

**STATE OF NEW MEXICO**

**CARLSBAD MUNICIPAL SCHOOL DISTRICT NO. 20**

**ANNUAL FINANCIAL REPORT**  
**JUNE 30, 2010**



**STATE OF NEW MEXICO**  
**CARLSBAD MUNICIPAL SCHOOL DISTRICT NO. 20**  
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**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Official Roster  
June 30, 2010

<u><b>Name</b></u>		<u><b>Title</b></u>
	<u><b>Board of Education</b></u>	
Ron Singleton		President
Angela Campos		Vice President
Steve West		Secretary
Martin Dorado		Member
Doris Bruton Carleton		Member
	<u><b>School Officials</b></u>	
Sheri S. Williams		Superintendent
Laura Garcia		Director of Finance

**FINANCIAL SECTION**



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**Accounting & Consulting Group, LLP**  
Certified Public Accountants

## **Independent Auditors' Report**

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Carlsbad Municipal School District No. 20  
Carlsbad, New Mexico

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the budgetary comparisons for the general fund, the Title I - IASA special revenue fund, and the aggregate remaining fund information of Carlsbad Municipal Schools (the "District") as of and for the year ended June 30, 2010, 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, the combining financial statements for the general fund, the component unit funds and the respective budgetary comparisons for the bond building capital projects fund, the capital improvements SB-9 capital projects fund, the component unit funds, and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010 as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

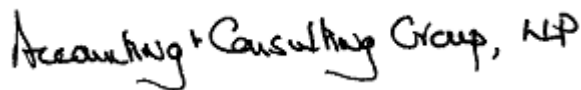
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Carlsbad Municipal Schools, as of June 30, 2010, the respective changes in financial position thereof, and the respective budgetary comparisons for the general fund and the title I - IASA special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund, the combining financial statements for the general fund, and each component unit fund of the District as of June 30, 2010, and the respective changes in financial position thereof, and the respective budgetary comparisons for the bond building capital projects fund, the capital improvements SB-9 capital projects fund, the nonmajor governmental funds and the component unit funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report date February 8, 2011 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The *Management's Discussion and Analysis* on pages 11 through 15 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The accompanying financial information listed as Supporting Schedules I through VI in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Carlsbad Municipal Schools. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and each of the nonmajor governmental fund financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements the combining and individual fund financial statements and the budgetary comparisons, taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.



Accounting & Consulting Group, LLP  
Albuquerque, New Mexico  
February 8, 2011

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Management's Discussion and Analysis  
 June 30, 2010

**Introduction**

This discussion and analysis of Carlsbad Municipal School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for fiscal year 2009-10 are as follows:

- Capital assets increased from \$101,917,416 in the year ending June 30, 2009 to \$ 111,950,060 in the year ending June 30, 2010. This increase is attributed to improvements made to land and buildings and the purchases of vehicles and equipment. Asset additions totaled \$13,791,284 and asset deletions totaled \$3,758,640 for a net change in assets of \$10,032,644.
- Accumulated depreciation as of June 30, 2010 of \$43,564,988 was recorded. This includes current year depreciation, net of deletions, of \$3,341,524.
- The overall restricted/unrestricted Fund Balance decreased from \$23,923,273 for the year ending June 30, 2009 to \$20,845,585 for the year ending June 30, 2010. This decrease is primarily attributed to the investments in capital assets for projects completed during the year.
- Total assets of governmental activities decreased \$443,624 or less than 1.00%. Current assets decreased by \$7.21 million, while non-current assets increased by \$6.76 million.
- Total liabilities of governmental activities decreased \$5.66 million or 34.26%. The decrease can be primarily attributed to the decreases in accounts payable and bonds payable.
- The District had \$62.5 million in expenses related to governmental activities: \$11.8 million of these expenses were offset by program specific charges for services and sales, grants, and contributions. General revenues (primarily State Equalization Guarantee, property taxes, and grants and entitlements) of \$54.5 million were adequate to provide for these programs.

