<u>269,750</u>	<u>3,949,750</u>
Total	<u>\$15,200,000</u>	<u>\$ 7,755,961</u>	<u>\$22,955,961</u>

Date of issue - October 25, 2010
Original amount - \$13,000,000
Interest rate - 4.33% to 5.15%

Due in Year			
Ending	Principal	Interest	Total
2014	\$ 455,000	\$ 669,500	\$ 1,124,500
2015	455,000	669,500	1,124,500
2016	455,000	669,500	1,124,500
2017	455,000	669,500	1,124,500
2018	455,000	669,500	1,124,500
2019 - 2023	3,195,000	4,017,000	7,212,000
2024 - 2028	<u>7,530,000</u>	<u>2,343,250</u>	<u>9,873,250</u>
Total	<u>\$13,000,000</u>	<u>\$ 9,707,750</u>	<u>\$22,707,750</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

8. LONG-TERM DEBT (CONTINUED)

Date of issue - October 25, 2010
Original amount - \$1,100,000
Interest rate - 5.45%

Due in Year				
Ending	Principal	Interest	Total	
2014	\$ -	\$ 38,968	\$ 38,968	
2015	-	38,968	38,968	
2016	-	38,968	38,968	
2017	-	38,968	38,968	
2018	-	38,968	38,968	
2019 - 2023	-	194,838	194,838	
2024 - 2028	-	185,981	185,981	
2029 - 2031	<u>1,100,000</u>	<u>31,351</u>	<u>1,131,351</u>	
Total	<u>\$ 1,100,000</u>	<u>\$ 607,010</u>	<u>\$ 1,707,010</u>	
Grand Total	<u>\$39,200,000</u>	<u>\$21,826,702</u>	<u>\$61,026,702</u>	

On October 25, 2010, the District issued an approved bond issue in the amount of \$14,100,000. The bonds mature in 2028, and have an interest rate between 4.33% and 5.45%. There is no portion of the principal due as a current liability. The first interest payment was due December 15, 2010.

Compensated Absences

Qualified employees are entitled to accumulate annual leave of 10 to 13 days per fiscal year. Upon retirement, employees will not be paid accrued annual leave. Vested or accumulated leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and as a fund liability of the governmental fund that will pay for it. Amounts of vested or accumulated leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net position.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

9. DEFERRED REVENUES

The District reports deferred revenues on its statement of net position and fund balance sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability, and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member's premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or re-insurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2013.

Contingent Liabilities

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's counsel the resolution of these matters will not have a material effect on the financial condition of the District.

Employee Retirement Plan

Plan description – Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefits retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost of living adjustments to plan members (certified teachers and other

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

10. RISK MANAGEMENT (CONTINUED)

employees of state public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available report that includes the 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 87502-6129
www.nmerb.org

Funding Policy – Plan members who earn less than \$20,000 per year are required to contribute 7.9% of their gross salary. The District is required to contribute 12.4% of their gross covered salary. Plan members who earn more than \$20,000 per year are required to contribute 9.4% of their gross salary. The District is required to contribute 10.9% of their gross covered salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contributions will be 13.9%. The contribution requirements of plan members and the District are established in Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of legislature. The District's contributions to the ERB for the years ended June 30, 2013, 2012 and 2011 were \$1,498,771, \$1,286,278 and \$1,629,187 respectively, equal to the amount of the required contribution for the year.

Post-Retirement Health Care Benefits

Plan Description – The District contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The RHCA 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
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

10. RISK MANAGEMENT (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:

Retiree Health Care Authority
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 health care benefits. Each participating retiree pays a monthly premium according to a service-based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The Retiree Health Care Act (Section 10-7C-15) NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute required each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after January 1, 1998 are also required to make a surplus-amount contribution to the RHCA based on one two formulas at agreed-upon intervals.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

10. RISK MANAGEMENT (CONTINUED)

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

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

The District's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011 were \$270,040, \$248,084 and \$247,385 respectively, which equal the required contributions for each year.

School District Cash Flows

The District operates primarily on reimbursement grants. The District must support the expenditures of these grants with monies from the unrestricted operating monies. Operating on a reimbursement basis for these grants does not adversely affect the District's ability to operate effectively. However, the time it takes to receive reimbursement, if extensive, does significantly affect the District's cash flows and the ability to deliver educational services to the community in an effective manner. The delay in receiving reimbursements has been progressively increasing through this and the previous four years. The current trend will adversely affect District in subsequent years.

11. RESTATEMENT

The District's beginning trial balance in several governmental and special revenue funds had to be restated, as explained below:

The District's beginning trial balance was not in agreement with the balances per the 2012 audited financial statements. As a result, the beginning fund balances were incorrect and had to be corrected in order to reflect the 2012 audited amounts. The total effect of these adjustments, as shown on the Statement of Revenues, Expenditures and Changes in Fund balances was \$61,076, for the fund financial statements. For the government-wide statements, the total effect of these adjustments, as shown on the Statement of Activities, was \$4,125,404.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

11. RESTATEMENT (CONTINUED)

Component Units

The beginning trial balances of the component units had to be restated for the same reasons. The total effect of these adjustments, as shown on the Statement of Activities, was \$190,090.

12. SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 11, 2013, the date which the financial statements were available to be issued.

13. COMPONENT UNIT INFORMATION

Component Unit – Anansi Charter School / Friends of Anansi Charter School

The Anansi Charter School is a discrete component unit of the District. The following are summarized details of the Charter's balances and transactions as of June 30, 2013 and for the year then ended:

Reporting Entity: Anansi Charter School is a special purpose government corporation established under the Public Charter Code and is governed by an elected nine member council. The Council is the basic level of government, which has oversight responsibility and control over all activities related to the Charter. The Charter is responsible for activities related to public elementary school education. The Charter receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The Charter's financial statements include all entities over which the Council exercises oversight responsibility. Oversight includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, one component unit is included in the financial statements.

GAAP requires the financial statements present the Charter (primary government) and its component units. The Charter has one component unit that is required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity and GASB Statement No. 39; Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

The Charter has one component unit reported as a discretely presented component unit. Friends of Anansi Charter School, a foundation, is closely related to Anansi

Charter School and exists for the primary purpose of providing direct benefits to the Charter School.

Depository Collateral: The following is the Cash on Deposit at each financial institution:

Cash on Deposit

U.S. Bank - Operational Account	\$ 107,522
U.S. Bank - FSA Account	<u>2,080</u>
Total Amount on Deposit	109,602
Deposits in Transit	-
Outstanding Checks	<u>(5,386)</u>
Total Per Financial Statements	<u><u>\$ 104,216</u></u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

Capital Assets:

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total Capital Assets not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets being depreciated:				-
Land Improvements	-			-
Buildings and Improvements	-			-
Furniture, Fixtures and Equipment	61,876	-	-	61,876
Total Capital Assets being depreciated	<u>61,876</u>	<u>-</u>	<u>-</u>	<u>61,876</u>
Less: Accumulated Depreciation for:				-
Land Improvements	-			-
Buildings and Improvements	-			-
Furniture, Fixtures and Equipment	(24,768)	(6,187)	-	(30,955)
Total Capital Assets being depreciated	<u>(24,768)</u>	<u>(6,187)</u>	<u>-</u>	<u>(30,955)</u>
Total Capital Assets being Depreciated, Net	<u>37,108</u>	<u>(6,187)</u>	<u>-</u>	<u>30,921</u>
Total Capital Assets, Net	<u>\$ 37,108</u>	<u>\$ (6,187)</u>	<u>\$ -</u>	<u>\$ 30,921</u>

Retirement Plan: The Charter's contributions to the ERB for the years ended June 30, 2013, 2012 and 2011, respectively were \$53,320, \$52,865 and \$45,212, equal to the amount of required contributions for these years.

Retiree Health Care Act: The Charter's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011, respectively were \$11,608, \$10,380 and \$6,522 equal to the required contributions for these years.

Compensated Absences: The Charter does not accrue a liability for compensated absences. Employees are contracted on an annual basis with all contracts being fully executed by the end of the year. Also, the current leave policy does not award any leave upon termination or retirement.

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

Prepaid Lease Expense: In May of 2010, Anansi Charter School paid \$932,562 to the Friends of Anansi Charter School. The funds were used by the Friends to construct and improve real estate which is leased by the Charter. The payment represents prepayment of the lease expense for the twenty year period beginning July 1, 2010. The Anansi Charter School will amortize the lease payment at the rate of \$3,882 per month.

Friends of Anansi Charter School: Friend of Anansi Charter School, Inc. (Foundation) is a legally separate, tax-exempt component of Anansi Charter School. The Council is the basic level of government, which has oversight responsibility and control over all activities related to the Foundation. The Foundation operates for the purpose of providing supporting funds to the Anansi Charter School. The Foundation received funds from renting facilities to the Charter, donations and fund raising.

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

The Foundation is reported as a discretely presented component unit of Anansi Charter School, as required in accordance with GASB Statement No. 14, The Financial Reporting Entity and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14.

The following is the Cash on Deposit at each financial institution:

<u>Cash on Deposit</u>	
Cash, FCB	\$ 82,863
Cash, Capital Projects	<u> -</u>
Total Amount on Deposit	82,863
Deposits in Transit	-
Outstanding Checks	<u>(4,386)</u>
Total Per Financial Statements	<u><u>\$ 78,477</u></u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

Capital Assets:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets not being depreciated:				
Land	\$ 587,500	\$ -	\$ -	\$ 587,500
Construction Work in Progress	-	-	-	-
Total Capital Assets not being depreciated	587,500	-	-	587,500
Capital Assets being depreciated:				
Land Improvements	37,461	-	-	37,461
Furniture and Equipment	23,624	-	-	23,624
Buildings and Improvements	1,984,856	-	-	1,984,856
Total Capital Assets being depreciated	2,045,941	-	-	2,045,941
Less: Accumulated Depreciation	(137,030)	(57,901)	-	(194,931)
Total Capital Assets, Net	<u>\$2,496,411</u>	<u>\$ (57,901)</u>	<u>\$ -</u>	<u>\$ 2,438,510</u>

Retirement Plan: The Foundation does not participate in ERB.

Retiree Health Care Act: The Foundation does not participate in RHCA.

Compensated Absences: The Foundation does not accrue a liability for compensated absences as they have no employees.

Cash and Cash Equivalents: For the purpose of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Income Taxes: The Foundation is a tax-exempt organization under Section 501 (c) (3) of the IRS Code.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

Long-Term Debt: The Foundation borrowed \$1,800,000 for the purpose of financing the construction of the Anansi Charter School Buildings. Funding to pay the debt is from rent charged to the Charter School for use of the buildings. The annual requirements to retire this loan as of June 30, 2013 are as follows:

Date of issue - March 19, 2008
Original amount - \$1,800,000
Interest rate - 4.375%

Due in Year			
Ending	Principal	Interest	Total
2014	23,722	72,614	96,336
2015	24,760	71,576	96,336
2016	25,843	70,493	96,336
2017	26,974	69,362	96,336
2018	28,154	68,182	96,336
2019-2023	146,930	334,750	481,680
2024-2028	179,070	302,610	481,680
2029-2033	218,240	263,440	481,680
2034-2038	265,980	215,700	481,680
2039-2043	324,165	157,515	481,680
2044-2048	<u>395,909</u>	<u>85,771</u>	<u>481,680</u>
Total	<u>\$ 1,659,747</u>	<u>\$ 1,712,013</u>	<u>\$ 3,371,760</u>

The current portion is the Foundation's short term debt.

Financial Statement Presentation: The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-For-Profit Organizations. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net position: Unrestricted Net position, Temporarily Restricted Net Position and Permanently Restricted Net Position. In addition, the Foundation is required to present a statement of cash flows.

Deferred Lease Income: In May of 2010, the Friends of Anansi Charter School received \$931,562 from the New Mexico Public Schools Facility Authority. The payment was for advance lease payments, for real property, from the Anansi Charter School. The proceeds were used for construction and improvements of the real property leased to Anansi Charter School.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

The Friends of Anansi Charter School will recognize the lease income ratably over a twenty year period beginning July 1, 2010. The income recognition will be \$3,882 per month.

Component Unit – Taos Charter School / Friends of Taos Charter School

The Taos Charter School is a discrete component unit of the School District.

The following are summarized details of the Charter's balances and transactions as of June 30, 2013 and for the year then ended:

Reporting Entity: Taos Charter School is a special purpose government corporation established under the Public Charter Code and is governed by an elected nine member council. The Council is the basic level of government, which has oversight responsibility and control over all activities related to the Charter. The Charter is responsible for activities related to public elementary school education. The Charter receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The Charter's financial statements include all entities over which the Council exercises oversight responsibility. Oversight includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, one component unit is included in the financial statements.

GAAP requires the financial statements present the Charter (primary government) and its component units. The Charter has one component unit that is required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14.

The Charter has one component unit reported as a discretely presented component unit. Friends of Taos Charter School, a foundation, is closely related to Taos Charter School and exists for the primary purpose of providing direct benefits to the Charter School.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

The following is the Cash on Deposit at each financial institution:

Cash on Deposit

U.S. Bank - Operational	\$ 72,203
U.S. Bank - FSA	<u>2,662</u>
Total Amount on Deposit	74,865
Deposits in Transit	163
Outstanding Checks	<u>(10,550)</u>
Total Per Financial Statements	<u>\$ 64,478</u>

Capital Assets: Capital Asset Activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 250,000	\$ -	\$ -	\$ 250,000
Total Capital Assets not being depreciated	250,000	-	-	250,000
Capital assets being depreciated:				-
Land Improvements	-			-
Buildings and Improvements	1,058,421			1,058,421
Furniture, Fixtures and Equipment	<u>18,243</u>	-	-	<u>18,243</u>
Total Capital Assets being depreciated	<u>1,076,664</u>	-	-	<u>1,076,664</u>
Less: Accumulated Depreciation for:				
Land Improvements	-	-	-	-
Buildings and Improvements	(139,528)	(19,994)	-	(159,522)
Furniture, Fixtures and Equipment	<u>(6,721)</u>	<u>(3,000)</u>	-	<u>(9,721)</u>
Total Capital Assets being depreciated	<u>(146,249)</u>	<u>(22,994)</u>	-	<u>(169,243)</u>
Total Capital Assets being Depreciated, Net	<u>930,415</u>	<u>(22,994)</u>	-	<u>907,421</u>
Total Capital Assets, Net	<u>\$1,180,415</u>	<u>\$ (22,994)</u>	<u>\$ -</u>	<u>\$ 1,157,421</u>

Retirement Plan: The Charter's contributions to the ERB for the years ended June 30, 2013, 2012 and 2011, respectively were \$78,596, \$72,699 and \$80,815, equal to the amount of required contributions for these years.

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

Retiree Health Care Act: The Charter's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011, respectively were \$14,302, \$14,196 and \$11,754, equal to the required contributions for these years.

Compensated Absences: The Charter does not accrue a liability for compensated absences. Employees are contracted on an annual basis with all contracts being fully executed by the end of the year. Also, the current leave policy does not award any leave upon termination or retirement.

Friends of Taos Charter School: Friend of Taos Charter School, Inc. (Foundation) is a legally separate, tax-exempt component of Taos Charter School. The Council is the basic level of government, which has oversight responsibility and control over all activities related to the Foundation. The Foundation operates for the purpose of providing supporting funds to the Taos Charter School. The Foundation received funds from renting facilities to the Charter, donations and fund raising.

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

The Foundation is reported as a discretely presented component unit of Taos Charter School, as required in accordance with GASB Statement No. 14, The Financial Reporting Entity and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement No. 14.

The following is the Cash on Deposit at each financial institution:

<u>Cash on Deposit</u>	
Centinel Bank	<u>\$ 37,308</u>
Total Amount on Deposit	\$ 37,308
Deposits in Transit	-
Outstanding Checks	-
Total Per Financial Statements	<u>\$ 37,308</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

Capital Assets:

	Beginning Balance	Increases	Decreases	Ending Balance
Buildings and Improvements	734,956	-	-	734,956
Less: Accumulated Depreciation	(91,870)	(36,748)	-	(128,618)
Total Capital Assets, Net	<u>643,086</u>	<u>(36,748)</u>	<u>-</u>	<u>606,338</u>

Retirement Plan: The Foundation does not participate in ERB.

Retiree Health Care Act: The Foundation does not participate in RHCA.

Compensated Absences: The Foundation does not accrue a liability for compensated absences as they have no employees.

Cash and Cash Equivalents: For the purpose of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Income Taxes: The Foundation is a tax-exempt organization under Section 501 (c) (3) of the IRS Code.

Long-Term Debt: The Foundation borrowed \$750,000 for the purpose of financing the construction of the Taos Charter School Buildings. Funding to pay the debt is from rent charged to the Charter School for use of the buildings. The Foundation paid off this debt during the 2012 fiscal year.

During the year the following changes occurred:

	<u>Balance, 6/30/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, 6/30/2013</u>	<u>Due Within One Year</u>
Loan	<u>\$ 106,800</u>	<u>\$ -</u>	<u>\$ 106,800</u>	<u>\$ -</u>	<u>\$ -</u>

The Foundation did not have any short term debt.

Financial Statement Presentation: The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-For-Profit Organizations. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net position:

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

13. COMPONENT UNIT INFORMATION (CONTINUED)

Unrestricted Net Position, Temporarily Restricted Net Position and Permanently Restricted Net Position. In addition, the Foundation is required to present a statement of cash flows.

Component Unit – Vista Grande Charter School

The Vista Grande High School (Charter) is a discrete component unit of the School District.

Reporting Entity: Vista Grande High School (Charter) is a special purpose government corporation established under the Public Charter Code and is governed by an elected nine member council. The Council is the basic level of government, which has oversight responsibility and control over all activities related to the Charter. The Charter is responsible for activities related to public elementary school education. The Charter receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The following is the Cash on Deposit at each financial institution:

Cash on Deposit

First Community Bank - Checking	<u>\$ 629,116</u>
Total Amount on Deposit	629,116
Deposits in Transit	-
Outstanding Checks	<u>(101,171)</u>
Total Per Financial Statements	<u>\$ 527,945</u>

Cash on Deposit at June 30, 2013	\$ 629,116
Less: Insured by FDIC	<u>(250,000)</u>
Uninsured Funds	379,116
50% Collateralization	189,558
Pledged Collateral	<u>205,000</u>
Excess of Pledged Collateral	<u>\$ 15,442</u>

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

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

	Beginning Balance	Increases	Decreases	Ending Balance
Equipment and Machinery	15,136	50,193		65,329
Less: Accumulated Depreciation	<u>(2,160)</u>	<u>(14,486)</u>	-	<u>(16,646)</u>
Total Capital Assets, Net	<u>12,976</u>	<u>35,707</u>	-	<u>48,683</u>

Retirement Plan: The Charter's contributions to the ERB for the years ended June 30, 2013, 2012 and 2011, respectively were \$65,028, \$53,988 and \$63,929, equal to the amount of required contributions for these years.

13. COMPONENT UNIT INFORMATION (CONTINUED)

Retiree Health Care Act: The Charter's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011, respectively were \$11,812, \$10,761 and \$9,548, equal to the required contributions for these years.

Compensated Absences: The Charter does not accrue a liability for compensated absences. Employees are contracted on an annual basis with all contracts being fully executed by the end of the year. Also, the current leave policy does not award any leave upon termination or retirement.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL – BOND BUILDING FUND
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Investment and Interest Income	\$ 592	\$ 1,370,019	\$ 9,143	\$ (1,360,876)
Local Sources	-	-	-	-
Total Revenues	<u>592</u>	<u>1,370,019</u>	<u>9,143</u>	<u>(1,360,876)</u>
Expenditures				
Capital Outlay	1,416,960	2,786,387	1,727,505	1,058,882
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	<u>1,416,960</u>	<u>2,786,387</u>	<u>1,727,505</u>	<u>1,058,882</u>
Budgeted Cash Balance	<u>\$ 1,416,368</u>	<u>\$ 1,416,368</u>	<u>\$ (1,718,362)</u>	<u>\$ (2,419,758)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
GENERAL FUNDS
JUNE 30, 2013**

OPERATING FUND – This fund is the chief operating fund of the District. It is used to account for all financial resources of the District except for those required to be accounted for in other funds.

INSTRUCTIONAL MATERIALS FUND – This fund is used to account for resources received from the Public Education Department to be used for the purchase of materials used as a basis of instruction.

PUPIL TRANSPORTATION FUND – This fund is used to account for resources received from the Public Education Department to be used only for eligible to and from school transportation costs.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2013**

	<u>General Funds</u>			<u>Total General Fund</u>
	<u>Operational Fund</u>	<u>Instructional Materials Fund</u>	<u>Pupil Transportation Fund</u>	
<u>ASSETS</u>				
Pooled Cash and Equivalents	\$1,417,662	\$ 36,334	\$ 24,969	\$ 1,478,965
Receivables:				
Delinquent Property Taxes	10,494	-	-	10,494
Grants				-
Due From Other Governments	-	-	-	-
Food Inventory	-	-	-	-
Total Assets	<u>\$1,428,156</u>	<u>\$ 36,334</u>	<u>\$ 24,969</u>	<u>\$ 1,489,459</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Cash Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	140,439	-	-	140,439
Accrued Liabilities	-	-	-	-
Deferred Revenue:				
Federal, State and Local Grants	-	-	-	-
Delinquent Property Taxes	10,494	-	-	10,494
Total Liabilities	150,933	-	-	150,933
Fund Balance:				
Unassigned	<u>1,277,223</u>	<u>36,334</u>	<u>24,969</u>	<u>1,338,526</u>
Total Fund Balance	<u>1,277,223</u>	<u>36,334</u>	<u>24,969</u>	<u>1,338,526</u>
Total Liabilities and Fund Balance	<u>\$1,428,156</u>	<u>\$ 36,334</u>	<u>\$ 24,969</u>	<u>\$ 1,489,459</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
GENERAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013**

	General Funds			Total General Fund
	Operational Fund	Instructional Materials Fund	Pupil Transportation Fund	
REVENUES:				
Taxes	\$ 176,441	\$ -	\$ -	\$ 176,441
Charges for Services	256,631	-	-	256,631
Local Sources	-	-	-	-
State Sources	18,518,741	159,573	846,769	19,525,083
Federal Sources	98,735	-	-	98,735
Investment and Interest Income	<u>1,793</u>	<u>-</u>	<u>551</u>	<u>2,344</u>
Total Revenues	19,052,341	159,573	847,320	20,059,234
EXPENDITURES:				
Current:				
Direct Instruction	19,197,725	289,421	846,540	20,333,686
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bonds	-	-	-	-
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>19,197,725</u>	<u>289,421</u>	<u>846,540</u>	<u>20,333,686</u>
Excess (Deficiency) of Revenues Over Expenditures	(145,384)	(129,848)	780	(274,452)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Loan Proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(145,384)	(129,848)	780	(274,452)
Fund Balance at the Beginning of the Year	1,482,764	166,182	24,190	1,673,136
Restatement	<u>(60,157)</u>	<u>-</u>	<u>(1)</u>	<u>(60,158)</u>
Fund Balance at the End of the Year	<u>\$ 1,277,223</u>	<u>\$ 36,334</u>	<u>\$ 24,969</u>	<u>\$ 1,338,526</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP
BUDGETARY BASIS) – OPERATIONAL FUND
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Taxes	\$ 164,504	\$ 164,504	\$ 176,441	\$ 11,937
Charges for Services	2,650	2,650	256,631	253,981
Local Sources	-	-	-	-
State Sources	18,021,938	18,246,261	18,316,362	70,101
Federal Sources	62,200	62,200	98,735	36,535
Investment and Interest Income	<u>76,375</u>	<u>76,375</u>	<u>1,793</u>	<u>(74,582)</u>
Total Revenues	18,327,667	18,551,990	18,849,962	297,972
Expenditures				
Direct Instruction	19,827,572	20,051,895	19,250,656	801,239
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	<u>19,827,572</u>	<u>20,051,895</u>	<u>19,250,656</u>	<u>801,239</u>
Budgeted Cash Balance	<u>\$ 1,499,905</u>	<u>\$ 1,499,905</u>	<u>\$ (400,694)</u>	<u>\$ (503,267)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP
BUDGETARY BASIS) – INSTRUCTIONAL MATERIALS FUND
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	159,506	325,688	159,573	(166,115)
Federal Sources	-	-	-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>159,506</u>	<u>325,688</u>	<u>159,573</u>	<u>(166,115)</u>
Expenditures				
Direct Instruction	312,720	478,902	289,421	189,481
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	<u>312,720</u>	<u>478,902</u>	<u>289,421</u>	<u>189,481</u>
Budgeted Cash Balance	<u>\$ 153,214</u>	<u>\$ 153,214</u>	<u>\$ (129,848)</u>	<u>\$ (355,596)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP
BUDGETARY BASIS) – PUPIL TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	850,434	846,769	846,769	-
Federal Sources	-	-	-	-
Investment and Interest Income	-	-	551	551
Total Revenues	<u>850,434</u>	<u>846,769</u>	<u>847,320</u>	<u>551</u>
Expenditures				
Direct Instruction	1,999,105	846,769	846,540	229
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Total Expenditures	<u>1,999,105</u>	<u>846,769</u>	<u>846,540</u>	<u>229</u>
Budgeted Cash Balance	<u>\$ 1,148,671</u>	<u>\$ -</u>	<u>\$ 780</u>	<u>\$ 322</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET – BY FUND TYPE
JUNE 30, 2013**

	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>
<u>ASSETS</u>				
Pooled Cash and Equivalents	\$ 534,807	\$ 1,242,671	\$ 3,999,353	\$ 5,776,831
Receivables:				
Delinquent Property Taxes	-	130,774	200,488	331,262
Grants	1,133,727	-	-	1,133,727
Due From Other Governments	-	-	-	-
Food Inventory	39,962	-	-	39,962
Total Assets	<u>\$ 1,708,496</u>	<u>\$ 1,373,445</u>	<u>\$ 4,199,841</u>	<u>\$ 7,281,782</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Cash Overdraft	\$ 1,338,081	\$ -	\$ -	\$ 1,338,081
Accounts Payable	64,093	128,548	-	192,641
Accrued Liabilities	-	-	-	-
Deferred Revenue:				
Federal, State and Local Grants	-	-	-	-
Delinquent Property Taxes	-	130,775	200,488	331,263
Total Liabilities	1,402,174	259,323	200,488	1,861,985
Fund Balance:				
Assigned:				
Retirement of Long-Term Debt	-	-	3,999,353	3,999,353
Inventories	-	-	-	-
Unassigned, Reported in:				
Special Revenue Funds	306,322	-	-	306,322
Capital Projects Funds	-	1,114,122	-	1,114,122
Total Fund Balance	<u>306,322</u>	<u>1,114,122</u>	<u>3,999,353</u>	<u>5,419,797</u>
Total Liabilities and Fund Balance	<u>\$ 1,708,496</u>	<u>\$ 1,373,445</u>	<u>\$ 4,199,841</u>	<u>\$ 7,281,782</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2013**

	Special Revenue Funds	Capital Project Funds	Debt Service Funds	Total
Revenues:				
Property Taxes	\$ -	\$ 2,079,418	\$ 2,573,369	\$ 4,652,787
Charges for Services	167,227	-	-	167,227
Local Sources	-	-	-	-
State Sources	551,790	-	-	551,790
Federal Sources	2,853,367	-	-	2,853,367
Investment and Interest Income	17	1,350	964	2,331
Total Revenues	3,572,401	2,080,768	2,574,333	8,227,502
Expenditures:				
Direct Instruction	-	-	-	-
Instructional Support	2,100,865	-	-	2,100,865
Food Services	1,806,941	-	-	1,806,941
Capital Outlay	-	-	-	-
Debt Service:			-	
Bonds	-	3,197,575	2,502,017	5,699,592
Interest	-	-	12,838	12,838
Total Expenditures	3,907,806	3,197,575	2,514,855	9,620,236
Net Change in Fund Balance	(335,405)	(1,116,807)	59,478	(1,392,734)
Fund Balance at Beginning of Year	642,644	2,230,930	3,939,875	6,813,449
Restatement	(917)	(1)	-	(918)
Fund Balance at End of Year	<u>\$ 306,322</u>	<u>\$ 1,114,122</u>	<u>\$ 3,999,353</u>	<u>\$ 5,419,797</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND
ACTUAL – NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ 207,850	\$ 207,850	\$ 167,227	\$ (40,623)
Local Sources	-	-	-	-
State Sources	265,091	452,405	551,790	99,385
Federal Sources	2,634,718	3,468,840	2,853,367	(615,473)
Investment and Interest Income	80,000	80,000	17	(79,983)
Total Revenues	<u>3,187,659</u>	<u>4,209,095</u>	<u>3,572,401</u>	<u>(636,694)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	1,549,291	2,570,727	2,100,865	469,862
Food Services	1,999,105	1,999,105	1,806,941	192,164
Capital Outlay	-	-	-	-
Debt Service:				
Bonds	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>3,548,396</u>	<u>4,569,832</u>	<u>3,907,806</u>	<u>662,026</u>
Revenues Over (Under) Expenditures	<u>\$ (3,548,396)</u>	<u>\$ (4,569,832)</u>	<u>\$ (335,405)</u>	<u>\$ (1,298,720)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND
ACTUAL – NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Property Taxes	\$ 2,113,674	\$ 2,113,674	\$ 2,079,418	\$ (34,256)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Investment and Interest Income	-	-	1,350	1,350
Total Revenues	<u>2,113,674</u>	<u>2,113,674</u>	<u>2,080,768</u>	<u>(32,906)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	3,318,509	3,374,952	-	3,374,952
Debt Service:				
Bonds	-	-	3,197,575	(3,197,575)
Interest	-	-	-	-
Total Expenditures	<u>3,318,509</u>	<u>3,374,952</u>	<u>3,197,575</u>	<u>177,377</u>
Revenues Over (Under) Expenditures	<u>\$ (1,204,835)</u>	<u>\$ (1,261,278)</u>	<u>\$ (1,116,807)</u>	<u>\$ (210,283)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES – BUDGET AND
 ACTUAL – NON-MAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Property Taxes	\$ 3,396,000	\$ 3,396,000	\$ 2,573,369	\$ (822,631)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Investment and Interest Income	-	-	964	964
Total Revenues	<u>3,396,000</u>	<u>3,396,000</u>	<u>2,574,333</u>	<u>(821,667)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bonds	6,146,869	6,146,869	2,502,017	3,644,852
Interest	13,000	13,000	12,838	162
Total Expenditures	<u>6,159,869</u>	<u>6,159,869</u>	<u>2,514,855</u>	<u>3,645,014</u>
Revenues Over (Under) Expenditures	<u>\$ (2,763,869)</u>	<u>\$ (2,763,869)</u>	<u>\$ 59,478</u>	<u>\$ (4,466,681)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

IDEA-B DISCRETIONARY

Federal funds received to promote IDEA-B Program.

ATHLETICS

This fund provides financing for school athletic activities. Funding is provided by fees from patrons.

ENGLISH LANGUAGE ACQUISITION

To account for money received to ensure that Limited English Proficient Children (LEP) attain English proficiency and meet the same challenging State academic content and student academic achievement standards as all children and youth are expected to meet. Financing and authority for this program is the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101, 3129.

ENTITLEMENT IDEA-B

The Entitlement IDEA-B program is to provide grants to states that flow through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 619, as amended, 20 U.S.C. 1711-1417 and 1420.

PRESCHOOL IDEA-B

The Preschool program is for the purpose of enhancing Special Education for handicapped children from ages 3 to 5. The program is funded by the United States government, under the Individuals With Disabilities Act, part B, Section 619, as amended, Public Laws 94-142,99 457,100-630,101497, and101-476.

FRESH FRUITS AND VEGETABLES

To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2006. Authorization granted under National School Lunch Act, as amended, 42 U.S.C. 1769.

FOOD SERVICES

This program provides financing for the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, Public Law 79-396, Sections 2-12, 60, Stat. 230, 42 U.S.C 1751 et seq.; 80 stat. 889, as amended; 84 stat. 270; and the Child Nutrition Act of 1966, as amended, Sections 4 and 10. Public Law 89-642, 80 sat. 886, 889, 42 U.S.C 1773, 1779; Public Law 99-591, 100 stat. 3341; Public Law 100-71 stat. 430.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

PRESCHOOL IDEA-B FEDERAL STIMULUS

To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

FEDERAL STIMULUS SEG

To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

EDUCATION JOB FUND

Funding received to promote jobs and education for all students.

TEACHER PRINCIPAL TRAINING RECRUITING TITLE I

Funds / federal used to promote the recruiting and training of teachers and principals in the District.

SAFE AND DRUG FREE SCHOOLS

To offer a disciplined environment conducive to learning by preventing violence in and around schools and strengthen programs that prevent the use of alcohol, tobacco and drugs, involve parents and coordinate with related federal, state and community efforts.

TITLE I SCHOOL IMPROVEMENT

To account for federal resources passed through the NM Dept. of Education to provide for educational improvement through state assessments and related activities authorized by P.L. 107-110.

RURAL & LOW INCOME SCHOOLS

To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act, Title VI, Part B.

IDEA-B RISK POOL FUND

Federal funds received and used to supplement the IDEA-B risk pool.

TITLE I FEDERAL STIMULUS FUND

To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

NORTHERN NM NETWORK-TEACHER INCENTIVE

For the purpose of developing, implementing, and evaluating a teacher and principal performance based compensation system.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

CARL D PERKINS TECH PREP/JAG/CULINARY/SECONDARY REDISTRIBUTION

Basic grants assist states and outlying areas to expand and improve their programs of vocational education and provide equal access in vocational education to special need populations. Authorized by Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998, Title I, Public Law 105-332, 20 U.S.C. 2301, et seq.

DUAL CREDIT INSTRUCTIONAL MATERIALS

To account for resources received from House Bill 2, 2009, to be used for dual credit instructional materials through a courses approved by the Higher Education Department and through a college/university for which the District has an approved agreement.

GO BOND STUDENT LIBRARY FUND

To account for money received from the SB301, Laws of 2006 to be used to improve the library, acquire library books and library resources that support the library program.

ENTITLEMENT IDEA – B- STIMULUS

Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C 1411-1418; American Recovery and Reinvestment Act of 2009(ARRA), Public Law 111-5

ARRA SOLAR ENERGY

Federal solar energy award administered via the American Recovery and Reinvestment Act.

IMPACT AID SPECIAL EDUCATION/ IMPACT AID INDIAN EDUCATION

To provide financial assistance to local education agencies (LEAS) 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), where there is 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 3a and 3 b); where there is a significant decrease (Section 3c) 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 7a), 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.

GRADS CHILD CARE

To assist States to develop and implement, or expand and enhance, a comprehensive, statewide system of community based family resources and support services.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

Authorized by the Child Abuse Prevention and Treatment Act, 42 U.S.C. et. Seq., as amended, Public Law 104-235.

TITLE XIX MEDICAID

To provide financial assistance from the Federal government which flows-through the State of New Mexico to school districts, for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women and the aged who meet income and resource requirements, and other categorically- eligible groups. The program is funded by the US government under the Social Security Act, Title XIX, as amended, Public Laws 92-223, 92-602, 93-66, 93-223, 96-499, 97-35 , 97-2248, 98*369, 99-272, 99-509, 100-93, 100-202, 100-203, 100-360, 100-436, 100-485, 100-647, 101-166, 101-234, 101-239, 101-508, 101-517, 102-234, 102-170, 102-394, 103-66, 103-112, 103-333, 104-91, 104-193, 104-208, and 104-134; Balanced Budget Act of 1997, Public Law 105-33.

TANF GRADS

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

INDIAN ED FORMULA GRANT

The purpose of this program is to support projects which improve educational opportunities and achievement of Native American children. Funding is provided by the Federal Government, under the Elementary and Secondary Education Act of 1965, Title IX, Part A, Subpart1, as amended, Public Law 103-382, 20 U.S.C. 7811-7818; 25 U.S.C. 2002.

ENLACE UNM

Programs centered on family and community engagement, student to student mentoring, institution of sound educational policies, development of culturally relevant curricula, and professional development for teachers.

LANL FOUNDATION

Local grant sponsored by Los Alamos National Laboratory that was used to provide a scholarship to a senior high student that was to be used in a four-year program for educational efforts in pursuing an engineering degree at a New Mexico college or University.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

TECHNOLOGY FOR EDUCATION

State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge Grant. The creation of the fund is authorized by NMSA 1978 22-15A-1 to 22-15A-10.

BREAKFAST FOR ELEMENTARY STUDENTS

To provide elementary students with the nutrition necessary to facilitate learning.

KINDERGARTEN 3- PLUS

To provide support for the extension of preschool and kindergarten hours.

ASSIST TOBACCO

To provide funds to promote tobacco prevention efforts with youths, parents and community.

NM GEAR UP/USDE

To encourage eligible entities to provide supportive services to elementary and middle schools and secondary school students who are at risk of dropping out of school; and information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents. Authorization granted through Higher Education Act, Title IV, Part A, Subpart 2, Chapter 2, 20 USD 1070a-21-1070a-28.

PRIVATE DIRECT GRANTS

Various private grants received to assist in enhancing education.

SCHOOL BASED HEALTH CENTER

To enhance school based health centers infrastructure, develop and implement billing protocols, improve communication with school personnel, families, and outside agencies, and improve behavioral health programs.

IMMIGRANT FUNDING- TITLE III

To ensure that limited English proficient children and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander, and Alaskan native children with certain modifications relative to the unique status of native American language under Federal Law; to develop the extent possible, the native language skills of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA, as amended, Title III, Part A, Sections 3101, 3129.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

GOLDEN APPLE

To account for resources received to provide opportunities for academic enrichment and to encourage positive change in classroom instruction. Funding is provided by the Wells Fargo Golden Apple Foundation.

21st CENTURY COMMUNITY LIVING CENTERS

After school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral serves, drug prevention education, academic help, and character building (social skills) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

CARL D. PERKINS TECH PREP FUND / CARL D. PERKINS JAG FUND / CARL D. PERKINS SECONDARY REDISTRIBUTION

Basic grants assist states and outlying areas to expand and improve their programs of vocational education and provide equal access to special needs populations. Authorized by Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998, Title I, Public Law 105-332, 20 USC 2301, et. seq.

TEACHING AMERICAN HISTORY

The program is designed to raise student achievement by improving teachers' knowledge and understanding of and appreciation for traditional US History. Grant awards will assist LEAs in partnership with entities that have content expertise, to develop, document, evaluate, and disseminate innovative and cohesive models of professional development. By helping teachers to develop a deeper understanding and appreciation of U.S. history as a separate subject matter within the core curriculum, these programs will improve instruction and raise student achievement. Elementary and Secondary Education Act of 1965, as amended, Executive Order Subpart1, Title V, part D, as amended by ESEA, Title II, Part C, American History and Civics Education Act of 2004.

TITLE1-1003G

To strengthen the capacity to carry out program improvement responsibilities require under Sections 1116 and 1117 of Title 1 of the ESEA by (1) building District capacity to provide leadership in implementing effective school improvement strategies for local education agencies (LEAs) and schools that have been identified for improvement, are in corrective action, and are in the restructuring process and (2) providing resources to LEAs to support school improvement activates, including the development and implementation of effective restructuring plans. Authorized by Elementary and Secondary Education Act (ESEA), as amended, Executive Order Section 1003(g), Title1.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

ENHANCING EDUCATION

The technology fund provides financing to purchase computers and software for a District-wide student information system and software licensing for computer labs within the District. The Program is funded through the Office of Technology for the State of New Mexico. Authorized by the IASA Improving America School Act PL 103-382

TITLE III- INCENTIVE AWARDS

To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native American Pacific Islander, Native Hawaiian, and Alaskan natives children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skill of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101,3129.

TITLE V

To assist State and Local educational agencies in the reform of elementary and secondary education. Authorized by the Elementary and Secondary Education Act of 1965, Title V, as amended, 20 U.S.C. 7301-7373

GO BOND STUDENT LIBRARY FUND

To account for money received from the SB301, Laws of 2006 to be used to improve the library, acquire library books and library resources that support the library program.

TANF PED

Funding for the TANF Program through the Public Education Department to promote job preparation and work.

OBESITY PROGRAM

To provide for physical activities before and after school.

FULL DAY KINDERGARTEN

To account for funds received to provide the opportunity for the district to address early literacy. The full-day kindergarten program is the first step in the implementation of a sequential early approach to teaching reading.

INCENTIVE FOR SCHOOL IMPROVEMENTS

These funds are used for school improvements, from lighting to encyclopedias. Funding is provided by the State of New Mexico. The creation of the fund is authorized by NMSA 1978 22-13A-5.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

SUMMER BRIDGE

To account for revenues and expenditures from a state grant to provide funding for summer programs.

LIBRARIES GO BOND 2004

Funding made available to update and expand library collections.

INDIAN EDUCATION ACT

To provide technical assistance to NM public schools, school districts and public charter schools with Native American student enrollment.

BEGINNING TEACHER MENTORING

Funds to assist school districts in the design, implementation, and evaluation of beginning teacher mentoring programs. Funding is provided through the 2000 legislative session, with appropriated funds from the General Appropriation Act.

NEXTGEN PROGRAM

To assist schools in education by enhancing funding.

STATE 21ST CENTURY

To provide (1) opportunities for academic enrichment, including providing tutorial services to help students, particularly student in high poverty areas and those who attend low performing schools, meet State and local student performance standards in core academic subjects such as reading and mathematics;(2) students a broad array of additional services, programs, and activities, such as youth development activities, drug and violence prevention programs, counseling programs, art, music, and recreation programs, technology education programs, and character education programs, that are designed to reinforce and complement the regular academic program of participating students; and (3) families of students served by community learning centers opportunities for literacy and related educational development.

AFTERSCHOOL ENRICHMENT

To account for resources received to help increase math proficiency with a combination of academic enrichment, physical activity and nutrition education. Funding provided by the State of New Mexico.

LIBRARIES GO BOND 2006

Funding made available to update and expand library collections.

LIBRARY BOOKS

To support the purchase of library books. Authorized through New Mexico Senate Bill 471.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS**

GRADS CHILD CARE / GRADS INSTRUCTION FUND

Funding child care and support services for disadvantaged youth.

INTEL FOUNDATION

To assist schools in education by reducing the student to teacher ratio.

PNM FOUNDATION

Classroom innovation grant for the purpose of "Books 'N More" Authority for creation is a grant from PNM.

SCHOOL-BASED HEALTH CENTER

Funding for health services on campus.

NORTHERN NM NETWORK- RURAL EDUCATION

To account for a grant to purchase software for the STAR early literacy program.