Condensed Statement of Net Assets (in thousands of dollars)

	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>June 30, 2008</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Current and other assets	22,094	29,301	30,154
Net capital assets	68,457	61,694	54,859
Total assets	<u>90,551</u>	<u>90,995</u>	<u>85,013</u>
Long-term debt outstanding	7,980	9,535	11,135
Other liabilities	2,876	6,978	3,303
Total liabilities	<u>10,856</u>	<u>16,513</u>	<u>14,438</u>
Net assets	<u>79,696</u>	<u>74,482</u>	<u>70,575</u>
Invested in capital assets net of related debt	58,850	50,559	42,049
Restricted	11,799	15,122	-
Unrestricted	9,047	8,801	28,526
Total net assets	<u>79,696</u>	<u>74,482</u>	<u>70,575</u>

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Condensed Statement of Activities (in thousands of dollars)

	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>June 30, 2008</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Charges for services	1,983	1,602	1,755
Operating grants	9,788	9,257	9,207
Capital grants	27	989	165
General revenues			
Property taxes	7,768	8,163	8,133
State aid	46,301	47,163	45,961
Other	430	110	395
Total revenue	<u>66,297</u>	<u>67,284</u>	<u>65,616</u>
Expenses:			
Instruction	35,550	33,829	33,205
Support services:			
Students	11,391	5,008	4,981
Instruction		2,365	2,161
General administration		532	753
School administration		3,496	3,408
Central services	1,429	1,447	1,244
Operation & maintenance of plant	6,443	6,425	5,863
Student transportation	1,731	1,752	1,734
Other support		-	18
Operation of non instructional services:			
Food services	3,272	3,445	3,239
Community services	79	83	53
Inventory exempt - unallocated		2,203	1,584
Interest on long term debt	283	692	224
Depreciation	2,346	2,100	1,926
Total expenses	<u>62,524</u>	<u>63,377</u>	<u>60,393</u>
Increase (decrease) in net assets	<u>3,773</u>	<u>3,907</u>	<u>5,223</u>

**Using the Basic Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Carlsbad Municipal School District as a financial whole, or as an entire operating entity.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in a single column. For Carlsbad Municipal School District, the General Fund is the most significant fund.

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Carlsbad Municipal School District No. 20  
Management's Discussion and Analysis  
June 30, 2010

**Reporting the School District as a Whole**

**Statement of Net Assets and Statement of Activities**

While this report contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2010?" The statement of net assets and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. The accrual basis of accounting considers all of the current year's revenues and expenses regardless of when cash was received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it identifies whether the financial position of the School District has improved or diminished for the School District as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, facility conditions, required educational programs, and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District reports only governmental activities:

**Governmental Activities** – Most of the School District's programs and services are reported in this statement including instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Title 1-IASA, Bond Building and the SB-9 Capital Improvements Fund.

**Governmental Funds**

Most of the School District's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year end for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between governmental activities reported in the statement of net assets and the statement of activities and the governmental funds is reconciled in the financial statements.

**Governmental Activities**

The Statement of Activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting those services. The Statement of Activities, for government activities, indicates the total cost of services and the net cost of services. It identifies the cost of these services supported by revenues from state entitlements.

The dependence upon revenues from the State of New Mexico for governmental activities is apparent. Over 87 percent of Total Primary Government Expenses are supported through general revenues. This percentage dropped from 90 percent in the prior year due to the budget crisis experienced at the State level. The State's budget crisis resulted in a \$5.1 million reduction in funding from State sources for our District. This funding reduction from State sources was "backfilled" using Federal Stabilization dollars funded through the American Recovery and Reinvestment Act (ARRA). The District received \$4.13 million in Federal Stabilization funding. The District worked diligently to follow spending guidelines received from the State Public Education Department and heeded the warning regarding the possible "funding cliff" that would result

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 Management's Discussion and Analysis  
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should this one-time funding source be used for recurring costs. The District managed the Federal Stabilization Fund with great care, ensuring that expenditures were made for one-time investments that would create long term efficiencies. The net reduction in funding was \$972 thousand. The District worked with all stakeholders to identify areas for budget cuts and was able to bring the budget into balance by reducing administration and other non-instructional areas.

The School District's food service operation is dependent upon revenues from federal sources. The School District's food service operation had revenues of \$3.5 million and expenses of \$3.2 million for fiscal year 2010. The food service operation has remained self-sufficient and has not required a subsidy from the General Fund. The food service operation receives no support from tax revenues.

**The School District's Funds**

The School District's governmental funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources of \$66.2 million and expenditures and other financing uses of \$70.9 million. The net change in fund balance for the year was a decrease of \$4.7 million. This decrease is the result of the funding cuts to the General Fund due to the State budget crisis and the District's efforts to complete capital improvement projects funded by General Obligation Bonds and 2-Mill Levy funds allocated for major maintenance and improvement projects.