CARL PERKINS UNIQUE OBLIGATION FUND

Basic grants assist states and outlying areas to expand and improve their programs of vocational education and provide equal access in vocational education to special need populations. Authorized by Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998, Title I, Public Law 105-332, 20 U.S.C. 2301, et seq.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2013**

	<u>IDEA-B Discretionary</u>	<u>Athletics Fund</u>	<u>English Language Acquisition</u>	<u>Entitlement IDEA-B Fund</u>	<u>Preschool IDEA-B Fund</u>
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ 35,215	\$ -	\$ -	\$ -
Receivables:					
Delinquent Property Taxes					
Grants	-	-	13,804	349,618	12,344
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 35,215</u>	<u>\$ 13,804</u>	<u>\$ 349,618</u>	<u>\$ 12,344</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ 14,338	\$ -	\$ 32,401	\$ 310,612	\$ 12,344
Accounts Payable	-	-	-	38,766	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
Total Liabilities	<u>14,338</u>	<u>-</u>	<u>32,401</u>	<u>349,378</u>	<u>12,344</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	(14,338)	35,215	(18,597)	240	-
Capital Projects Funds	-	-	-	-	-
Total Fund Balance	<u>(14,338)</u>	<u>35,215</u>	<u>(18,597)</u>	<u>240</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 35,215</u>	<u>\$ 13,804</u>	<u>\$ 349,618</u>	<u>\$ 12,344</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	Fresh Fruits and Vegetables Fund	Food Service Fund	Preschool IDEA-B Fed Stim	Federal Stimulus SEG	Education Job Fund
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ 1,500
Receivables:					
Delinquent Property Taxes					
Grants	-	124,498	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	39,962	-	-	-
	<u>-</u>	<u>39,962</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ 164,460</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,500</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ 29,060	\$ 223,897	\$ -	\$ -	\$ -
Accounts Payable	-	25,213	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>29,060</u>	<u>249,110</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	(29,060)	(84,650)	-	-	1,500
Capital Projects Funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>(29,060)</u>	<u>(84,650)</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 164,460</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,500</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	Teacher Principal Training Recruiting Title I	Safe and Drug Free Schools	Title I School Improvement	Rural and Low Income Schools Fund	IDEA-B Risk Pool
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:					
Delinquent Property Taxes	-	-	-	-	-
Grants	258,552	-	75,419	33,551	4,100
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ 258,552</u>	<u>\$ -</u>	<u>\$ 75,419</u>	<u>\$ 33,551</u>	<u>\$ 4,100</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ 267,283	\$ 1,594	\$ 75,419	\$ 31,928	\$ 4,100
Accounts Payable	114	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
Total Liabilities	<u>267,397</u>	<u>1,594</u>	<u>75,419</u>	<u>31,928</u>	<u>4,100</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	(8,845)	(1,594)	-	1,623	-
Capital Projects Funds	-	-	-	-	-
Total Fund Balance	<u>(8,845)</u>	<u>(1,594)</u>	<u>-</u>	<u>1,623</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 258,552</u>	<u>\$ -</u>	<u>\$ 75,419</u>	<u>\$ 33,551</u>	<u>\$ 4,100</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	Title I Federal Stimulus	Northern NM Incentive	Carl D. Perkins Tech Prep	Carl D. Perkins Culinary Fund	Dual Credit Instructional Materials
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ 44,090	\$ -	\$ -	\$ 404
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	33,729	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ 44,090</u>	<u>\$ -</u>	<u>\$ 33,729</u>	<u>\$ 404</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ 12,721	\$ -	\$ -	\$ 33,511	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>12,721</u>	<u>-</u>	<u>-</u>	<u>33,511</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	(12,721)	44,090	-	218	404
Capital Projects Funds	-	-	-	-	-
	<u>(12,721)</u>	<u>44,090</u>	<u>-</u>	<u>218</u>	<u>404</u>
Total Fund Balance	<u>(12,721)</u>	<u>44,090</u>	<u>-</u>	<u>218</u>	<u>404</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 44,090</u>	<u>\$ -</u>	<u>\$ 33,729</u>	<u>\$ 404</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	<u>GO Bond Student Library Fund</u>	<u>Entitlement - IDEA B Stimulus Fund</u>	<u>ARRA Solar Energy</u>	<u>Impact Aid Special Education Fund</u>	<u>Impact Aid Indian Education Fund</u>
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ 394	\$ -	\$ 87,517	\$ 25,736
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ 394</u>	<u>\$ -</u>	<u>\$ 87,517</u>	<u>\$ 25,736</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	-	394	-	87,517	25,736
Capital Projects Funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>394</u>	<u>-</u>	<u>87,517</u>	<u>25,736</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 394</u>	<u>\$ -</u>	<u>\$ 87,517</u>	<u>\$ 25,736</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	GRADS Child Care Fund	Title XIX Medicaid Fund	TANF GRADS Fund	Indian Ed. Formula Grant Fund	ENLACE UNM Fund
<u>ASSETS</u>					
Pooled Cash and Investments	\$ 6,556	\$ 87,582	\$ 13,757	\$ -	\$ 34
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 6,556</u>	<u>\$ 87,582</u>	<u>\$ 13,757</u>	<u>\$ -</u>	<u>\$ 34</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ 6,820	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,820</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	6,556	87,582	13,757	(6,820)	34
Capital Projects Funds	-	-	-	-	-
	<u>6,556</u>	<u>87,582</u>	<u>13,757</u>	<u>(6,820)</u>	<u>34</u>
Total Fund Balance	<u>6,556</u>	<u>87,582</u>	<u>13,757</u>	<u>(6,820)</u>	<u>34</u>
Total Liabilities and Fund Balance	<u>\$ 6,556</u>	<u>\$ 87,582</u>	<u>\$ 13,757</u>	<u>\$ -</u>	<u>\$ 34</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	LANL Foundation Grant	Technology for Education	Breakfast for Elementary Students	Kindergarten 3 Plus	Assist Tobacco DOH
<u>ASSETS</u>					
Pooled Cash and Investments	\$ 1,595	\$ 26,319	\$ -	\$ -	\$ 11,831
Receivables:					
Delinquent Property Taxes					
Grants	-	-	25,659	98,184	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ 1,595</u>	<u>\$ 26,319</u>	<u>\$ 25,659</u>	<u>\$ 98,184</u>	<u>\$ 11,831</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ 35,556	\$ 44,799	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>35,556</u>	<u>44,799</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	1,595	26,319	(9,897)	53,385	11,831
Capital Projects Funds	-	-	-	-	-
Total Fund Balance	<u>1,595</u>	<u>26,319</u>	<u>(9,897)</u>	<u>53,385</u>	<u>11,831</u>
Total Liabilities and Fund Balance	<u>\$ 1,595</u>	<u>\$ 26,319</u>	<u>\$ 25,659</u>	<u>\$ 98,184</u>	<u>\$ 11,831</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	NM Gear UP/USDE	Private Direct Grants	School Based Health Center	Immigrant Funding Title III	Golden Apple
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ 3,025	\$ -	\$ -	\$ -
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ 3,025</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ 44,141	\$ -	\$ 26,117	\$ 19,711	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	<u>44,141</u>	<u>-</u>	<u>26,117</u>	<u>19,711</u>	<u>-</u>
Total Liabilities	<u>44,141</u>	<u>-</u>	<u>26,117</u>	<u>19,711</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	(44,141)	3,025	(26,117)	(19,711)	-
Capital Projects Funds	-	-	-	-	-
	<u>(44,141)</u>	<u>3,025</u>	<u>(26,117)</u>	<u>(19,711)</u>	<u>-</u>
Total Fund Balance	<u>(44,141)</u>	<u>3,025</u>	<u>(26,117)</u>	<u>(19,711)</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 3,025</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	21st Century Community Living	Carl D. Perkins Tech Prep Fund	Carl D. Perkins JAG Fund	Carl D. Perkins Secondary Redistribution	Teaching American History Fund
<u>ASSETS</u>					
Pooled Cash and Investments	\$ 8,123	\$ -	\$ 22,058	\$ -	\$ -
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 8,123</u>	<u>\$ -</u>	<u>\$ 22,058</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	8,123	-	22,058	-	-
Capital Projects Funds	-	-	-	-	-
	<u>8,123</u>	<u>-</u>	<u>22,058</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>8,123</u>	<u>-</u>	<u>22,058</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 8,123</u>	<u>\$ -</u>	<u>\$ 22,058</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	Title I 1003A Grant	Enhancing Ed Through Tech	ELL Title III Incentive Awards	Title V Part A	GO Bond Student Library Fund
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ 2,409	\$ -	\$ 22	\$ -
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ 2,409</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ 2,467	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>2,467</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	-	2,409	(2,467)	22	-
Capital Projects Funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>2,409</u>	<u>(2,467)</u>	<u>22</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 2,409</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	TANF PED	Obesity Program PED	TANF Full Day Kindergarten	Incentives for School	Summer Bridge
<u>ASSETS</u>					
Pooled Cash and Investments	\$ 1	\$ 135	\$ 207	\$ 44,234	\$ 107
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
	-	-	-	-	-
Total Assets	\$ 1	\$ 135	\$ 207	\$ 44,234	\$ 107
 <u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	1	135	207	44,234	107
Capital Projects Funds	-	-	-	-	-
	-	-	-	-	-
Total Fund Balance	1	135	207	44,234	107
Total Liabilities and Fund Balance	\$ 1	\$ 135	\$ 207	\$ 44,234	\$ 107

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	Libraries - GO Bond 2004	Indian Education Act	Beginning Teacher Mentoring	Nextgen Program	21st Century State
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ -	\$ 9,934	\$ -	\$ -
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,934</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	-	-	9,934	-	-
Capital Projects Funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>9,934</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>-</u>	<u>9,934</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,934</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	<u>After School Enrichment</u>	<u>GO Bond Libraries 2006</u>	<u>2008 Library Book Fund</u>	<u>Grads Child Care</u>	<u>Grads Instruction</u>
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ -	\$ 972	\$ 20,397	\$ 20,537
Receivables:					
Delinquent Property Taxes					
Grants	-	-	-	-	-
Due From Other Governments					
Food Inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 972</u>	<u>\$ 20,397</u>	<u>\$ 20,537</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Deferred Revenue:					
Federal, State and Local Grants					
Delinquent Property Taxes	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds	-	-	972	20,397	20,537
Capital Projects Funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>-</u>	<u>972</u>	<u>20,397</u>	<u>20,537</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 972</u>	<u>\$ 20,397</u>	<u>\$ 20,537</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	IDEA-B Results Plan	Formative Assessments	Office of Cultural Affairs
<u>ASSETS</u>			
Pooled Cash and Investments	\$ -	\$ -	\$ -
Receivables:			
Delinquent Property Taxes			
Grants	104,269	-	-
Due From Other Governments			
Food Inventory	-	-	-
	-	-	-
Total Assets	\$ 104,269	\$ -	\$ -
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Cash Overdraft	\$ 104,269	\$ -	\$ 4,993
Accounts Payable	-	-	-
Accrued Liabilities	-	-	-
Deferred Revenue:			
Federal, State and Local Grants			
Delinquent Property Taxes	-	-	-
	-	-	-
Total Liabilities	104,269	-	4,993
Fund Balance:			
Unassigned, Reported in:			
Special Revenue Funds	-	-	(4,993)
Capital Projects Funds	-	-	-
	-	-	(4,993)
Total Fund Balance	-	-	(4,993)
Total Liabilities and Fund Balance	\$ 104,269	\$ -	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS (continued)
JUNE 30, 2013**

	Intel Foundation Grant	PNM Foundation Grant	School Based Health Center (DOH)	Northern NM Network Rural Education	Carl Perkins - Unique Obligations	Total
<u>ASSETS</u>						
Pooled Cash and Investments	\$ 3,000	\$ -	\$ 57,116	\$ -	\$ -	\$ 534,807
Receivables:						-
Delinquent Property Taxes						-
Grants	-	-	-	-	-	1,133,727
Due From Other Governments	-	-	-	-	-	-
Food Inventory	-	-	-	-	-	39,962
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,962</u>
Total Assets	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 57,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,708,496</u>
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,338,081
Accounts Payable	-	-	-	-	-	64,093
Accrued Liabilities	-	-	-	-	-	-
Deferred Revenue:						
Federal, State and Local Grants	-	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,402,174</u>
Fund Balance:						
Unassigned, Reported in:						
Special Revenue Funds	3,000	-	57,116	-	-	306,322
Capital Projects Funds	-	-	-	-	-	-
	<u>3,000</u>	<u>-</u>	<u>57,116</u>	<u>-</u>	<u>-</u>	<u>306,322</u>
Total Fund Balance	<u>3,000</u>	<u>-</u>	<u>57,116</u>	<u>-</u>	<u>-</u>	<u>306,322</u>
Total Liabilities and Fund Balance	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 57,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,708,496</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013**

	IDEA-B Discretionary	Athletics Fund	English Language Acquisition	Entitlement IDEA-B Fund	Preschool IDEA-B Fund
Revenues:					
Charges for Services	\$ -	\$ 71,587	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	4,575	-	36,956	831,811	23,936
Investment and Interest Income	-	-	-	-	-
Total Revenues	4,575	71,587	36,956	831,811	23,936
Expenditures:					
Direct Instruction	-	-	-	-	-
Instructional Support	5,000	86,695	29,239	831,811	23,936
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	5,000	86,695	29,239	831,811	23,936
Net Change in Fund Balance	(425)	(15,108)	7,717	-	-
Fund Balance at Beginning of Year	(13,913)	50,324	(26,315)	240	-
Restatement	-	(1)	1	-	-
Fund Balance at End of Year	\$ (14,338)	\$ 35,215	\$ (18,597)	\$ 240	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES (continued)
 FOR THE YEAR ENDED JUNE 30, 2013**

	Fresh Fruits and Vegetables Fund	Food Service Fund	Preschool IDEA-B Fed Stim	Federal Stimulus SEG	Education Job Fund
Revenues:					
Charges for Services	-	95,640	-	-	-
Local Sources	-	-	-	-	-
State Sources	-	162,763	-	-	-
Federal Sources	45,515	1,197,261	-	-	-
Investment and Interest Income	-	17	-	-	-
Total Revenues	45,515	1,455,681	-	-	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	51,613	-	-	-	-
Food Services	-	1,806,941	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	51,613	1,806,941	-	-	-
Net Change in Fund Balance	(6,098)	(351,260)	-	-	-
Fund Balance at Beginning of Year	(22,961)	266,609	-	-	1,500
Restatement	(1)	1	-	-	-
Fund Balance at End of Year	<u>\$ (29,060)</u>	<u>\$ (84,650)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,500</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Teach Principal Training Recruiting Title I	Safe and Drug Free Schools	Title I School Improvement	Rural and Low Income Schools Fund	IDEA-B Risk Pool
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	258,552	-	75,419	60,245	5,344
Investment and Interest Income	-	-	-	-	-
Total Revenues	258,552	-	75,419	60,245	5,344
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	259,648	-	75,419	60,154	4,100
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	259,648	-	75,419	60,154	4,100
Net Change in Fund Balance	(1,096)	-	-	91	1,244
Fund Balance at Beginning of Year	(7,750)	(1,594)	1	1,532	-
Restatement	1	-	(1)	-	(1,244)
Fund Balance at End of Year	\$ (8,845)	\$ (1,594)	\$ -	\$ 1,623	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Title I Federal Stimulus	Northern NM Incentive	Carl D. Perkins Tech Prep	Carl D. Perkins Culinary Fund	Dual Credit Instructional Materials
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	45,139
Federal Sources	-	-	-	36,735	(38,924)
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	-	-	36,735	6,215
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	36,734	6,545
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	36,734	6,545
Net Change in Fund Balance	-	-	-	1	(330)
Fund Balance at Beginning of Year	(12,721)	44,090	-	217	404
Restatement	-	-	-	-	330
Fund Balance at End of Year	\$ (12,721)	\$ 44,090	\$ -	\$ 218	\$ 404

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES (continued)
 FOR THE YEAR ENDED JUNE 30, 2013**

	GO Bond Student Library Fund	Entitlement - IDEA B Stimulus Fund	ARRA Solar Energy	Impact Aid Special Education Fund	Impact Aid Indian Education Fund
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	-	-	-	23,128	9,495
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	-	-	23,128	9,495
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	80,572	24,489
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	80,572	24,489
Net Change in Fund Balance	-	-	-	(57,444)	(14,994)
Fund Balance at Beginning of Year	-	395	-	144,962	40,730
Restatement	-	(1)	-	(1)	-
Fund Balance at End of Year	\$ -	\$ 394	\$ -	\$ 87,517	\$ 25,736

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	GRADS Child Care Fund	Title XIX Medicaid Fund	TANF GRADS Fund	Indian Ed. Formula Grant Fund	ENLACE UNM Fund
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	-	120,396	-	35,931	-
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	120,396	-	35,931	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	19,245	-	40,206	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	-	19,245	-	40,206	-
Net Change in Fund Balance	-	101,151	-	(4,275)	-
Fund Balance at Beginning of Year	6,556	(13,568)	13,757	(2,544)	34
Restatement	-	(1)	-	(1)	-
Fund Balance at End of Year	<u>\$ 6,556</u>	<u>\$ 87,582</u>	<u>\$ 13,757</u>	<u>\$ (6,820)</u>	<u>\$ 34</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES (continued)
 FOR THE YEAR ENDED JUNE 30, 2013**

	LANL Foundation Grant	Technology for Education	Breakfast for Elementary Students	Kindergarten 3 Plus	Assist Tobacco DOH
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	20,204	-	8,137	226,222	-
Federal Sources	-	-	17,522	11,607	-
Investment and Interest Income	-	-	-	-	-
Total Revenues	20,204	-	25,659	237,829	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	20,204	-	25,659	237,849	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	20,204	-	25,659	237,849	-
Net Change in Fund Balance	-	-	-	(20)	-
Fund Balance at Beginning of Year	1,595	26,319	(9,897)	53,405	11,831
Restatement	-	-	-	-	-
Fund Balance at End of Year	\$ 1,595	\$ 26,319	\$ (9,897)	\$ 53,385	\$ 11,831

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	NM Gear UP/USDE	Private Direct Grants	School Based Health Center	Immigrant Funding Title III	Golden Apple
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	23,812	500	-	-	-
Federal Sources	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	23,812	500	-	-	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	5,768	-	-	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>5,768</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	23,812	(5,268)	-	-	-
Fund Balance at Beginning of Year	(67,953)	8,293	(26,117)	(19,711)	-
Restatement	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (44,141)</u>	<u>\$ 3,025</u>	<u>\$ (26,117)</u>	<u>\$ (19,711)</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES (continued)
 FOR THE YEAR ENDED JUNE 30, 2013**

	21st Century Community Living	Carl D. Perkins Tech Prep Fund	Carl D. Perkins JAG Fund	Carl D. Perkins Secondary Redistribution	Teaching American History Fund
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	-	-	-	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	-	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-
Fund Balance at Beginning of Year	8,123	-	22,058	-	-
Restatement	-	-	-	-	-
Fund Balance at End of Year	\$ 8,123	\$ -	\$ 22,058	\$ -	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Title I 1003A Grant	Enhancing Ed Through Tech	ELL Title III Incentive Awards	Title V Part A	GO Bond Student Library Fund
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	6,406
Federal Sources	-	-	-	-	(6,406)
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	-	-	-	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	-	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-
Fund Balance at Beginning of Year	-	2,409	(2,467)	22	-
Restatement	-	-	-	-	-
Fund Balance at End of Year	\$ -	\$ 2,409	\$ (2,467)	\$ 22	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES (continued)
 FOR THE YEAR ENDED JUNE 30, 2013**

	TANF PED	Obesity Program PED	TANF Full Day Kindergarten	Incentives for School	Summer Bridge
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	-	-	-	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	-	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-
Fund Balance at Beginning of Year	1	135	207	44,234	107
Restatement	-	-	-	-	-
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 135</u>	<u>\$ 207</u>	<u>\$ 44,234</u>	<u>\$ 107</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES (continued)
 FOR THE YEAR ENDED JUNE 30, 2013**

	Libraries - GO Bond 2004	Indian Education Act	Beginning Teacher Mentoring	Nextgen Program	21st Century State
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	-	-	-	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	-	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	9,934	-	-
Restatement	-	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ 9,934	\$ -	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES (continued)
 FOR THE YEAR ENDED JUNE 30, 2013**

	After School Enrichment	GO Bond Libraries 2006	2008 Library Book Fund	Grads Child Care	Grads Instruction
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	37,513	-
Federal Sources	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	-	-	37,513	-
EXPENDITURES:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	40,177	5,446
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	-	-	-	40,177	5,446
Net Change in Fund Balance	-	-	-	(2,664)	(5,446)
Fund Balance at Beginning of Year	-	-	972	23,061	25,982
Restatement	-	-	-	-	1
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance at End of Year	\$ -	\$ -	\$ 972	\$ 20,397	\$ 20,537

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES (continued)
 FOR THE YEAR ENDED JUNE 30, 2013**

	IDEA-B Results Plan	Formative Assessments	Office of Cultural Affairs
<u>Revenues:</u>			
Charges for Services	\$ -	\$ -	\$ -
Local Sources	-	-	-
State Sources	-	19,994	1,100
Federal Sources	104,269	-	-
Investment and Interest Income	-	-	-
	104,269	19,994	1,100
EXPENDITURES:			
Direct Instruction	-	-	-
Instructional Support	104,269	19,994	6,093
Food Services	-	-	-
Capital Outlay	-	-	-
TOTAL EXPENDITURES	104,269	19,994	6,093
Net Change in Fund Balance	-	-	(4,993)
Fund Balance at Beginning of Year	-	-	-
Restatement	-	-	5,965
Fund Balance at End of Year	\$ -	\$ -	\$ 972

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Intel Foundation Grant	PNM Foundation Grant	School Based Health Center (DOH)	Northern NM Network Rural Education	Carl Perkins - Unique Obligations	Total
Revenues:						
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,227
Local Sources	-	-	-	-	-	-
State Sources	-	-	-	-	-	551,790
Federal Sources	-	-	-	-	-	2,853,367
Investment and Interest Income	-	-	-	-	-	17
Total Revenues	-	-	-	-	-	3,572,401
EXPENDITURES:						
Direct Instruction	-	-	-	-	-	-
Instructional Support	-	-	-	-	-	2,100,865
Food Services	-	-	-	-	-	1,806,941
Capital Outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	3,907,806
Net Change in Fund Balance	-	-	-	-	-	(335,405)
Fund Balance at Beginning of Year	3,000	-	57,116	-	-	642,644
Restatement	-	-	-	-	-	(917)
Fund Balance at End of Year	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 57,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 306,322</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – IDEA-B DISCRETIONARY
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	-	5,000	4,575	(425)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>5,000</u>	<u>4,575</u>	<u>(425)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	5,000	5,000	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (425)</u>	<u>\$ (425)</u>

24107

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – ATHLETIC FUND
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ 77,850	\$ 77,850	\$ 71,587	\$ (6,263)
Local Sources	-		-	-
State Sources			-	-
Federal Sources			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>77,850</u>	<u>77,850</u>	<u>71,587</u>	<u>(6,263)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	117,341	117,341	86,695	30,646
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>117,341</u>	<u>117,341</u>	<u>86,695</u>	<u>30,646</u>
Revenues Over (Under) Expenditures	<u>\$ (39,491)</u>	<u>\$ (39,491)</u>	<u>\$ (15,108)</u>	<u>\$ (36,909)</u>

22000

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – ENGLISH LANGUAGE ACQUISITION
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	-	36,894	34,294	(2,600)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>36,894</u>	<u>34,294</u>	<u>(2,600)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	36,894	29,239	7,655
Food Services	-		-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>36,894</u>	<u>29,239</u>	<u>7,655</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,055</u>	<u>\$ (10,255)</u>

24153

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUND – ENTITLEMENT IDEA-B
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	696,573	1,020,491	796,699	(223,792)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>696,573</u>	<u>1,020,491</u>	<u>796,699</u>	<u>(223,792)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	696,573	1,020,491	793,045	227,446
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>696,573</u>	<u>1,020,491</u>	<u>793,045</u>	<u>227,446</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,654</u>	<u>\$ (451,238)</u>

24106

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – PRESCHOOL IDEA-B
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	20,192	34,252	3,642	(30,610)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>20,192</u>	<u>34,252</u>	<u>3,642</u>	<u>(30,610)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	20,192	34,252	23,936	10,316
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>20,192</u>	<u>34,252</u>	<u>23,936</u>	<u>10,316</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,294)</u>	<u>\$ (40,926)</u>

24109

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUND – FRESH FRUITS IN CLASSROOM
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	67,014	67,014	45,515	(21,499)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>67,014</u>	<u>67,014</u>	<u>45,515</u>	<u>(21,499)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	67,014	67,014	51,613	15,401
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>67,014</u>	<u>67,014</u>	<u>51,613</u>	<u>15,401</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,098)</u>	<u>\$ (36,900)</u>

24118

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUND – FOOD SERVICES
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ 130,000	\$ 130,000	\$ 95,640	\$ (34,360)
Local Sources	-	-	-	-
State Sources	100,000	100,000	162,763	62,763
Federal Sources	1,557,360	1,557,360	1,321,759	(235,601)
Donated Commodities	80,000	80,000	-	(80,000)
Investment and Interest Income	-	-	17	17
Total Revenues	<u>1,867,360</u>	<u>1,867,360</u>	<u>1,580,179</u>	<u>(287,181)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	1,999,105	1,999,105	1,781,728	217,377
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,999,105</u>	<u>1,999,105</u>	<u>1,781,728</u>	<u>217,377</u>
Revenues Over (Under) Expenditures	<u>\$ (131,745)</u>	<u>\$ (131,745)</u>	<u>\$ (201,549)</u>	<u>\$ (504,558)</u>

21000

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUND – TEACHER PRINCIPAL TRAINING AND
RECRUITING TITLE I
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	188,142	416,852	396,429	(20,423)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>188,142</u>	<u>416,852</u>	<u>396,429</u>	<u>(20,423)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	188,142	416,852	259,534	157,318
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>188,142</u>	<u>416,852</u>	<u>259,534</u>	<u>157,318</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,895</u>	<u>\$ (177,741)</u>

24154

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – TITLE I SCHOOL IMPROVEMENT
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	-	113,964	74,720	(39,244)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>113,964</u>	<u>74,720</u>	<u>(39,244)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	113,964	75,419	38,545
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>113,964</u>	<u>75,419</u>	<u>38,545</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (699)</u>	<u>\$ (77,789)</u>

24162

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – RURAL AND LOW INCOME SCHOOLS
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	48,627	62,625	54,872	(7,753)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>48,627</u>	<u>62,625</u>	<u>54,872</u>	<u>(7,753)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	48,627	62,625	60,154	2,471
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>48,627</u>	<u>62,625</u>	<u>60,154</u>	<u>2,471</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,282)</u>	<u>\$ (10,224)</u>

24160

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – IDEA-B RISK POOL
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	-	4,199	8,200	4,001
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>4,199</u>	<u>8,200</u>	<u>4,001</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	4,199	4,100	99
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>4,199</u>	<u>4,100</u>	<u>99</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,100</u>	<u>\$ 3,902</u>

24120

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUND – CARL PERKINS SECONDARY
CULINARY
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	33,206	36,896	44,140	7,244
Investment and Interest Income	-	-	-	-
Total Revenues	<u>33,206</u>	<u>36,896</u>	<u>44,140</u>	<u>7,244</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	33,206	36,896	36,734	162
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>33,206</u>	<u>36,896</u>	<u>36,734</u>	<u>162</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,406</u>	<u>\$ 7,082</u>

24174

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUND – DUAL CREDIT INSTRUCTIONAL
MATERIALS
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	6,545	6,545	-
Federal Sources			(38,924)	(38,924)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>6,545</u>	<u>(32,379)</u>	<u>(38,924)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	6,545	6,545	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>6,545</u>	<u>6,545</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (38,924)</u>	<u>\$ (38,924)</u>

27103

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – IMPACT AID SPECIAL EDUCATION
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	17,820	17,820	23,128	5,308
Investment and Interest Income	-	-	-	-
Total Revenues	<u>17,820</u>	<u>17,820</u>	<u>23,128</u>	<u>5,308</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	170,314	170,314	80,572	89,742
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>170,314</u>	<u>170,314</u>	<u>80,572</u>	<u>89,742</u>
Revenues Over (Under) Expenditures	<u>\$ (152,494)</u>	<u>\$ (152,494)</u>	<u>\$ (57,444)</u>	<u>\$ (84,434)</u>

25145

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUND – IMPACT AID INDIAN EDUCATION
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	5,784	5,784	9,495	3,711
Investment and Interest Income	-	-	-	-
Total Revenues	<u>5,784</u>	<u>5,784</u>	<u>9,495</u>	<u>3,711</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	42,791	42,791	24,489	18,302
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>42,791</u>	<u>42,791</u>	<u>24,489</u>	<u>18,302</u>
Revenues Over (Under) Expenditures	<u>\$ (37,007)</u>	<u>\$ (37,007)</u>	<u>\$ (14,994)</u>	<u>\$ (14,591)</u>

25147

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – TITLE XIX MEDICAID FUND
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	-	46,018	120,396	74,378
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>46,018</u>	<u>120,396</u>	<u>74,378</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	46,018	19,245	26,773
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>46,018</u>	<u>19,245</u>	<u>26,773</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,151</u>	<u>\$ 47,605</u>

25153

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – INDIAN EDUCATION FORMULA GRANT
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	-	43,671	35,931	(7,740)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>43,671</u>	<u>35,931</u>	<u>(7,740)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	43,671	40,206	3,465
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>43,671</u>	<u>40,206</u>	<u>3,465</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,275)</u>	<u>\$ (11,205)</u>

25184

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – LANL FOUNDATION
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	20,204	20,204	-
Federal Sources			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>20,204</u>	<u>20,204</u>	<u>-</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	20,204	20,204	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>20,204</u>	<u>20,204</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

26113

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR SPECIAL REVENUE FUND – BREAKFAST FOR ELEMENTARY
STUDENTS
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	25,659	8,137	(17,522)
Federal Sources			35,044	35,044
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>25,659</u>	<u>43,181</u>	<u>17,522</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	25,659	25,659	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>25,659</u>	<u>25,659</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,522</u>	<u>\$ 17,522</u>

27155

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – KINDERGARTEN 3 PLUS
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	165,000	242,104	237,829	(4,275)
Federal Sources			11,607	11,607
Investment and Interest Income	-	-	-	-
Total Revenues	<u>165,000</u>	<u>242,104</u>	<u>249,436</u>	<u>7,332</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	165,000	242,104	237,849	4,255
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>165,000</u>	<u>242,104</u>	<u>237,849</u>	<u>4,255</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,587</u>	<u>\$ 3,077</u>

27166

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – NM GEAR UP/USDE
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	-	23,812	23,812
Federal Sources			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>23,812</u>	<u>23,812</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,812</u>	<u>\$ 23,812</u>

28178

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – PRIVATE DIRECT GRANTS
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-
State Sources	-	8,316	500	(7,816)
Federal Sources	-	-	-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>8,316</u>	<u>500</u>	<u>(7,816)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	8,316	5,768	2,548
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>8,316</u>	<u>5,768</u>	<u>2,548</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,268)</u>	<u>\$ (10,364)</u>

29102

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – GO BOND STUDENT LIBRARY FUND
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-
State Sources	91	91	6,406	6,315
Federal Sources	-	-	(6,406)	(6,406)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>91</u>	<u>91</u>	<u>-</u>	<u>(91)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	91	91	-	91
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>91</u>	<u>91</u>	<u>-</u>	<u>91</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (182)</u>

27106

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – GRADS CHILD CARE
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	44,036	37,513	(6,523)
Federal Sources			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>44,036</u>	<u>37,513</u>	<u>(6,523)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	44,036	40,177	3,859
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>44,036</u>	<u>40,177</u>	<u>3,859</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,664)</u>	<u>\$ (10,382)</u>

28189

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – GRADS INSTRUCTION
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	5,450	-	(5,450)
Federal Sources			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>5,450</u>	<u>-</u>	<u>(5,450)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	5,450	5,446	4
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>5,450</u>	<u>5,446</u>	<u>4</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,446)</u>	<u>\$ (5,454)</u>

28190

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – IDEA-B RESULTS PLAN
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	-	-	-
Federal Sources		125,000	104,269	(20,731)
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>125,000</u>	<u>104,269</u>	<u>(20,731)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	125,000	104,269	20,731
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>125,000</u>	<u>104,269</u>	<u>20,731</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41,462)</u>

24132

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – FORMATIVE ASSESSMENTS
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	21,000	19,994	(1,006)
Federal Sources			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>21,000</u>	<u>19,994</u>	<u>(1,006)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	21,000	19,994	1,006
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>21,000</u>	<u>19,994</u>	<u>1,006</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,012)</u>

27111

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR SPECIAL REVENUE FUND – OFFICE OF CULTURAL AFFAIRS
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	6,093	1,100	(4,993)
Federal Sources			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>6,093</u>	<u>1,100</u>	<u>(4,993)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	6,093	6,093	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>6,093</u>	<u>6,093</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,993)</u>	<u>\$ (4,993)</u>

28177

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR CAPITAL PROJECTS FUNDS**

SPECIAL CAPITAL OUTLAY – LOCAL

This fund provides financing from local revenues for the construction and improvements to District buildings and facilities.

SPECIAL CAPITAL OUTLAY – STATE

This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.

CAPITAL IMPROVEMENTS SB-9

This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

ED TECHNOLOGY EQUIPMENT ACT

Funded from the issuance of Educational Technology Notes to enable the District to acquire educational technology equipment for learning and administrative use in schools and related facilities, and improving related real and personal property to accommodate education technology equipment or any combination thereof. The repayment of the notes is accounted for in the Debt Service Fund.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2013**

	Special Capital Outlay - Local Fund	Special Capital Outlay State Fund	Capital Improvements SB-9 Fund	Ed. Technology Equipment Act Fund	Total Non- Major Capital Projects Funds
<u>ASSETS</u>					
Pooled Cash and Investments	\$ 1	\$ -	\$ 1,242,632	\$ 38	\$ 1,242,671
Receivables:					
Delinquent Property Taxes			130,774		130,774
Grants			-		-
Due From Other Governments					-
Food Inventory	-	-	-	-	-
Total Assets	\$ 1	\$ -	\$ 1,373,406	\$ 38	\$ 1,373,445
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	128,548	-	128,548
Deferred Revenue:					
Federal, State and Local Grants					
Delinquent Property Taxes	-	-	130,775	-	130,775
Total Liabilities	-	-	259,323	-	259,323
Fund Balance:					
Unassigned, Reported in:					
Special Revenue Funds					
Capital Projects Funds	1	-	1,114,083	38	1,114,122
Total Fund Balance	1	-	1,114,083	38	1,114,122
Total Liabilities and Fund Balance	\$ 1	\$ -	\$ 1,373,406	\$ 38	\$ 1,373,445

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013**

	Special Capital Outlay - Local Fund	Special Capital Outlay - State Fund	Capital Improvements SB-9 Fund	Ed Technology Equipment Act Fund	Total Non- Major Capital Projects Funds
<u>Revenues:</u>					
Property Taxes	\$ -	\$ -	\$ 2,079,418	\$ -	\$ 2,079,418
Charges for Services	-	-	-	-	-
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	-	-	-	-	-
Earnings from Investments	-	-	1,312	38	1,350
Total Revenues	-	-	2,080,730	38	2,080,768
<u>Expenditures:</u>					
Current:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	-	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	3,041,821	155,754	3,197,575
Debt Service:					
Bonds	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	-	-	3,041,821	155,754	3,197,575
Net Change in Fund Balance	-	-	(961,091)	(155,716)	(1,116,807)
Fund Balance, Beginning of Year	1	-	2,075,175	155,754	2,230,930
Restatement	-	-	(1)	-	(1)
Fund Balance, End of Year	<u>1</u>	<u>-</u>	<u>1,114,083</u>	<u>38</u>	<u>1,114,122</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR CAPITAL PROJECTS FUND – CAPITAL IMPROVEMENTS SB-9
 COMBINING STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND
 ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Property Taxes	\$ 2,113,674	\$ 2,113,674	\$ 1,990,100	\$ (123,574)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Investment and Interest Income	-	-	1,312	1,312
Total Revenues	<u>2,113,674</u>	<u>2,113,674</u>	<u>1,991,412</u>	<u>(122,262)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	3,219,198	3,219,198	2,930,958	288,240
Debt Service:				
Bonds	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>3,219,198</u>	<u>3,219,198</u>	<u>2,930,958</u>	<u>288,240</u>
Revenues Over (Under) Expenditures	<u>\$ (1,105,524)</u>	<u>\$ (1,105,524)</u>	<u>\$ (939,546)</u>	<u>\$ (410,502)</u>

31700

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 NON-MAJOR CAPITAL PROJECTS FUND – ED. TECHNOLOGY EQUIPMENT ACT
 COMBINING STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND
 ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Property Taxes			\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources			-	-
Federal Sources			-	-
Investment and Interest Income	-	-	38	38
Total Revenues	<u>-</u>	<u>-</u>	<u>38</u>	<u>38</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	99,311	155,754	155,754	-
Debt Service:				-
Bonds	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>99,311</u>	<u>155,754</u>	<u>155,754</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ (99,311)</u>	<u>\$ (155,754)</u>	<u>\$ (155,716)</u>	<u>\$ 38</u>

31900

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR DEBT SERVICE FUNDS**

Debt Services – General Obligation Bonds – To account for resources received for the purpose of paying general obligation bonds and interest coupons. Funds are received from property taxes levied against property located within the school district and levied specifically for this purpose.

Education Technology Bonds – To account for resources received for the purpose of paying technology bonds and interest coupons. Funds are received from property taxes levied against property located within the school district and levied specifically for this purpose.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2013**

	<u>Debt Services Fund</u>	<u>Ed Tech Debt Service Fund</u>	<u>Total Debt Services Funds</u>
<u>ASSETS</u>			
Pooled Cash and Investments	\$ 3,215,009	\$ 784,344	\$ 3,999,353
Receivables:			
Delinquent Property Taxes	149,188	51,300	200,488
Grants	-	-	-
Due From Other Governments	-	-	-
Food Inventory	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 3,364,197</u>	<u>\$ 835,644</u>	<u>\$ 4,199,841</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Cash Overdraft	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
Deferred Revenue:			
Federal, State and Local Grants	-	-	-
Delinquent Property Taxes	<u>149,188</u>	<u>51,300</u>	<u>200,488</u>
Total Liabilities	<u>149,188</u>	<u>51,300</u>	<u>200,488</u>
Fund Balance:			
Nonspendable:			
Retirement of Long-Term Debt	3,215,009	784,344	3,999,353
Inventories	-	-	-
Unassigned, Reported in:			
Special Revenue Funds	-	-	-
Capital Projects Funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>3,215,009</u>	<u>784,344</u>	<u>3,999,353</u>
Total Liabilities and Fund Balance	<u>\$ 3,364,197</u>	<u>\$ 835,644</u>	<u>\$ 4,199,841</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Debt Services Fund</u>	<u>Ed Tech Debt Service Fund</u>	<u>Total Non-major Debt Service Funds</u>
<u>Revenues:</u>			
Property Taxes	\$ 1,909,175	\$ 664,194	\$ 2,573,369
Charges for Services	-	-	-
Local Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Earnings from Investments	964	-	964
	<hr/>	<hr/>	<hr/>
Total Revenues	1,910,139	664,194	2,574,333
<u>Expenditures:</u>			
Current:			
Direct Instruction	-	-	-
Instructional Support	-	-	-
Food Services	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Bonds	1,845,076	656,941	2,502,017
Interest	-	12,838	12,838
	<hr/>	<hr/>	<hr/>
Total Expenditures	1,845,076	669,779	2,514,855
Net Change in Fund Balance	65,063	(5,585)	59,478
Fund Balance, Beginning of Year	3,149,946	789,929	3,939,875
Restatement	-	-	-
	<hr/>	<hr/>	<hr/>
Fund Balance, End of Year	3,215,009	784,344	3,999,353

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR DEBT SERVICE FUND DEBT SERVICE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Property Taxes	\$ 2,733,162	\$ 2,733,162	\$ 1,746,734	\$ (986,428)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Investment and Interest Income	-	-	964	964
Total Revenues	<u>2,733,162</u>	<u>2,733,162</u>	<u>1,747,698</u>	<u>(985,464)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				-
Bonds	4,795,353	4,795,353	1,913,592	2,881,761
Interest	-	-	-	-
Total Expenditures	<u>4,795,353</u>	<u>4,795,353</u>	<u>1,913,592</u>	<u>2,881,761</u>
Revenues Over (Under) Expenditures	<u>\$ (2,062,191)</u>	<u>\$ (2,062,191)</u>	<u>\$ (165,894)</u>	<u>\$ (3,867,225)</u>

41000

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NON-MAJOR DEBT SERVICE FUND ED. TECHNOLOGY EQUIPMENT ACT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Property Taxes	\$ 662,838	\$ 662,838	\$ 591,858	\$ (70,980)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>662,838</u>	<u>662,838</u>	<u>591,858</u>	<u>(70,980)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				-
Bonds	1,351,516	1,351,516	705,581	645,935
Interest	13,000	13,000	12,838	162
Total Expenditures	<u>1,364,516</u>	<u>1,364,516</u>	<u>718,419</u>	<u>646,097</u>
Revenues Over (Under) Expenditures	<u>\$ (701,678)</u>	<u>\$ (701,678)</u>	<u>\$ (126,561)</u>	<u>\$ (717,077)</u>

43000

COMPONENT UNIT INFORMATION

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENTS OF NET POSITION – ALL COMPONENT UNITS
JUNE 30, 2013**

	<u>Anansi Charter</u>	<u>Taos Charter</u>	<u>Vista Grande Charter</u>	<u>Total</u>
ASSETS				
Cash	\$ 211,635	\$ 101,787	\$ 528,502	\$ 841,924
Accounts Receivable	14,808	-		14,808
Due From Grantor	-	81,832	9,235	91,067
Prepaid Assets (Current Portion)	46,584			46,584
Due From Other Funds	-	-	-	-
Total Current Assets	<u>273,027</u>	<u>183,619</u>	<u>537,737</u>	<u>994,383</u>
Non-Depreciable Capital Assets	587,500	250,000	-	837,500
Depreciable Capital Assets, Net	1,881,931	1,513,759	29,312	3,425,002
Prepaid Assets	745,226	-	-	745,226
Total Non-Current Assets	<u>3,214,657</u>	<u>1,763,759</u>	<u>29,312</u>	<u>5,007,728</u>
Total Assets	<u>\$ 3,487,684</u>	<u>\$ 1,947,378</u>	<u>\$ 567,049</u>	<u>\$ 6,002,111</u>
LIABILITIES AND NET POSITION				
Liabilities				
Accounts Payable	\$ 6,289	17,135	\$ -	\$ 23,424
Accrued Liabilities	30,878	64,330	29,901	125,109
Due to Other Funds	5,890	-	-	5,890
Deferred Lease Income	46,584			46,584
Deferred Revenue	23,052	-	6,183	29,235
Current Portion of Long-Term Debt	23,722	-	-	23,722
Total Current Liabilities	<u>136,415</u>	<u>81,465</u>	<u>36,084</u>	<u>253,964</u>
Long-Term Debt	1,636,025	-	-	1,636,025
Deferred Lease Income	745,226	-	-	745,226
Total Long-Term Liabilities	<u>2,381,251</u>	<u>-</u>	<u>-</u>	<u>2,381,251</u>
Total Liabilities	<u>\$ 2,517,666</u>	<u>\$ 81,465</u>	<u>\$ 36,084</u>	<u>\$ 2,635,215</u>
NET POSITION				
Net Investment in Capital Assets	1,554,910	1,763,759	29,312	3,347,981
Restricted for Capital Projects	163	-		163
Unrestricted	(585,055)	102,154	501,653	18,752
Total Net Position	<u>970,018</u>	<u>1,865,913</u>	<u>530,965</u>	<u>3,366,896</u>
Total Liabilities and Net Position	<u>\$ 3,487,684</u>	<u>\$ 1,947,378</u>	<u>\$ 567,049</u>	<u>\$ 6,002,111</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF ACTIVITIES – ALL COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2013**

Functions and Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Component Units:					
Anansi Charter School	\$ 1,432,569	\$ 254,802	\$ 1,172,686	\$ 87	(4,994)
Taos Charter School	1,493,792	178,939	1,567,683	520	253,350
Vista Grande High School	1,198,763	5,527	1,225,145	-	31,909
Total Component Units	\$ 4,125,124	\$ 439,268	\$ 3,965,514	\$ 607	280,265
General Revenues					
Property Taxes					
General Purpose					5,000
Debt Service					-
Capital Projects					
Grants and Contributions - Not Restricted					
Unrestricted Investment Earnings					58
Total General Revenues					5,058
Change in Net Position					
					285,323
Beginning Net Position as Reported					
					3,271,663
Restatement					
					(190,090)
Beginning Net Position as Restated					
					3,081,573
Ending Net Position					
					\$ 3,366,896

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ANANSI CHARTER

OPERATING FUND – This fund is the chief operating fund of the District. It is used to account for all financial resources of the District except for those required to be accounted for in other funds.

INSTRUCTIONAL MATERIALS FUND – This fund is used to account for resources received from the Public Education Department to be used for the purchase of materials used as a basis of instruction.

TITLE I IASA - To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

ENTITLEMENT IDEA-B - The Entitlement IDEA-B program is to provide grants to states that flow through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 619, as amended, 20 U.S.C. 1711-1417 and 1420.

ENTITLEMENT IDEA – B- STIMULUS - Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C 1411-1418; American Recovery and Reinvestment Act of 2009(ARRA), Public Law 111-5.

GO BOND STUDENT LIBRARY FUND - To account for money received from the SB301, Laws of 2006 to be used to improve the library, acquire library books and library resources that support the library program.

FEDERAL STIMULUS SEG – To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

EDUCATION JOB FUND – Funding received to promote jobs and education for all students.

GO BOND STUDENT LIBRARY FUND – To account for monies received from the SB333, Laws of 2008 Appropriation to be used to improve the library, acquire library books or library resources that support the library program.

TECHNOLOGY FOR EDUCATION PED - State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the

ANANSI CHARTER

technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge Grant. The creation of the fund is authorized by NMSA 1978 22-15A-1 to 22-15A-10.

BOND BUILDING FUND - This fund provides financing for the construction of buildings, the purchase of equipment and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds which have been approved by the voters of the District.

CAPITAL IMPROVEMENTS SB-9 - This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

ED TECHNOLOGY EQUIPMENT ACT - Funded from the issuance of Educational Technology Notes to enable the District to acquire educational technology equipment for learning and administrative use in schools and related facilities, and improving related real and personal property to accommodate education technology equipment or any combination thereof. The repayment of the notes is accounted for in the Debt Service Fund.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
STATEMENT OF NET POSITION
JUNE 30, 2013**

	<u>Anansi Charter</u>	<u>Friends of Anansi Charter School</u>	<u>Total</u>
ASSETS			
Cash	\$ 133,158	\$ 78,477	\$ 211,635
Due From Other Governments	14,808	-	14,808
Due From Grantor	-	-	-
Prepaid Assets (Current Portion)	<u>46,584</u>	<u>-</u>	<u>46,584</u>
Total Current Assets	194,550	78,477	273,027
Non-Depreciable Capital Assets	-	587,500	587,500
Depreciable Capital Assets, Net	30,921	1,851,010	1,881,931
Prepaid Assets	<u>745,226</u>	<u>-</u>	<u>745,226</u>
Total Non-Current Assets	<u>776,147</u>	<u>2,438,510</u>	<u>3,214,657</u>
Total Assets	<u>\$ 970,697</u>	<u>\$ 2,516,987</u>	<u>\$ 3,487,684</u>
LIABILITIES AND NET POSITION			
Liabilities			
Accounts Payable	\$ 6,289	\$ -	\$ 6,289
Accrued Liabilities	26,501	4,377	30,878
Due to Other Funds	5,890	-	5,890
Deferred Revenue	23,052	-	23,052
Deferred Lease Income	-	46,584	46,584
Current Portion of Long-Term Debt	<u>-</u>	<u>23,722</u>	<u>23,722</u>
Total Current Liabilities	61,732	74,683	136,415
Long-Term Debt	-	1,636,025	1,636,025
Deferred Lease Income	<u>-</u>	<u>745,226</u>	<u>745,226</u>
Total Long-Term Liabilities	<u>-</u>	<u>2,381,251</u>	<u>2,381,251</u>
Total Liabilities	<u>61,732</u>	<u>2,455,934</u>	<u>2,517,666</u>
NET POSITION			
Net Investment in Capital Assets	776,147	778,763	1,554,910
Restricted for Capital Projects	163	-	163
Unrestricted	<u>132,655</u>	<u>(717,710)</u>	<u>(585,055)</u>
Total Net Position	<u>908,965</u>	<u>61,053</u>	<u>970,018</u>
Total Liabilities and Net Position	<u>\$ 970,697</u>	<u>\$ 2,516,987</u>	<u>\$ 3,487,684</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Functions and Programs	Expenses	Program Revenues			Net (Expenses)	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position	Component Units
FUNCTIONS AND PROGRAMS						
EXPENSES:						
Governmental Activities:						
Direct Instruction	\$ 1,114,631	\$ 58,284	\$ 1,148,624	\$ -	92,277	
Instructional Support	31,241	-	-	-	(31,241)	
Prepaid Expenses	46,584	-	-	-	(46,584)	
Depreciation Expense	6,187	-	-	-	(6,187)	
Total	<u>\$ 1,198,643</u>	<u>\$ 58,284</u>	<u>\$ 1,148,624</u>	<u>\$ -</u>	<u>\$ 8,265</u>	
Component Units:	<u>\$ 233,926</u>	<u>\$ 196,518</u>	<u>\$ 24,062</u>	<u>\$ 87</u>		(13,259)
Total	<u>\$ 1,432,569</u>	<u>\$ 254,802</u>	<u>\$ 1,172,686</u>	<u>\$ 87</u>		
General Revenues						
Property Taxes						
General Purpose						
Debt Service						
Capital Projects						
Grants and Contributions - Not Restricted						
Unrestricted Investment Earnings					<u>58</u>	<u>-</u>
Total General Revenues					<u>58</u>	<u>-</u>
Gain on Disposal of Capital Assets					<u>-</u>	<u>-</u>
Change in Net Position					8,323	(13,259)
Beginning Net Position					1,011,923	61,946
Restatement					<u>(111,281)</u>	<u>12,366</u>
Ending Net Position					<u>\$ 908,965</u>	<u>\$ 61,053</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
BALANCE SHEET – ALL GOVERNMENTAL FUNDS
JUNE 30, 2013**

	<u>General Fund</u>			Entitlement IDEA-B Fund	Entitlement IDEA-B Federal Stimulus	GO Bond Student Library Fund
	Operational	Instructional Materials	Title I - IASA			
<u>ASSETS</u>						
Pooled Cash and Investments	\$ 118,288	\$ 576	\$ -	\$ 13,611	\$ -	\$ -
Receivables:						
Due From Other Funds	-					
Grants		-	-	7,151	-	2,096
Due From Other Governments						
Food Inventory	-	-	-	-	-	-
Total Assets	<u>\$ 118,288</u>	<u>\$ 576</u>	<u>\$ -</u>	<u>\$ 20,762</u>	<u>\$ -</u>	<u>\$ 2,096</u>
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Accounts Payable	\$ 6,289	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	26,501	-	-	-	-	-
Due to Other Funds	-	-	-	20,762	-	2,290
Due to Operational Fund	-	-	-	-	-	-
Total Liabilities	<u>32,790</u>	<u>-</u>	<u>-</u>	<u>20,762</u>	<u>-</u>	<u>2,290</u>
Fund Balance:						
Unassigned, Reported in:						
General Fund	85,498	576	-	-	-	(194)
Capital Projects Funds	-	-	-	-	-	-
Total Fund Balance	<u>85,498</u>	<u>576</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(194)</u>
Total Liabilities and Fund Balance	<u>\$ 118,288</u>	<u>\$ 576</u>	<u>\$ -</u>	<u>\$ 20,762</u>	<u>\$ -</u>	<u>\$ 2,096</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
BALANCE SHEET – ALL GOVERNMENTAL FUNDS (continued)
JUNE 30, 2013**

	<u>Federal Stimulus SEG</u>	<u>Education Job Fund</u>	<u>GO Bond Student Library Fund</u>	<u>Technology for Education PED</u>	<u>Bond Building Fund</u>
<u>ASSETS</u>					
Pooled Cash and Investments	\$ 191	\$ -	\$ -	\$ -	\$ -
Receivables:					
Due From Other Funds					
Grants	-	-	-	-	-
Due From Other Governments					
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ 191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
General Fund	191	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Total Fund Balance	<u>191</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
BALANCE SHEET – ALL GOVERNMENTAL FUNDS (continued)
JUNE 30, 2013**

	Capital Improvements SB-9	Ed. Technology Equipment Act	Library GO Bond	26109	Total
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ -	\$ -	\$ 492	\$ 133,158
Receivables:					
Due From Other Funds					-
Grants	2,707	-	2,854	-	14,808
Due From Other Governments					-
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ 2,707</u>	<u>\$ -</u>	<u>\$ 2,854</u>	<u>\$ 492</u>	<u>\$ 147,966</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 6,289
Accrued Liabilities	-	-	-	-	26,501
Due to Other Funds	-	-	-	-	23,052
Due to Operational Fund	2,707	-	3,183	-	5,890
Total Liabilities	<u>2,707</u>	<u>-</u>	<u>3,183</u>	<u>-</u>	<u>61,732</u>
Fund Balance:					
Unassigned, Reported in:					
General Fund					86,071
Capital Projects Funds	-	-	(329)	492	163
Total Fund Balance	<u>-</u>	<u>-</u>	<u>(329)</u>	<u>492</u>	<u>86,234</u>
Total Liabilities and Fund Balance	<u>\$ 2,707</u>	<u>\$ -</u>	<u>\$ 2,854</u>	<u>\$ 492</u>	<u>\$ 147,966</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER
 RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE
 STATEMENT OF NET POSITION
 JUNE 30, 2013**

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

Total Fund Balance - Governmental Funds	\$ 86,234
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Capital Assets used in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds

Cost of Capital Assets	61,876	
Accumulated Depreciation	<u>(30,955)</u>	
		30,921

Prepaid Leases acquired in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds

Prepaid Leases acquired in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds	<u>791,810</u>
Total Net Position - Governmental Funds	<u>\$ 908,965</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>General Fund</u>			Entitlement IDEA-B Fund	Entitlement IDEA-B Federal Stimulus	GO Bond Student Library Fund
	<u>Operational</u>	<u>Instructional Materials</u>	<u>Title I - IASA</u>			
Revenues:						
Charges for Services	\$ 58,284	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	1,500	-	-	48,258	-	-
State Sources	997,154	7,286	-	-	-	2,096
Federal Sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Investment and Interest Income	58	-	-	-	-	-
Total Revenues	1,056,996	7,286	-	48,258	-	2,096
Expenditures:						
Direct Instruction	1,107,126	7,505	-	-	-	-
Instructional Support	-	-	-	21,454	-	2,096
Food Services	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	1,107,126	7,505	-	21,454	-	2,096
Revenues Over (Under) Expenditures	(50,130)	(219)	-	26,804	-	-
Other Financing Sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-	-	-
Net Change in Fund Balance	(50,130)	(219)	-	26,804	-	-
Fund Balance at Beginning of Year	135,629	795	-	-	-	(194)
Restatement	(1)	-	-	(26,804)	-	-
Fund Balance at End of Year	<u>\$ 85,498</u>	<u>\$ 576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (194)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Federal Stimulus SEG	Education Job Fund	GO Bond Student Library Fund	Technology for Education PED	Bond Building Fund
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	81,769
Federal Sources	-	-	-	-	-
Other	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	-	-	-	81,769
Expenditures:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	-	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	81,769
Total Expenditures	-	-	-	-	81,769
Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-
Fund Balance at Beginning of Year	191	-	-	-	-
Restatement	-	-	-	-	-
Fund Balance at End of Year	\$ 191	\$ -	\$ -	\$ -	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Capital Improvements SB-9	Ed. Technology Equipment Act	Library GO Bond	26109	Total
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ 58,284
Local Sources	-	-	-	-	49,758
State Sources	2,707	-	2,854	-	1,093,866
Federal Sources	-	-	-	5,000	5,000
Other	-	-	-	-	-
Investment and Interest Income	-	-	-	-	58
Total Revenues	2,707	-	2,854	5,000	1,206,966
Expenditures:					
Direct Instruction	-	-	-	-	1,114,631
Instructional Support	-	-	3,183	4,508	31,241
Food Services	-	-	-	-	-
Capital Outlay	2,707	-	-	-	84,476
Total Expenditures	2,707	-	3,183	4,508	1,230,348
Revenues Over (Under) Expenditures	-	-	(329)	492	(23,382)
Other Financing Sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-	-
Net Change in Fund Balance	-	-	(329)	492	(23,382)
Fund Balance at Beginning of Year	-	-	-	-	136,421
Restatement	-	-	-	-	(26,805)
Fund Balance at End of Year	\$ -	\$ -	\$ (329)	\$ 492	\$ 86,234

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT
 OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2013**

Total Net Change in Fund Balances - Governmental Funds	\$ (23,382)
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Amounts reported for governmental activities in the Statement of Activities are different because:

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

Depreciation Expense	(6,187)	
Capital Outlay	<u>84,476</u>	
Excess of Capital Outlay over Depreciation Expense		78,289

Prepaid expenses used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds

Prepaid Leases		<u>(46,584)</u>
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Change in Net Position of Governmental Activities	<u>\$ 8,323</u>
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**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
OPERATIONAL FUND
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ 750	\$ 750	\$ 58,284	\$ 57,534
Local Sources	-	-	1,500	1,500
State Sources	938,884	997,842	970,156	(27,686)
Federal Sources	-	-	-	-
Other	-	-	-	-
Investment and Interest Income	-	-	58	58
Total Revenues	<u>939,634</u>	<u>998,592</u>	<u>1,029,998</u>	<u>31,406</u>
<u>Expenditures:</u>				
Direct Instruction	1,124,678	1,183,636	1,103,618	80,018
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,124,678</u>	<u>1,183,636</u>	<u>1,103,618</u>	<u>80,018</u>
Revenues Over (Under) Expenditures	(185,044)	(185,044)	(73,620)	(48,612)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (73,620)</u>	
Cash Balance Budgeted	<u>\$ 185,044</u>	<u>\$ 185,044</u>		

11000

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	7,286	7,286	7,286	-
Federal Sources	-	-	-	-
Other	-	-	-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>7,286</u>	<u>7,286</u>	<u>7,286</u>	<u>-</u>
<u>Expenditures:</u>				
Direct Instruction	7,286	8,082	7,505	577
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>7,286</u>	<u>8,082</u>	<u>7,505</u>	<u>577</u>
Revenues Over (Under) Expenditures	-	(796)	(219)	(577)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (219)</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ 796</u>		

14000

See Independent Auditors' Report

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
TITLE I - IASA FUND
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other	-	-	-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	3,300	3,300	-	3,300
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,300</u>	<u>3,300</u>	<u>-</u>	<u>3,300</u>
Revenues Over (Under) Expenditures	(3,300)	(3,300)	-	(3,300)
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ 3,300</u>	<u>\$ 3,300</u>		

24101

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
ENTITLEMENT IDEA-B FUND
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			48,258	48,258
State Sources			-	-
Federal Sources		41,484	-	(41,484)
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>41,484</u>	<u>48,258</u>	<u>6,774</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	26,804	21,454	5,350
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>26,804</u>	<u>21,454</u>	<u>5,350</u>
Revenues Over (Under) Expenditures	-	14,680	26,804	1,424
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ 26,804</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

24106

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER
 GO BOND STUDENT LIBRARY FUND
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	2,096	2,096	-
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>2,096</u>	<u>2,096</u>	<u>-</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	2,096	2,096	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>2,096</u>	<u>2,096</u>	<u>-</u>
Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

27106

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
BOND BUILDING FUND
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources		81,769	81,769	-
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>81,769</u>	<u>81,769</u>	<u>-</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	81,769	81,769	-
Total Expenditures	<u>-</u>	<u>81,769</u>	<u>81,769</u>	<u>-</u>
Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

31200

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
CAPITAL IMPROVEMENTS SB-9
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	4,752	7,569	2,707	(4,862)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>4,752</u>	<u>7,569</u>	<u>2,707</u>	<u>(4,862)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	4,752	7,569	2,707	4,862
Total Expenditures	<u>4,752</u>	<u>7,569</u>	<u>2,707</u>	<u>4,862</u>
Revenues Over (Under) Expenditures	-	-	-	(9,724)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

31700

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
GO LIBRARY BOND
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources		6,748	2,854	(3,894)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>6,748</u>	<u>2,854</u>	<u>(3,894)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	6,748	3,183	3,565
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>6,748</u>	<u>3,183</u>	<u>3,565</u>
Revenues Over (Under) Expenditures	-	-	(329)	(7,459)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (329)</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

27171

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
26109**

**STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources		-	-	-
Federal Sources		5,000	5,000	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	-	5,000	5,000	-
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	5,000	4,508	492
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	5,000	4,508	492
Revenues Over (Under) Expenditures	-	-	492	(492)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-
Net Change in Fund Balance			\$ 492	
Cash Balance Budgeted	\$ -	\$ -		

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
LANL FOUNDATION
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-
State Sources	-	1,500	-	(1,500)
Federal Sources	-	-	-	-
Other	-	-	-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>(1,500)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	1,500	-	1,500
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Revenues Over (Under) Expenditures	-	-	-	(3,000)
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER
TOTAL
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ 750	\$ 750	\$ 58,284	\$ 57,534
Local Sources	-	-	49,758	49,758
State Sources	950,922	1,098,062	1,064,014	(34,048)
Federal Sources	-	41,484	-	(41,484)
Other	-	-	-	-
Investment and Interest Income	-	-	58	58
Total Revenues	<u>951,672</u>	<u>1,140,296</u>	<u>1,172,114</u>	<u>31,818</u>
<u>Expenditures:</u>				
Direct Instruction	1,131,964	1,191,718	1,111,123	80,595
Instructional Support	3,300	33,700	23,550	10,150
Food Services	-	-	-	-
Capital Outlay	4,752	89,338	84,476	4,862
Total Expenditures	<u>1,140,016</u>	<u>1,314,756</u>	<u>1,219,149</u>	<u>95,607</u>
Revenues Over (Under) Expenditures	(188,344)	(174,460)	(47,035)	(63,789)
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (47,035)</u>	
Cash Balance Budgeted	<u>\$ 188,344</u>	<u>\$ 174,460</u>		

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
FRIENDS OF ANANSI CHARTER SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

Cash Flows From Operating Activities:	
Cash Received From Customers	\$ 220,667
Cash Payments for Supplies and Maintenance	<u>(51,153)</u>
Net Cash Provided By (Used in) Operating Activities	169,514
Cash Flows From Capital and Related Financing Activities:	
Purchase of Capital Assets	(199,481)
Prepaid Lease Income	-
Proceeds on Loan	-
Interest Paid on Capital Debt	<u>-</u>
Net Cash Provided By (Used in) Capital and Related Financing Activities	(199,481)
Cash Flows From Investing Activities:	
	-
	<u>-</u>
Net Cash Provided By (Used in) Investing Activities	<u>-</u>
Net Increase in Cash and Cash Equivalents	(29,967)
Cash and Cash Equivalents, Beginning of Year	<u>108,444</u>
Cash and Cash Equivalents, End of Year	<u>\$ 78,477</u>
Reconciliation of Operating Income to Net Cash Provided By (Used in) Operating Activities:	
Operating Income	\$ 220,667
Depreciation Expense	-
Change in Accounts Payable	(51,153)
Change in Accrued Interest Payable	<u>-</u>
Net Cash Provided By (Used in) Operating Activities	<u>\$ 169,514</u>

See Independent Auditors' Report

TAOS CHARTER SCHOOL

OPERATING FUND – This fund is the chief operating fund of the District. It is used to account for all financial resources of the District except for those required to be accounted for in other funds.

INSTRUCTIONAL MATERIALS FUND – This fund is used to account for resources received from the Public Education Department to be used for the purchase of materials used as a basis of instruction.

TITLE I IASA - To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

ENTITLEMENT IDEA-B - The Entitlement IDEA-B program is to provide grants to states that flow through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 619, as amended, 20 U.S.C. 1711-1417 and 1420.

FRESH FRUITS IN CLASSROOM – To provide healthy food in the classroom to students

ENTITLEMENT IDEA – B- STIMULUS - Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C 1411-1418; American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5.

FEDERAL STIMULUS SEG – To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

EDUCATION JOB FUND – Funding received to promote jobs and education for all students.

DANIEL'S FUND – Special funding to promote school education and programs.

LANL FOUNDATION – To account for monies received from the Foundation to support the Plant Science Program. Financing and authority is provided by the grant agreement.

TAOS CHARTER SCHOOL

GO BOND STUDENT LIBRARY FUND – To account for monies received from the SB333, Laws of 2008 Appropriation to be used to improve the library, acquire library books or library resources that support the library program.

TECHNOLOGY FOR EDUCATION PED - State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge Grant. The creation of the fund is authorized by NMSA 1978 22-15A-1 to 22-15A-10.

LIBRARIES GO BONDS 2004 FUND – 2004 monies used to improve libraries and for acquisitions.

BOND BUILDING FUND - This fund provides financing for the construction of buildings, the purchase of equipment and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds which have been approved by the voters of the District.

CAPITAL IMPROVEMENTS SB-9 - This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

ED TECHNOLOGY EQUIPMENT ACT - Funded from the issuance of Educational Technology Notes to enable the District to acquire educational technology equipment for learning and administrative use in schools and related facilities, and improving related real and personal property to accommodate education technology equipment or any combination thereof. The repayment of the notes is accounted for in the Debt Service Fund.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2013**

	<u>Taos Charter School</u>	<u>Friends of Taos Charter School</u>	<u>Total</u>
ASSETS			
Cash	\$ 64,479	\$ 37,308	\$ 101,787
Accounts Receivable	-	-	-
Due From Grantor	81,832	-	81,832
Due From Other Funds	-	-	-
Prepaid Assets (Current Portion)	-	-	-
Total Current Assets	<u>146,311</u>	<u>37,308</u>	<u>183,619</u>
Non-Depreciable Capital Assets	250,000	-	250,000
Depreciable Capital Assets, Net	907,421	606,338	1,513,759
Prepaid Assets	-	-	-
Total Non-Current Assets	<u>1,157,421</u>	<u>606,338</u>	<u>1,763,759</u>
Total Assets	<u>\$ 1,303,732</u>	<u>\$ 643,646</u>	<u>\$ 1,947,378</u>
LIABILITIES AND NET POSITION			
Liabilities			
Accounts Payable	\$ 17,135	\$ -	\$ 17,135
Accrued Liabilities	64,330	-	64,330
Due to Other Funds	-	-	-
Deferred Revenue	-	-	-
Deferred Lease Income	-	-	-
Current Portion of Long-Term Debt	-	-	-
Total Current Liabilities	<u>81,465</u>	<u>-</u>	<u>81,465</u>
Long-Term Debt	-	-	-
Deferred Lease Income	-	-	-
Total Long-Term Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$ 81,465</u>	<u>\$ -</u>	<u>\$ 81,465</u>
NET POSITION			
Net Investment in Capital Assets Restricted for Capital Projects	1,157,421	606,338	1,763,759
Unrestricted	<u>64,846</u>	<u>37,308</u>	<u>102,154</u>
Total Net Position	<u>1,222,267</u>	<u>643,646</u>	<u>1,865,913</u>
Total Liabilities and Net Position	<u>\$ 1,303,732</u>	<u>\$ 643,646</u>	<u>\$ 1,947,378</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Functions and Programs	Expenses	Program Revenues			Net (Expenses)	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position	Component Units
FUNCTIONS AND PROGRAMS						
EXPENSES:						
Governmental Activities:						
Direct Instruction	\$ 1,334,284	\$ 34,719	\$ 1,562,052	\$ -	262,487	
Instructional Support	70,767	-	-	-	(70,767)	
Depreciation Expense	22,994	-	-	-	(22,994)	
Total	<u>\$ 1,428,045</u>	<u>\$ 34,719</u>	<u>\$ 1,562,052</u>	<u>\$ -</u>	<u>\$ 168,726</u>	
Component Units:	<u>\$ 65,747</u>	<u>\$ 144,220</u>	<u>\$ 5,631</u>	<u>\$ 520</u>		<u>84,624</u>
Total	<u>\$ 1,493,792</u>	<u>\$ 178,939</u>	<u>\$ 1,567,683</u>	<u>\$ 520</u>		
General Revenues						
Property Taxes						
General Purpose						
Debt Service						
Capital Projects						
Grants and Contributions - Not Restricted						
Unrestricted Investment Earnings					-	-
Total General Revenues					-	-
Gain on Disposal of Capital Assets					-	-
Change in Net Position					168,726	84,624
Beginning Net Position					1,190,922	565,401
Restatement					(137,381)	(6,379)
Ending Net Position					<u>\$ 1,222,267</u>	<u>\$ 643,646</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
BALANCE SHEET – ALL GOVERNMENTAL FUNDS
JUNE 30, 2013**

	<u>General Fund</u>				Fresh Fruits in Classroom
	<u>Operational</u>	<u>Instructional Materials</u>	<u>Title I - IASA</u>	<u>Entitlement IDEA-B Fund</u>	
<u>ASSETS</u>					
Cash on Deposit	\$ 50,176	\$ 10,234	\$ -	\$ -	\$ -
Accounts Receivable	81,832	-	-	-	-
Due From Grantors	-	-	-	58,582	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ 132,008</u>	<u>\$ 10,234</u>	<u>\$ -</u>	<u>\$ 58,582</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts Payable	\$ 17,135	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	64,330	-	-	-	-
Due to Other Funds	-	-	-	58,582	-
Deferred Revenue	-	-	-	-	-
Due to Operational Fund	-	-	-	-	-
Total Liabilities	<u>81,465</u>	<u>-</u>	<u>-</u>	<u>58,582</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
General Fund	50,543	10,234	-	-	-
Capital Projects Funds	-	-	-	-	-
Total Fund Balance	<u>50,543</u>	<u>10,234</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 132,008</u>	<u>\$ 10,234</u>	<u>\$ -</u>	<u>\$ 58,582</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
BALANCE SHEET – ALL GOVERNMENTAL FUNDS (continued)
JUNE 30, 2013**

	<u>Entitlement IDEA-B Federal Stimulus</u>	<u>Federal Stimulus SEG</u>	<u>Education Job Fund</u>	<u>Daniel's Fund</u>	<u>LANL Foundation</u>
<u>ASSETS</u>					
Cash on Deposit	\$ -	\$ 56	\$ -	\$ 4,013	\$ -
Accounts Receivable					
Due From Grantors	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ 4,013</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-
Due to Other Funds					
Deferred Revenue	-	-	-	-	-
Due to Operational Fund	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:					
Unassigned, Reported in:					
General Fund	-	56	-	4,013	-
Capital Projects Funds	-	-	-	-	-
Total Fund Balance	<u>-</u>	<u>56</u>	<u>-</u>	<u>4,013</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ 4,013</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
BALANCE SHEET – ALL GOVERNMENTAL FUNDS (continued)
JUNE 30, 2013**

	<u>GO Bond Student Library Fund</u>	<u>GO Bond Student Library Fund</u>	<u>Technology for Education PED</u>	<u>Technology for Education PED</u>	<u>Libraries - GO Bonds 2004</u>	<u>Bond Building Fund</u>
<u>ASSETS</u>						
Cash on Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable						
Due From Grantors	-	-	-	-	-	-
Due From Other Governments	-	-	-	-	-	-
Food Inventory	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:						
Unassigned, Reported in:						
General Fund	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-
Total Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
BALANCE SHEET – ALL GOVERNMENTAL FUNDS (continued)
JUNE 30, 2013**

	Capital Improvements SB-9	Ed. Technology Equipment Act	27171	Total
<u>ASSETS</u>				
Cash on Deposit	\$ -	\$ -	\$ -	\$ 64,479
Accounts Receivable				81,832
Due From Grantors	11,065	-	12,185	81,832
Due From Other Governments	-	-	-	-
Food Inventory	-	-	-	-
Total Assets	<u>\$ 11,065</u>	<u>\$ -</u>	<u>\$ 12,185</u>	<u>\$ 228,143</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ 17,135
Accrued Liabilities	-	-	-	64,330
Due to Other Funds	11,065	-	12,185	81,832
Deferred Revenue	-	-	-	-
Due to Operational Fund	-	-	-	-
Total Liabilities	<u>11,065</u>	<u>-</u>	<u>12,185</u>	<u>163,297</u>
Fund Balance:				
Unassigned, Reported in:				
General Fund				64,846
Capital Projects Funds	-	-	-	-
Total Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,846</u>
Total Liabilities and Fund Balance	<u>\$ 11,065</u>	<u>\$ -</u>	<u>\$ 12,185</u>	<u>\$ 228,143</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE
 STATEMENT OF NET POSITION
 JUNE 30, 2013**

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

Total Fund Balance - Governmental Funds	\$	64,846
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Capital Assets used in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds

	1,326,664	
Cost of Capital Assets	(169,243)	
Accumulated Depreciation	<u>1,157,421</u>	

Prepaid Leases acquired in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds

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Total Net Position - Governmental Funds	\$	<u>1,222,267</u>
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**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>General Fund</u>				Fresh Fruits in Classroom
	<u>Operational</u>	<u>Instructional Materials</u>	<u>Title I - IASA</u>	<u>Entitlement IDEA-B Fund</u>	
Revenues:					
Charges for Services	\$ 34,719	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	1,324,291	13,829	-	-	-
Federal Sources	-	-	-	58,582	-
Other	15,727	-	-	-	-
Investment and Interest Income	-	-	-	-	-
Total Revenues	1,374,737	13,829	-	58,582	-
Expenditures:					
Direct Instruction	1,326,081	8,202	-	-	-
Instructional Support	-	-	-	58,582	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	1,326,081	8,202	-	58,582	-
Revenues Over (Under) Expenditures	48,656	5,627	-	-	-
Other Financing Sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-	-
Net Change in Fund Balance	48,656	5,627	-	-	-
Fund Balance at Beginning of Year	1,887	4,607	-	-	-
Restatement	-	-	-	-	-
Fund Balance at End of Year	<u>\$ 50,543</u>	<u>\$ 10,234</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Entitlement IDEA-B Federal Stimulus	Federal Stimulus SEG	Education Job Fund	Daniel's Fund	LANL Foundation
Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	-
Federal Sources	-	-	-	-	-
Other	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-
Total Revenues	-	-	-	-	-
Expenditures:					
Direct Instruction	-	-	-	-	-
Instructional Support	-	-	-	-	-
Food Services	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	4,013	-
Restatement	-	56	-	-	-
Fund Balance at End of Year	\$ -	\$ 56	\$ -	\$ 4,013	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	GO Bond Student Library Fund	GO Bond Student Library Fund	Technology for Education PED	Technology for Education PED	Libraries - GO Bond Law of 2004	Bond Building Fund
Revenues:						
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-	-	-
State Sources	-	-	-	-	-	142,100
Federal Sources	-	-	-	-	-	-
Other	-	-	-	-	-	-
Investment and Interest Income	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	142,100
Expenditures:						
Direct Instruction	-	-	-	-	-	-
Instructional Support	-	-	-	-	-	-
Food Services	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	142,100
Total Expenditures	-	-	-	-	-	142,100
Revenues Over (Under) Expenditures	-	-	-	-	-	-
Other Financing Sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-	-	-
Net Change in Fund Balance	-	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-	-
Restatement	-	-	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Capital Improvement s SB-9	Ed. Technology Equipment Act	27171	Total
Revenues:				
Charges for Services	\$ -	\$ -	\$ -	\$ 34,719
Local Sources	-	-	-	-
State Sources	11,065	-	12,185	1,503,470
Federal Sources	-	-	-	58,582
Other	-	-	-	15,727
Investment and Interest Income	-	-	-	-
Total Revenues	11,065	-	12,185	1,612,498
Expenditures:				
Direct Instruction	-	-	-	1,334,283
Instructional Support	-	-	12,185	70,767
Food Services	-	-	-	-
Capital Outlay	11,065	-	-	153,165
Total Expenditures	11,065	-	12,185	1,558,215
Revenues Over (Under) Expenditures	-	-	-	54,283
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-
Net Change in Fund Balance	-	-	-	54,283
Fund Balance at Beginning of Year	-	-	-	10,507
Restatement	-	-	-	56
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ 64,846

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT
 OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2013**

Total Net Change in Fund Balances - Governmental Funds \$ 54,283

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

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

Depreciation Expense	(22,994)	
Capital Outlay	<u>153,165</u>	
Excess of Capital Outlay over Depreciation Expense		130,171

Prepaid expenses used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds

Deferred Income		<u>(15,728)</u>
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Change in Net Position of Governmental Activities		<u>\$ 168,726</u>
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**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
OPERATIONAL
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	-	-	\$ 34,719	\$ 34,719
Local Sources	-	-	-	-
State Sources	1,328,701	1,347,931	1,356,861	8,930
Federal Sources	-	-	-	-
Other	-	-	15,727	15,727
Investment and Interest Income	-	-	-	-
Total Revenues	<u>1,328,701</u>	<u>1,347,931</u>	<u>1,407,307</u>	<u>59,376</u>
<u>Expenditures:</u>				
Direct Instruction	1,449,242	1,468,472	1,322,970	145,502
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,449,242</u>	<u>1,468,472</u>	<u>1,322,970</u>	<u>145,502</u>
Revenues Over (Under) Expenditures	(120,541)	(120,541)	84,337	(86,126)
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	<u>\$ 84,337</u>	-
Cash Balance Budgeted	<u>\$ 120,541</u>	<u>\$ 120,541</u>		

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See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
INSTRUCTIONAL MATERIALS
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	13,830	13,830	13,829	(1)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>13,830</u>	<u>13,830</u>	<u>13,829</u>	<u>(1)</u>
<u>Expenditures:</u>				
Direct Instruction	13,830	13,830	8,202	5,628
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>13,830</u>	<u>13,830</u>	<u>8,202</u>	<u>5,628</u>
Revenues Over (Under) Expenditures	-	-	5,627	(5,629)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ 5,627</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

14000

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 TITLE I - IASA
 STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other	-	-	-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

24101

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
ENTITLEMENT IDEA-B
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources			-	-
Federal Sources	-	58,582	58,582	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>58,582</u>	<u>58,582</u>	<u>-</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	58,582	58,582	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>58,582</u>	<u>58,582</u>	<u>-</u>
Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

24106

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
GO BOND STUDENT LIBRARY FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	2,176	2,176	-	(2,176)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>2,176</u>	<u>2,176</u>	-	<u>(2,176)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	2,176	2,176	-	2,176
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,176</u>	<u>2,176</u>	-	<u>2,176</u>
Revenues Over (Under) Expenditures	-	-	-	(4,352)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

27105

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
GO BOND STUDENT LIBRARY FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	2,176	2,176	-	(2,176)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>2,176</u>	<u>2,176</u>	-	<u>(2,176)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	2,176	2,176	-	2,176
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,176</u>	<u>2,176</u>	-	<u>2,176</u>
Revenues Over (Under) Expenditures	-	-	-	(4,352)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

27106

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
BOND BUILDING FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources		-	142,100	142,100
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>142,100</u>	<u>142,100</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	142,100	142,100	-
Total Expenditures	<u>-</u>	<u>142,100</u>	<u>142,100</u>	<u>-</u>
Revenues Over (Under) Expenditures	-	(142,100)	-	142,100
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ 142,100</u>		

31200

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
CAPITAL IMPROVEMENTS SB-9
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	4,897	15,126	11,065	(4,061)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>4,897</u>	<u>15,126</u>	<u>11,065</u>	<u>(4,061)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	<u>4,897</u>	<u>15,126</u>	<u>11,065</u>	<u>4,061</u>
Total Expenditures	<u>4,897</u>	<u>15,126</u>	<u>11,065</u>	<u>4,061</u>
Revenues Over (Under) Expenditures	-	-	-	(8,122)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

31700

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
ED. TECHNOLOGY EQUIPMENT ACT
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	-	-	-
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	15,878	15,878	-	15,878
Total Expenditures	<u>15,878</u>	<u>15,878</u>	<u>-</u>	<u>15,878</u>
Revenues Over (Under) Expenditures	(15,878)	(15,878)	-	(15,878)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ 15,878</u>	<u>\$ 15,878</u>		

31900

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 LIBRARY GO BOND
 STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	12,890	12,185	(705)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>12,890</u>	<u>12,185</u>	<u>(705)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	12,890	12,185	705
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>12,890</u>	<u>12,185</u>	<u>705</u>
Revenues Over (Under) Expenditures	-	-	-	(1,410)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ -</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

27171

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
TOTAL**

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ 34,719	\$ 34,719
Local Sources	-	-	-	-
State Sources	1,351,780	1,381,239	1,523,855	142,616
Federal Sources	-	58,582	58,582	-
Other	-	-	15,727	15,727
Investment and Interest Income	-	-	-	-
Total Revenues	<u>1,351,780</u>	<u>1,439,821</u>	<u>1,632,883</u>	<u>193,062</u>
<u>Expenditures:</u>				
Direct Instruction	1,463,072	1,482,302	1,331,172	151,130
Instructional Support	4,352	62,934	58,582	4,352
Food Services	-	-	-	-
Capital Outlay	<u>20,775</u>	<u>173,104</u>	<u>153,165</u>	<u>19,939</u>
Total Expenditures	<u>1,488,199</u>	<u>1,718,340</u>	<u>1,542,919</u>	<u>175,421</u>
Revenues Over (Under) Expenditures	(136,419)	(278,519)	89,964	17,641
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ 89,964</u>	
Cash Balance Budgeted	<u>\$ 136,419</u>	<u>\$ 278,519</u>		

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS
JUNE 30, 2013**

	<u>Agency Funds</u>
ASSETS	
Cash on Deposit	\$ -
Total Assets	<u>\$ -</u>
LIABILITIES	
Funds Held for Others	\$ -
Total Liabilities	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
FRIENDS OF TAOS CHARTER SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

Cash Flows From Operating Activities:	
Cash Received From Customers	\$ 150,371
Cash Payments for Supplies and Maintenance	<u>(130,184)</u>
Net Cash Provided By (Used in) Operating Activities	20,187
Cash Flows From Capital and Related Financing Activities:	
Purchase of Capital Assets	-
Prepaid Lease Income	-
Proceeds on Loan	-
Interest Paid on Capital Debt	<u>-</u>
Net Cash Provided By (Used in) Capital and Related Financing Activities	-
Cash Flows From Investing Activities:	
	-
	<u>-</u>
Net Cash Provided By (Used in) Investing Activities	<u>-</u>
Net Increase in Cash and Cash Equivalents	20,187
Cash and Cash Equivalents, Beginning of Year	<u>17,121</u>
Cash and Cash Equivalents, End of Year	<u>\$ 37,308</u>
Reconciliation of Operating Income to Net Cash Provided By (Used in) Operating Activities:	
Operating Income	\$ 150,371
Depreciation Expense	-
Change in Accounts Payable	-
Change in Accrued Interest Payable	<u>(130,184)</u>
Net Cash Provided By (Used in) Operating Activities	<u>\$ 20,187</u>

See Independent Auditors' Report

VISTA GRANDE CHARTER

OPERATING FUND – This fund is the chief operating fund of the District. It is used to account for all financial resources of the District except for those required to be accounted for in other funds.

INSTRUCTIONAL MATERIALS FUND – This fund is used to account for resources received from the Public Education Department to be used for the purchase of materials used as a basis of instruction.

SEG STIMULUS SPECIAL REVENUE FUND – To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

EDUCATION JOB FUND– Funding received to promote jobs and education for all students.

TECHNOLOGY FOR EDUCATION PED - State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge Grant. The creation of the fund is authorized by NMSA 1978 22-15A-1 to 22-15A-10.

ENTITLEMENT IDEA-B - The Entitlement IDEA-B program is to provide grants to states that flow through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 619, as amended, 20 U.S.C. 1711-1417 and 1420.

GO BOND STUDENT LIBRARY FUND - To account for money received from the SB301, Laws of 2006 to be used to improve the library, acquire library books and library resources that support the library program.

CAPITAL IMPROVEMENTS SB-9 - This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

KINDERGARTEN 3 PLUS – To account for resources received from the State of New Mexico for full-day Kindergarten and grades one through three for extended year classrooms.

VISTA GRANDE CHARTER

BOND BUILDING FUND - This fund provides financing for the construction of buildings, the purchase of equipment and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds which have been approved by the voters of the District.

ED TECHNOLOGY EQUIPMENT ACT – CAPITAL PROJECTS FUND - Funded from the issuance of Educational Technology Notes to enable the District to acquire educational technology equipment for learning and administrative use in schools and related facilities, and improving related real and personal property to accommodate education technology equipment or any combination thereof. The repayment of the notes is accounted for in the Debt Service Fund.

VISTA GRANDE ACTIVITIES FUND – To account for activities fees.

GOLDEN APPLE FOUNDATION FUND - To account for resources received to provide opportunities for academic enrichment and to encourage positive change in classroom instruction. Funding is provided by the Wells Fargo Golden Apple Foundation.

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2013**

	Governmental Activities
ASSETS	
Cash	\$ 528,502
Accounts Receivable	-
Due From Grantor	9,235
Prepaid Assets (Current Portion)	-
Total Current Assets	537,737
Capital Assets, Net	29,312
Prepaid Assets	-
Total Non-Current Assets	29,312
Total Assets	\$ 567,049
 LIABILITIES AND NET POSITION	
Liabilities	
Accounts Payable	\$ -
Accrued Liabilities	29,901
Due to Other Funds	-
Deferred Revenue	6,183
Deferred Lease Income	-
Current Portion of Long-Term Debt	-
Total Current Liabilities	36,084
Long-Term Debt	-
Deferred Lease Income	-
Total Long-Term Liabilities	-
Total Liabilities	\$ 36,084
 NET POSITION	
Net Investment in Capital Assets	29,312
Restricted for Capital Projects	-
Unrestricted	501,653
Total Net Position	530,965
Total Liabilities and Net Position	\$ 567,049

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Functions and Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
EXPENSES:					
Governmental Activities:					
Direct Instruction	\$ 1,186,441	\$ 5,527	\$ 1,225,145	\$ -	\$ 44,231
Instructional Support	-	-	-	-	-
Depreciation Expense	<u>12,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,322)</u>
Total	<u>\$ 1,198,763</u>	<u>\$ 5,527</u>	<u>\$ 1,225,145</u>	<u>\$ -</u>	<u>31,909</u>
General Revenues					
Property Taxes					
General Purpose					5,000
Debt Service					
Capital Projects					
Grants and Contributions - Not Restricted					
Unrestricted Investment Earnings					<u>-</u>
Total General Revenues					5,000
Gain on Disposal of Capital Assets					<u>-</u>
Change in Net Position					36,909
Beginning Net Position					441,471
Restatement					<u>52,585</u>
Ending Net Position					<u>\$ 530,965</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
BALANCE SHEET – ALL GOVERNMENTAL FUNDS
JUNE 30, 2013**

	<u>General Fund</u>				Technology for Education PED
	<u>Operational</u>	<u>Instructional Materials</u>	<u>Federal Stimulus SEG</u>	<u>Education Job Fund</u>	
<u>ASSETS</u>					
Pooled Cash and Investments	\$ 570,390	\$ 2,525	\$ -	\$ -	\$ 5,879
Receivables:					
Delinquent Property Taxes					
Grants	9,235	-	-	-	-
Due From Other Governments					
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ 579,625</u>	<u>\$ 2,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,879</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	29,901	-	-	-	-
Deferred Revenue	-	-	-	-	5,879
Due to Operational Fund	-	-	-	-	-
Total Liabilities	<u>29,901</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,879</u>
Fund Balance:					
Unassigned, Reported in:					
General Fund	549,724	2,525	-	-	-
Capital Projects Funds	-	-	-	-	-
Total Fund Balance	<u>549,724</u>	<u>2,525</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 579,625</u>	<u>\$ 2,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,879</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
BALANCE SHEET – ALL GOVERNMENTAL FUNDS (continued)
JUNE 30, 2013**

	Entitlement IDEA-B	GO Bond Student Library Fund	Capital Improvements SB-9	29102
<u>ASSETS</u>				
Pooled Cash and Investments	\$ -	\$ -	\$ -	\$ 44
Receivables:				
Delinquent Property Taxes				
Grants	-	-	-	-
Due From Other Governments				
Food Inventory	-	-	-	-
Total Assets	\$ -	\$ -	\$ -	\$ 44
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Cash Overdraft	\$ 623	\$ 2,021	\$ 3,999	\$ -
Accounts Payable	-	-	-	-
Accrued Liabilities	-	-	-	-
Deferred Revenue	-	-	-	-
Due to Operational Fund	-	-	-	-
Total Liabilities	623	2,021	3,999	-
Fund Balance:				
Unassigned, Reported in:				
General Fund	(623)	(2,021)	(3,999)	44
Capital Projects Funds	-	-	-	-
Total Fund Balance	(623)	(2,021)	(3,999)	44
Total Liabilities and Fund Balance	\$ -	\$ -	\$ -	\$ 44

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
BALANCE SHEET – ALL GOVERNMENTAL FUNDS (continued)
JUNE 30, 2013**

	Kindergarten 3 Plus	Bond Building	Ed. Technology Equipment Act	Foundation Fund	Golden Apple Foundation	Total
<u>ASSETS</u>						
Pooled Cash and Investments	\$ 304	\$ -	\$ -	\$ -	\$ -	\$ 579,142
Receivables:						-
Delinquent Property Taxes						-
Grants	-	-	-	-	-	9,235
Due From Other Governments	-	-	-	-	-	-
Food Inventory	-	-	-	-	-	-
Total Assets	<u>\$ 304</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 588,377</u>
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Cash Overdraft	\$ -	\$ 37,725	\$ -	\$ 6,272	\$ -	\$ 50,640
Accounts Payable	-	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-	29,901
Deferred Revenue	304	-	-	-	-	6,183
Due to Operational Fund	-	-	-	-	-	-
Total Liabilities	<u>304</u>	<u>37,725</u>	<u>-</u>	<u>6,272</u>	<u>-</u>	<u>86,724</u>
Fund Balance:						
Unassigned, Reported in:						
General Fund	-	-	-	(6,272)	-	539,378
Capital Projects Funds	-	(37,725)	-	-	-	(37,725)
Total Fund Balance	<u>-</u>	<u>(37,725)</u>	<u>-</u>	<u>(6,272)</u>	<u>-</u>	<u>501,653</u>
Total Liabilities and Fund Balance	<u>\$ 304</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 588,377</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE CHARTER SCHOOL
 RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE
 STATEMENT OF NET POSITION
 JUNE 30, 2013**

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

Total Fund Balance - Governmental Funds	\$ 501,653
---	------------

Capital Assets used in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds

	45,957	
Cost of Capital Assets	(16,645)	
Accumulated Depreciation	<u>29,312</u>	

Prepaid Leases acquired in governmental activities are not current financial resources and therefore are not reported as assets in governmental funds

-

Total Net Position - Governmental Funds	<u>\$ 530,965</u>
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**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>General Fund</u>			Federal Stimulus SEG	Education Job Fund	Technology for Education PED
	<u>Operational</u>	<u>Instructional Materials</u>				
Revenues:						
Charges for Services	\$ (58)	\$ 6,280	\$ -	\$ -	\$ -	
Local Sources	-	-	-	-	-	
State Sources	1,169,158	-	-	-	-	
Federal Sources	-	-	-	-	-	
Other	-	-	-	-	-	
Investment and Interest Income	<u>1,435</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total Revenues	1,170,535	6,280	-	-	-	
Expenditures:						
Direct Instruction	1,168,533	4,731	-	-	-	
Instructional Support	-	-	-	-	-	
Food Services	-	-	-	-	-	
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total Expenditures	<u>1,168,533</u>	<u>4,731</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Revenues Over (Under) Expenditures	2,002	1,549	-	-	-	
Other Financing Sources (uses):						
Transfers in	-	-	-	-	-	
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Net Change in Fund Balance	2,002	1,549	-	-	-	
Fund Balance at Beginning of Year	422,443	5,075	-	-	-	
Restatement	<u>125,279</u>	<u>(4,099)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balance at End of Year	<u>\$ 549,724</u>	<u>\$ 2,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Entitlement IDEA-B	GO Bond Student Library Fund	Capital Improvements SB-9	29102
Revenues:				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Other	-	-	-	5,000
Investment and Interest Income	-	-	-	-
Total Revenues	-	-	-	5,000
Expenditures:				
Direct Instruction	623	2,021	-	4,956
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	3,999	-
Total Expenditures	623	2,021	3,999	4,956
Revenues Over (Under) Expenditures	(623)	(2,021)	(3,999)	44
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-
Net Change in Fund Balance	(623)	(2,021)	(3,999)	44
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ (623)</u>	<u>\$ (2,021)</u>	<u>\$ (3,999)</u>	<u>\$ 44</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – ALL GOVERNMENTAL FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2013**

	Kindergarten 3 Plus	Bond Building	Ed. Technology Equipment Act	Activities Fund	Golden Apple Foundation	Total
Revenues:						
Charges for Services	\$ -	\$ -	\$ -	\$ (695)	\$ -	\$ 5,527
Local Sources	-	-	-	-	-	-
State Sources	-	55,986	-	-	-	1,225,144
Federal Sources	-	-	-	-	-	-
Other	-	-	-	-	-	5,000
Investment and Interest Income	-	-	-	-	-	1,435
Total Revenues	-	55,986	-	(695)	-	1,237,106
Expenditures:						
Direct Instruction	-	-	-	5,577	-	1,186,441
Instructional Support	-	-	-	-	-	-
Food Services	-	-	-	-	-	-
Capital Outlay	-	75,305	-	-	-	79,304
Total Expenditures	-	75,305	-	5,577	-	1,265,745
Revenues Over (Under) Expenditures	-	(19,319)	-	(6,272)	-	(28,639)
Other Financing Sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-	-	-
Net Change in Fund Balance	-	(19,319)	-	(6,272)	-	(28,639)
Fund Balance at Beginning of Year	-	-	-	633	2,507	430,658
Restatement	-	(18,406)	-	(633)	(2,507)	99,634
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (37,725)</u>	<u>\$ -</u>	<u>\$ (6,272)</u>	<u>\$ -</u>	<u>\$ 501,653</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
OPERATIONAL FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ (58)	\$ (58)
Local Sources	-	-	-	-
State Sources	1,269,101	1,419,457	1,178,393	(241,064)
Federal Sources	-	-	-	-
Other	-	-	-	-
Investment and Interest Income	-	-	1,435	1,435
Total Revenues	<u>1,269,101</u>	<u>1,419,457</u>	<u>1,179,770</u>	<u>(239,687)</u>
<u>Expenditures:</u>				
Direct Instruction	1,556,907	1,707,263	1,138,632	568,631
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,556,907</u>	<u>1,707,263</u>	<u>1,138,632</u>	<u>568,631</u>
Revenues Over (Under) Expenditures	(287,806)	(287,806)	41,138	(808,318)
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ 41,138</u>	
Cash Balance Budgeted	<u>\$ 287,806</u>	<u>\$ 287,806</u>		

11000

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ 6,280	\$ 6,280
Local Sources			-	-
State Sources	-	-	-	-
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>6,280</u>	<u>6,280</u>
<u>Expenditures:</u>				
Direct Instruction	6,280	6,280	4,731	1,549
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>6,280</u>	<u>6,280</u>	<u>4,731</u>	<u>1,549</u>
Revenues Over (Under) Expenditures	(6,280)	(6,280)	1,549	4,731
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ 1,549</u>	
Cash Balance Budgeted	<u>\$ 6,280</u>	<u>\$ 6,280</u>		

14000

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE CHARTER SCHOOL
 TECHNOLOGY FOR EDUCATION FUND
 STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	Original Budget	Approved Final Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	-	-	-
Federal Sources	509	509	-	(509)
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	509	509	-	(509)
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Revenues Over (Under) Expenditures	509	509	-	(509)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-
Net Change in Fund Balance			\$ -	
Cash Balance Budgeted	\$ 509	\$ 509		

25255

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
ENTITLEMENT IDEA-B FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	9,718	-	(9,718)
Federal Sources	-	-	-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>9,718</u>	<u>-</u>	<u>(9,718)</u>
<u>Expenditures:</u>				
Direct Instruction	-	9,718	623	9,095
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>9,718</u>	<u>623</u>	<u>9,095</u>
Revenues Over (Under) Expenditures	-	-	(623)	(18,813)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (623)</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

24106

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE CHARTER SCHOOL
 GO BOND STUDENT LIBRARY FUND
 STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	6,289	-	(6,289)
Federal Sources	-	-	-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>6,289</u>	<u>-</u>	<u>(6,289)</u>
<u>Expenditures:</u>				
Direct Instruction	-	6,289	2,021	4,268
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>6,289</u>	<u>2,021</u>	<u>4,268</u>
Revenues Over (Under) Expenditures	-	-	(2,021)	(10,557)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (2,021)</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

27106

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE CHARTER SCHOOL
 CAPITAL IMPROVEMENTS SB-9 FUND
 STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	2,388	-	(2,388)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>2,388</u>	<u>-</u>	<u>(2,388)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	2,388	3,999	(1,611)
Total Expenditures	<u>-</u>	<u>2,388</u>	<u>3,999</u>	<u>(1,611)</u>
Revenues Over (Under) Expenditures	-	-	(3,999)	(777)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (3,999)</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>		

31700

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
29102**

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	Original Budget	Approved Final Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	-	-	-
Federal Sources			-	-
Other		5,000	5,000	-
Investment and Interest Income	-	-	-	-
Total Revenues	-	5,000	5,000	-
<u>Expenditures:</u>				
Direct Instruction	-	5,000	4,956	44
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	5,000	4,956	44
Revenues Over (Under) Expenditures	-	-	44	(44)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-
Net Change in Fund Balance			\$ 44	
Cash Balance Budgeted	\$ -	\$ -		

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
BOND BUILDING FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	-	75,305	55,986	(19,319)
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>75,305</u>	<u>55,986</u>	<u>(19,319)</u>
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	4,924	80,229	75,305	4,924
Total Expenditures	<u>4,924</u>	<u>80,229</u>	<u>75,305</u>	<u>4,924</u>
Revenues Over (Under) Expenditures	(4,924)	(4,924)	(19,319)	(24,243)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (19,319)</u>	
Cash Balance Budgeted	<u>\$ (4,924)</u>	<u>\$ (4,924)</u>		

31200

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
ACTIVITIES FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ (695)	\$ (695)
Local Sources			-	-
State Sources			-	-
Federal Sources			-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>(695)</u>	<u>(695)</u>
<u>Expenditures:</u>				
Direct Instruction	-	6,000	5,577	423
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>6,000</u>	<u>5,577</u>	<u>423</u>
Revenues Over (Under) Expenditures	-	(6,000)	(6,272)	(1,118)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ (6,272)</u>	
Cash Balance Budgeted	<u>\$ -</u>	<u>\$ (6,000)</u>		

23000

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE CHARTER SCHOOL
 GOLDEN APPLE FOUNDATION OF NM
 STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
 (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Approved Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Local Sources			-	-
State Sources	2,507	2,507	-	(2,507)
Federal Sources	-	-	-	-
Other			-	-
Investment and Interest Income	-	-	-	-
Total Revenues	2,507	2,507	-	(2,507)
<u>Expenditures:</u>				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services			-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Revenues Over (Under) Expenditures	2,507	2,507	-	(2,507)
Other Financing Sources (uses):				
Transfers in			-	-
Transfers out	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-
Net Change in Fund Balance			\$ -	
Cash Balance Budgeted	\$ -	\$ -		

26163

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
TOTAL**

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2013**

	Original Budget	Approved Final Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Charges for Services	\$ -	\$ -	\$ 5,527	\$ 5,527
Local Sources	-	-	-	-
State Sources	1,271,608	1,515,664	1,234,379	(281,285)
Federal Sources	509	509	-	(509)
Other	-	-	-	-
Investment and Interest Income	-	-	<u>1,435</u>	<u>1,435</u>
Total Revenues	<u>1,272,117</u>	<u>1,516,173</u>	<u>1,241,341</u>	<u>(274,832)</u>
<u>Expenditures:</u>				
Direct Instruction	1,563,187	1,735,550	1,151,584	583,966
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Capital Outlay	<u>4,924</u>	<u>82,617</u>	<u>79,304</u>	<u>3,313</u>
Total Expenditures	<u>1,568,111</u>	<u>1,818,167</u>	<u>1,230,888</u>	<u>587,279</u>
Revenues Over (Under) Expenditures	(295,994)	(301,994)	10,453	(862,111)
Other Financing Sources (uses):				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance			<u>\$ 10,453</u>	
Cash Balance Budgeted	<u>\$ 295,994</u>	<u>\$ 301,994</u>		

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE CHARTER SCHOOL
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2013**

Agency Funds

ASSETS

Cash on Deposit	\$ 2,433
Total Assets	<u>\$ 2,433</u>

LIABILITIES

Funds Held For Other	\$ 2,433
Total Liabilities	<u>\$ 2,433</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	Balances, June 30, 2012	Additions	Deletions	Balances, June 30, 2013
ASSETS				
Cash on Deposit	\$ 634,211	\$ 372,456	\$ 607,769	\$ 398,898
Total Assets	<u>\$ 634,211</u>	<u>\$ 372,456</u>	<u>\$ 607,769</u>	<u>\$ 398,898</u>
LIABILITIES				
Due to Operational Fund	\$ 19,812	\$ 11,635	\$ 18,986	\$ 12,461
Deposits Held For Others				
Arroyo Del Norte	14,286	8,390	13,691	8,985
Enos Elementary	49,678	29,175	47,607	31,246
Ranchos Elementary	39,765	23,353	38,107	25,011
Taos Middle School	56,006	32,891	53,671	35,226
Taos High School	225,595	132,486	216,189	141,892
Administration	<u>229,069</u>	<u>134,526</u>	<u>219,518</u>	<u>144,077</u>
Total Liabilities	<u>\$ 634,211</u>	<u>\$ 372,456</u>	<u>\$ 607,769</u>	<u>\$ 398,898</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS CHARTER SCHOOL
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Balances, June 30, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances, June 30, 2013</u>
ASSETS				
Cash on Deposit	\$ -	\$ -	\$ -	\$ -
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES				
Deposits Held For Others				
Activity K - 8	\$ -			\$ -
Miscellaneous Activity	-	-	-	-
LANL CPR	-	-	-	-
Plant Science	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
VISTA GRANDE CHARTER SCHOOL
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Balances, June 30, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances, June 30, 2013</u>
ASSETS				
Cash on Deposit	\$ 5,341	\$ 1,481	\$ 4,389	\$ 2,433
Total Assets	<u>\$ 5,341</u>	<u>\$ 1,481</u>	<u>\$ 4,389</u>	<u>\$ 2,433</u>
LIABILITIES				
Deposits Held For Others				
General Activity	\$ 1,922	\$ 533	\$ 1,579	\$ 876
Wilderness Experience	-	-	-	-
Tech Team	3,419	948	2,810	1,557
Senior Class	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,341</u>	<u>\$ 1,481</u>	<u>\$ 4,389</u>	<u>\$ 2,433</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS – ALL FUNDS
BY SCHOOL DISTRICT CLASSIFICATION
FOR THE YEAR ENDED JUNE 30, 2013**

	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000	Athletics 22000
Cash, June 30, 2012	\$ 1,473,755	\$ 24,190	\$ 166,182	\$ 221,421	\$ 50,324
Add:					
2012 - 2013 Revenues	19,052,341	159,573	847,320	1,455,681	71,587
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	20,526,096	183,763	1,013,502	1,677,102	121,911
Less:					
2012 - 2013 Expenditures	(19,108,434)	(147,429)	(988,533)	(1,900,999)	(86,696)
Loans To Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2013	<u>\$ 1,417,662</u>	<u>\$ 36,334</u>	<u>\$ 24,969</u>	<u>\$ (223,897)</u>	<u>\$ 35,215</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS – ALL FUNDS
(continued)
BY SCHOOL DISTRICT CLASSIFICATION
FOR THE YEAR ENDED JUNE 30, 2013**

	Title I IASA 24101	Federal Flow- Through 24000	Federal Direct 25000	Local Grants 26000	State Flow- Through 27000
Cash, June 30, 2012	\$ (987,072)	\$ (769,555)	\$ 191,390	\$ 48,719	\$ (13,890)
Add:					
2012 - 2013 Revenues	875,362	2,179,233	188,950	20,204	429,741
Loans From Other Funds	-	-	-	-	-
Total Cash Available	(111,710)	1,409,678	380,340	68,923	415,851
Less:					
2012 - 2013 Expenditures	(246,452)	(2,328,429)	(164,513)	(20,205)	(413,892)
Loans To Other Funds	-	-	-	-	-
Cash, June 30, 2013	<u>\$ (358,162)</u>	<u>\$ (918,751)</u>	<u>\$ 215,827</u>	<u>\$ 48,718</u>	<u>\$ 1,959</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS – ALL FUNDS
(continued)
BY SCHOOL DISTRICT CLASSIFICATION
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Local / State 29000</u>	<u>Bond Building 31100</u>	<u>Special Capital Outlay - Local 31300</u>	<u>Capital Improvement SB-9 31700</u>	<u>Ed. Tech Equipment 31900</u>
Cash, June 30, 2012	\$ 32,214	\$ 1,795,906	\$ 1	\$ 2,003,543	\$ 155,754
Add:					
2012 - 2013 Revenues	62,926	9,143	-	2,080,730	38
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	95,140	1,805,049	1	4,084,273	155,792
Less:					
2012 - 2013 Expenditures	(57,485)	(1,727,505)	-	(2,841,641)	(155,754)
Loans To Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2013	<u>\$ 37,655</u>	<u>\$ 77,544</u>	<u>\$ 1</u>	<u>\$ 1,242,632</u>	<u>\$ 38</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS – ALL FUNDS
 (continued)
 BY SCHOOL DISTRICT CLASSIFICATION
 FOR THE YEAR ENDED JUNE 30, 2013**

	Debt Service 41000	Ed. Tech Debt Service 43000	Total
Cash, June 30, 2012	\$3,056,021	\$ 766,233	\$ 8,215,136
Add:			
2012 - 2013 Revenues	1,910,139	664,194	30,007,162
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	4,966,160	1,430,427	38,222,298
Less:			
2012 - 2013 Expenditures	(1,751,151)	(646,083)	(32,585,201)
Loans To Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2013	<u>\$3,215,009</u>	<u>\$ 784,344</u>	<u>\$ 5,637,097</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANANSI CHARTER SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS – ALL FUNDS
BY SCHOOL DISTRICT CLASSIFICATION
FOR THE YEAR ENDED JUNE 30, 2013**

	Operational 11000	Instructional Materials 14000	Federal Projects 24000	Local / State 26000	Capital Improvement SB-9 31700	Total
Cash, June 30, 2012	\$ 137,912	\$ 795	\$ 192	\$ -	\$ -	\$ 138,899
Add:						
2012 - 2013 Revenues	1,056,996	7,286	48,258	5,000	-	1,117,540
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	1,194,908	8,081	48,450	5,000	-	1,256,439
Less:						
2012 - 2013 Expenditures	(1,076,620)	(7,505)	(34,839)	(4,317)	-	(1,123,281)
Loans To Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2013	<u>\$ 118,288</u>	<u>\$ 576</u>	<u>\$ 13,611</u>	<u>\$ 683</u>	<u>\$ -</u>	<u>\$ 133,158</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS – ALL FUNDS
BY SCHOOL DISTRICT CLASSIFICATION
FOR THE YEAR ENDED JUNE 30, 2013**

	Operational 11000	Instructional Materials 14000	Federal Projects 24000	Local / State 26000	Ed. Tech. Equipment 31900	Total
Cash, June 30, 2012	\$ 30,979	\$ 4,607	\$ 56	\$ 4,013	\$ -	\$ 39,655
Add:						
2012 - 2013 Revenues	1,374,737	13,829	58,582	12,185	-	1,459,333
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	1,405,716	18,436	58,638	16,198	-	1,498,988
Less:						
2012 - 2013 Expenditures	(1,355,540)	(8,202)	(58,582)	(12,185)	-	(1,434,509)
Loans To Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2013	<u>\$ 50,176</u>	<u>\$ 10,234</u>	<u>\$ 56</u>	<u>\$ 4,013</u>	<u>\$ -</u>	<u>\$ 64,479</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE CHARTER SCHOOL
 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS – ALL FUNDS
 BY SCHOOL DISTRICT CLASSIFICATION
 FOR THE YEAR ENDED JUNE 30, 2013**

	Operational 11000	Instructional Materials 14000	Capital Improv.	Local / State 26000	Activity Bank Account 23000	Golden Apple Found. 26163	Total
Cash, June 30, 2012	\$ 422,442	\$ 5,075	\$ -	\$ 6,183	\$ 632	\$ 2,509	\$ 436,841
Add:							
2012 - 2013 Revenues	1,170,535	6,280	55,986	-	695	-	1,233,496
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	1,592,977	11,355	55,986	6,183	1,327	2,509	1,670,337
Less:							
2012 - 2013 Expenditures	(1,022,587)	(8,830)	(97,710)	(2,600)	(7,599)	(2,509)	(1,141,835)
Loans To Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2013	<u>\$ 570,390</u>	<u>\$ 2,525</u>	<u>\$ (41,724)</u>	<u>\$ 3,583</u>	<u>\$ (6,272)</u>	<u>\$ -</u>	<u>\$ 528,502</u>

See Independent Auditors' Report

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT AND VISTA GRANDE CHARTER SCHOOL
SCHEDULES OF PLEDGED COLLATERAL
FOR THE YEAR ENDED JUNE 30, 2013**

Name of Depository	Pledged Collateral	CUSIP	Name and Location of Custodian	Fair Market Value June 30, 2013
For Taos Municipal School District:				
Centinel Bank	Pojoaque SD GOB Matures 8/1/2014	73085PAY5	Texas Independent Bankers Dallas, TX	\$ 115,242
Centinel Bank	Pojoaque SD GOB Matures 8/1/2013	73085PAX7	Texas Independent Bankers Dallas, TX	256,518
Centinel Bank	San Juan CO NM Matures 8/1/2013	798359HY4	Texas Independent Bankers Dallas, TX	384,776
Centinel Bank	Mesa Vista, NM Matures 9/1/2012	560662BX9	Texas Independent Bankers Dallas, TX	175,518
Centinel Bank	FFCB Matures 10/7/2014	31331SZH9	Texas Independent Bankers Dallas, TX	2,010,072
Centinel Bank	Lea County SCH Matures 7/15/2021	521513AL5	Texas Independent Bankers Dallas, TX	227,096
Centinel Bank	FFCB Matures 7/8/2013	31331Y2Q2	Texas Independent Bankers Dallas, TX	1,559,780
U.S. Bank	FNMA FNCL 695188 Matures 5/1/2033	31400RJ93	Federal Reserve Bank	1,041,177
U.S. Bank	GNR 2009-93 HB Matures 9/16/2039	38376KKX8	Federal Reserve Bank	<u>64,526</u>
Total Pledged Collateral, Taos Municipal School District				<u>\$ 5,834,705</u>
For Vista Grande Charter School:				
Centinel Bank	Questa GO ED Matures 7/1/2016	74837KAD1	Centinel Bank	<u>205,000</u>
Total Pledged Collateral, Vista Grande Charter School				<u>\$ 205,000</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013**

Source and Program	Federal CFDA #	Pass-Through Entity #	Federal Expenditures
U.S. Dept. of Education:			
Passed Through State of New Mexico			
* Title I Basic	84.010	24.101	\$ 875,004
94-142 Entitlement	84.027	24.106	751,775
IDEA-B Discretionary	84.027	24.107	5,000
94-142 Preschool	84.173	24.109	23,936
English Language Acquisition	84.365	24.153	29,239
Improving Teacher Quality	84.367	24.154	259,648
IDEA-B Risk Pool	84.186	24.120	4,100
IDEA-B Results Plan		24.132	104,269
Rural Low Income	84.358	24.160	60,154
* Title I - School Improvement	84.010	24.162	75,419
Carl D. Perkins Secondary Culinary	84.048	24.174	36,734
Carl D. Perkins Unique Obligation	84.048A	24.175	-
Title I Stimulus	84.389	24.201	-
Entitlement Stimulus	84.391	24.206	-
Sub-Total			2,225,278
U.S. Dept. of Education:			
Direct Program			
Impact Aid - Special Education	84.041	25.145	80,572
Impact Aid - Indian Education	84.041	25.147	24,489
Indian Education	84.060	25.184	40,206
SEG -Stimulus	84.394	25.250	-
Education Job Fund Federal Stimulus	84.410	25.255	-
Sub-Total			145,267
U.S. Dept. of Health and Human Services:			
Direct Program			
Title XIX Medicaid 3 - 21 Years	93.778	25.153	19,245
Sub-Total			19,245
U.S. Dept. of Agriculture:			
Passed Through State of New Mexico			
Public Education Dept.			
* National School Lunch Program	10.555	21.000	700,545
* School Breakfast Program	10.553	21.000	402,603
* USDA Commodities	10.550	21.000	94,113
Fresh Fruits and Vegetables Program	10.582	24.118	51,613
Sub-Total			1,248,874
Total Expenditures of Federal Awards			\$ 3,638,664

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(continued)
FOR THE YEAR ENDED JUNE 30, 2013**

Source and Program	Federal CFDA #	Pass- Through Entity #	Federal Expenditures
Anansi Charter School			
Education Job Fund - Federal Stimulus	84.410	25.255	\$ -
94-142 Entitlement	84.027	24.106	21,454
Sub-Total			<u>21,454</u>
Taos Charter School			
Education Job Fund - Federal Stimulus	84.410	25.255	-
94-142 Entitlement	84.027	24.106	58,582
Sub-Total			<u>58,582</u>
Vista Grande Charter School			
Education Job Fund - Federal Stimulus	84.410	25.255	-
Sub-Total			<u>-</u>
Total Expenditures of Charter School Awards			<u>\$ 80,036</u>

Notes to the Schedule of Expenditures of Federal Awards

1. Basis of Presentation:

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

2. Non-Cash Assistance:

The District did not receive any federal awards in the form of non-cash assistance except for USDA Commodities during the year.

3. Sub recipients:

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

* - Treated as a major program

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
RECONCILIATION OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

Expenditures per Schedule of Expenditures of Federal Awards	\$ 3,718,700
Non-Federal Expenditures	<u>28,989,369</u>
Expenditures per Statement of Revenues, Expenditures and Changes in Fund Balance	<u>\$ 32,708,069</u>

**STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

Section I – Summary of Audit Results

Financial Statements:

1. Type of Report: Unmodified
2. Internal Control Over Financial Reporting:
 - a. Material weaknesses identified? Yes
 - b. Significant deficiencies identified? Yes
 - c. Noncompliance material to financial statements noted? No

Federal Awards:

1. Internal control over major programs:
 - a. Material weaknesses identified? No
 - b. Significant deficiencies identified? No
2. Type of report issued on compliance for major programs Unmodified
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:

<u>CFDA Number</u>	<u>Federal Program</u>
84.010	Title I Basic
84.010	Title I – School Improvement
10.555	National School Lunch Program
10.553	School Breakfast Program
10.550	USDA Commodities

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

Kubiak & Melton, LLC

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
Santa Fe, New Mexico
and
The Board of Education
Taos Municipal School District
Taos, 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 discretely presented component units, the aggregate remaining fund information, the budgetary comparisons of the general fund and the major special revenue funds, of the Taos Municipal School District (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 supplemental information and have issued our report dated November 11, 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 of 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We

consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: V-13-04.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies: 10-09 and V-13-02.

Compliance and other matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items: 10-15, 10-21, V-12-01, V-13-01, V-13-03 and V-13-05.

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

Kubiak & Melton, LLC

Kubiak & Melton, LLC
Albuquerque, New Mexico
November 11, 2013

Kubiak & Melton, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico
and
The Board of Education
Taos Municipal School District
Taos, New Mexico

Report on Compliance for Each Major Program

We have audited the compliance of the Taos Municipal School District (District) 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 its major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditors' 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.

Auditors' 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 with each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major 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.

Kubiak & Melton, LLC

Kubiak & Melton, LLC
Certified Public Accountants,
November 11, 2013

**STATE OF NEW MEXICO
TAOS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Section II – Financial Statement Findings

Status of Prior Year Findings:

1. Late Audit Report (09-02) - Resolved
2. CFDA Data Collection Form (10-08) – Resolved
3. Depreciation Policy (10-09) – Repeated (Significant Deficiency)
4. Missing Background Check Policy (10-15) – Repeated
5. Segregation of Duties (10-21) – Repeated
6. Leave Policy (10-25) – Resolved
7. Bank Reconciliation Variances (10-28) – Resolved
8. Lack of Procurement Records (11-01) - Resolved
9. Human Resource Department – Lack of Supporting Documentation (11-02) – Resolved

**STATE OF NEW MEXICO
TAOS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Depreciation Policy & Capital Assets – Repeated
(10-09) – Significant Deficiency

CONDITION	The School District has not approved a depreciation policy so depreciation can be charged to capital assets. The District did not conduct an annual capital assets inventory as is required.
CRITERIA	The School District needs a capitalization policy so capital assets can be depreciated correctly per GASB 34. The District needs to acquire a capital asset subsystem that tracks capital assets. The District needs to conduct an annual capital assets inventory.
CAUSE	The School Board has not approved a policy for management to follow.
EFFECT	Depreciation may be charged incorrectly because no set policy is in place. Capital assets do not have proper internal control policies.
RECOMMENDATION	The School Board should approve a policy as soon as possible. Management should acquire a capital assets subsystem. A staff member should be assigned duties in accounting for capital assets.
RESPONSE	The Finance Director has submitted a copy of the District's new depreciation policy to the District's legal counsel for review. After this review, it will go to the School Board for policy approval.

Missing Background Check Policy- Repeated
(10-15) - Other

CONDITION	The School District does not have a written policy on background checks.
CRITERIA	According to NMSA 22-10A-5 School Districts are required to have a written policy on background checks.
CAUSE	It is unclear why there is no policy as the Human Resources Department is aware of this requirement.
EFFECT	Background checks may not be obtained in accordance with NMSA 22-10A-5.
RECOMMENDATION	The School District should prepare, approve, and distribute a background check policy.
RESPONSE	The School District will prepare a policy on background checks and have it Board approved.

**STATE OF NEW MEXICO
TAOS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Segregation of Duties Policy- Repeated

(10-21) – Other

CONDITION	The Payroll Department is inputting contracts and running/preparing payroll.
CRITERIA	Proper internal control requires that proper segregation of duties be implemented so as to limit the possibility that control may be overridden.
CAUSE	The Human Services Department is unwilling to accept this extra duty as it involves computer data input.
EFFECT	A proper segregation of duties is not implemented. Payroll errors/irregularities could occur.
RECOMMENDATION	The Human Resources Department should be required to input all payroll information.
RESPONSE	The District is going to get the proper training for our Human Resource employees so they will be able to input the payroll information.

**STATE OF NEW MEXICO
ANANSI CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Status of Prior Year Findings:

Late Audit Report (A-09-02) – Resolved

**STATE OF NEW MEXICO
FRIENDS OF ANANSI CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Status of Prior Year Findings:

Late Audit Report (FA-09-02) – Resolved

**STATE OF NEW MEXICO
TAOS CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Status of Prior Year Findings:

Late Audit Report (T-09-02) – Resolved
Bank Service Charges (T-10-02) – Resolved
Depreciation Policy (T-10-03) – Resolved
Board Meeting Minutes not signed (T-10-12) – Resolved

**STATE OF NEW MEXICO
FRIENDS OF TAOS CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Status of Prior Year Findings:

Late Audit Report (FT-09-02) – Resolved
Prenumbered Receipts Not Used (FT-09-06) – Resolved
Board Meeting Minutes Incomplete (FT-10-01) - Resolved
Missing Board Meeting Minutes (FT-10-02) - Resolved
Board Meeting Minutes Not Signed (FT-10-03) - Resolved
Bank Reconciliations (FT-10-04) - Resolved
Fundraiser Collections (FT-10-05) - Resolved

**STATE OF NEW MEXICO
VISTA GRANDE CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Status of Prior Year Findings:

Late Audit Report (V-09-02) – Resolved
Segregation of Duties (V-10-08) - Resolved
Outstanding Balances (V-12-01) - Repeated

**Outstanding Balances
(V-12-01) - Other**

CONDITION	The Charter School has cash balances in its Library Books Funds totaling \$304 and \$5,879 in the Libraries GO Fund that represent grants that have not been utilized in several years.
CRITERIA	Each grant has a specified time period in which it is to be utilized.
CAUSE	Management has not taken measures to ensure that all grants received are utilized in a timely manner according to the grant agreement.
EFFECT	Monies are available to be used for special projects and the Charter School has not used them.
RECOMMENDATION	Management should approve budgets and spend the assets received according to the grant agreements.
RESPONSE	Vista Grande Charter School hired a new business manager on July 1, 2012 and through their services they guarantee that the funds will be spent in a timely way such that they do not expire.

**Per Diem and Mileage
(V-13-01) - Other**

CONDITION	During our testwork of the Charter School's compliance with the per diem and mileage act, we noted that in one out of ten instances tested, an employee was reimbursed \$182.25 for meal expenses where the Travel Request and Reimbursement form clearly stated the allowable amount is \$150.00.
CRITERIA	New Mexico Per Diem Act, Section 10-8-1 requires proper accounting and reimbursement for travel and per diem, and so does the School's reimbursement policy.
CAUSE	The District does not have adequate internal controls over reimbursement over travel and per diem expenditures.
EFFECT	The District is not in compliance with New Mexico law and has

**STATE OF NEW MEXICO
VISTA GRANDE CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

potentially over or under reimbursed some employees.

RECOMMENDATION We recommend that the District improve internal controls over their travel and per diem reimbursement and reimburse employees at the rate stated by NM Per Diem Act and School Policy.

RESPONSE The school does have policies over travel and per diem. The school will review the regulations to ensure compliance.

Cash Reconciliation and PED Report
(V-13-02) – Significant Deficiency

CONDITION The cash balance reported on the PED cash report does not reconcile to the balance recorded in the school's trial balance.

CRITERIA NMAC 2.2.2.12 C(4)(b) and NM PED policies require that the audit report should include a cash reconciliation reconciling the cash balance at the end of the current fiscal year. The amounts reported in the reconciliation should agree with the amounts reported in the required PED quarterly and annual cash reports.

CAUSE The District does not have adequate internal controls over cash reconciliation and reporting.

EFFECT Reconciling and reporting cash accurately and completely is essential to the School's operation and management decisions. Inaccurate reconciliation may result in potential irregularities that go undetected as well as misstate the actual cash balance.

RECOMMENDATION We recommend that the School implement procedures to review all reconciliations and reports submitted to PED. Therefore any discrepancy can be detected and related issues can be resolved in a timely manner.

RESPONSE The school did identify this variance. It is a carry-over from the prior fiscal year. Management will implement policies and procedures to review all reconciliations and reports submitted to PED to detect and resolve any discrepancies in a timely manner.

Stale Dated Checks
(V-13-03) - Other

CONDITION The School had 4 outstanding checks that were over 90 days, totaling \$2,189.44 as of June 30, 2013. The District has not reported the payees or voided the checks.

CRITERIA On the checks issued by the School, it stated clearly that the checks will be expired after 90 days. The School should cancel or void the expired

**STATE OF NEW MEXICO
VISTA GRANDE CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

checks that are unpaid after 90 days.

CAUSE	The School did not implement an internal control policy to account for stale dated outstanding checks and did not clear these checks on a timely basis.
EFFECT	Carrying bank reconciling items could result in a misstatement in cash balance and other accounting records.
RECOMMENDATION	We recommend that the School implement a procedure to track the outstanding checks and other outstanding reconciliation items. Any checks expired should be voided as soon as possible.
RESPONSE	The checks should be voided and funds should be reserved pending escheat procedures. Management will implement a procedure to track the outstanding checks and other reconciling items. Any expired checks will be voided in a timely manner.

**Overstated Revenue
(V-13-04) – Material Weakness**

CONDITION	During the current year, one of the School's revenue accounts was overstated by \$301,092.
CRITERIA	Adequate accounting procedures and an effective internal control environment should exist to protect the integrity of account balances at all times. Furthermore, monitoring of account balances should be done regularly so misstatements can be corrected timely.
CAUSE	The School did not have proper internal controls over the accounting function and did not implement monitoring system to review all account balances and fix any incorrect postings to the general ledger.
EFFECT	The School's revenues were overstated.
RECOMMENDATION	We recommend that the School implements internal controls to properly review and identify possible errors in account balances on a timely basis.
RESPONSE	The school used a financial system which had been set up in prior year that used object code 45200 to roll over cash and fund balances. In discussing this with the provider, this was done to close FY 2012 and open beginning balances in FY 2013. It should be noted that no revenues were reported on any state reports that the amount was additional revenue. With implementation of our new financial system, this issue will be addressed and correct fund balance object code sequences will be used.

**STATE OF NEW MEXICO
VISTA GRANDE CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

Budget Overruns
(V-13-05) - Other

CONDITION	The following fund had actual expenditures in excess of budgeted expenditures during the fiscal year ended June 30, 2013: Capital Improvements SB-9: \$1,611.
CRITERIA	NMSA 1978 Section 22-8-11 B requires all budgets to be within their approved amounts.
CAUSE	Staff turnover combined with insufficient budget oversight led to some having actual expenditures in excess of budgeted expenditures.
EFFECT	The Vista Grande School exceeded budgeted appropriations in one fund.
RECOMMENDATION	It recommended that the Charter School make strides in improvement of budgetary oversight.
RESPONSE	Since the fiscal year of this audit, significant improvements in staffing and training have allowed the Charter School to scrutinize more closely budgetary issues.

**STATE OF NEW MEXICO
TAOS SCHOOL DISTRICT
EXIT CONFERENCE
JUNE 30, 2013**

The contents of this report were discussed with Taos Municipal School District at an exit conference held November 11, 2013. The firm of Kubiak & Melton, LLC was represented by Daniel O. Trujillo, CPA, CFE. The District was represented by David Chavez, Board Member President, Jason Silva, Board Member VP, James Sanborn, Board Member, Mark Flores, Board Member, Monica Martinez, Financial Director, Dennis Garcia, Bank Official, Maya Romero, Finance and Merlinda James, Parent Representative.

The contents of this report were discussed with Friends of Anansi on November 11, 2013. The firm of Kubiak & Melton, LLC was represented by Daniel O. Trujillo, CPA, CFE. Friends of Anansi was represented by Michele Hunt, Anansi Charter School, Domingo Sanchez, Business Manager, Mpower and Alison Hyder, Board Member.

The contents of this report were discussed with Anansi Charter School on November 11, 2013. The firm of Kubiak & Melton, LLC was represented by Daniel O. Trujillo, CPA, CFE. Anansi Charter School was represented by Michele Hunt, Director, Anansi Charter School, Traci Chavez McAdams, Board Member and Domingo Sanchez, Business Manager.

The contents of this report were discussed with Taos Charter School on November 11, 2013. The firm of Kubiak & Melton, LLC was represented by Daniel O. Trujillo, CPA, CFE. Taos Charter School was represented by Dr. Deidre McAdam, Principal, Debbie Martinez, Fiscal Administrative Assistant, Susan Vigil, Board Member and Domingo Martinez, Mpower.

The contents of this report were discussed with Friends of Taos Charter School on November 11, 2013. The firm of Kubiak & Melton, LLC was represented by Daniel O. Trujillo, CPA, CFE. Friends of Taos Charter School was represented by Sharon Voight, Friends of Taos Charter School.

The contents of this report were discussed with Vista Grande Charter School on November 11, 2013. The firm of Kubiak & Melton, LLC was represented by Daniel O. Trujillo, CPA, CFE. Vista Grande was represented by Brian Greer, Board Member, Annette Bowden, Financial Manager and Isabelle St. Onge, School Director.

Preparation of Financial Statements

The audited financial statements were prepared by the independent certified public accountants performing the audit with the assistance of management. Management is responsible for ensuring the books and records adequately support the preparation of the financial statements in accordance with generally accepted accounting principles and that the information is current and in balance. Management has reviewed the approved the financial statements as presented.