**General Fund Budgeting Highlights**

The School District's budget is prepared in compliance with New Mexico statute and New Mexico Public Education Department regulation and is based on revenue and expenditure trends, current year projections for certain transactions including cash receipts, disbursements, and encumbrances and is driven by the Educational Plan for Student Success. The budget development process requires the creation of District and School budget advisory committees with representation from all stakeholder groups. The primary focus of the District's budget development process is the General Fund due to funding challenges, legislative mandates for the educational programs and provision of student services, staffing and other operating decisions.

During the course of fiscal year 2010, the School District amended its budget as needed.

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2010. Detail budget performance is examined through the Budgetary Comparison Statement for each major fund and the Schedule of Revenues and Expenditures Budget and Actual for the non-major funds.

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	51,691,315	49,871,356	45,362,653	4,508,703
Title 1 - IASA Fund	1,706,086	1,681,962	1,402,418	279,544
Bond Building Fund	5,532,963	5,590,840	1,677,843	3,912,997
Capital Improvement SB-9 Fund	4,231,171	5,970,074	2,984,595	2,985,479
Other Governmental Funds	24,603,852	28,775,413	20,587,047	8,188,366
<b>Total - All Funds</b>	<b>87,765,387</b>	<b>91,889,645</b>	<b>72,014,556</b>	<b>19,875,089</b>

For the General Fund, final budgeted revenues and other financing sources were \$44.8 million.

General Fund expenditures and other financing uses were budgeted at \$49.9 million while actual expenditures were \$45.4 million. The variance between budget and actual expenditures was \$4.5 million and was the result of budgeted emergency reserve not used during the year and other savings throughout the budget.

The General Fund is predominately funded by revenues from the State of New Mexico as allocated through the State Equalization Guarantee (SEG) formula, the Transportation formula and Instructional Materials awards. This fund covers the costs for employee salaries and benefits, fixed costs including utilities and insurance, school and department operating allocations and reserves.

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Actual revenues for the general fund were \$45.4 million. Total revenues from State sources amounted to \$44.3 million or 98% of the total. The deficiency of revenues over expenditures was \$11 thousand for the 2010 year.

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal 2010, the District had \$111.95 million invested in capitalized assets with associated accumulated depreciation of \$43.6 million (see note 6). The value of District owned land and buildings were adjusted to correspond to historical cost or appraised value (if historical cost was not available). The increase in capital assets during the current year is the result of continued construction and improvements throughout the school district.

**Debt**

The total Principal amount paid for outstanding debt for the year ending June 30, 2010 was \$1,600,000; a decrease from the \$1,675,000 Principal paid for outstanding debt for the year ending June 30, 2009. Principal and interest payments continue for the General Obligation Bonds issued in 2004 for \$7.1 million and in 2007 for an additional \$7.1 million. The District had outstanding bonds payable in the amount of \$9,535,000 for the year ending June 30, 2010.

The District is bonded to 9.75% of the legal limit of \$102.5million.

**Economic Factors and Next Year's Budget**

Carlsbad Municipal School is located in Eddy County. Eddy County, like the rest of urban New Mexico, has a strong and balanced economy. Employment in the area has been stable for the past three years.

While Eddy County's population continues to increase, Carlsbad Municipal School District has experienced a decline in enrollment since the peak of 7,031 students in 1993-94. The number of school age children has declined for the past several years and is projected to stabilize in the following years. The enrollment for 2008-09 was 5,868 and the enrollment for 2009-10 was 5,750. Projected enrollment for 2010-11 is 5,811, which substantiates the stabilization prediction for the following years.

Carlsbad Municipal School District received approximately 46% of the 2009-10 approved annual operating budget from the State of New Mexico through the State Equalization Guaranteed Funding. The objectives of the formula are (1) to equalize educational opportunity statewide (by crediting certain local and federal support and then distributing state support in an objective manner) and (2) to retain local autonomy in actual use of funds by allowing funds to be used in local districts at the discretion of local policy making bodies. The basis for the formula is in the number of students enrolled. Weighting factors are assigned to students that receive special services, i.e., special education and bilingual education services as well as other factors based on the training and experience of the teaching staff and the district's at-risk population.

**Contacting the School District's Financial Management**

The financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions about this report or requests for additional financial information may be directed to:

Laura Garcia  
Director of Finance  
Carlsbad Municipal Schools  
408 N. Canyon  
Carlsbad, NM 88220  
[Laura.Garcia@carlsbad.k12.nm.us](mailto:Laura.Garcia@carlsbad.k12.nm.us)  
(505) 234-3300



**BASIC  
FINANCIAL STATEMENTS**

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**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Statement of Net Assets  
 June 30, 2010

	Governmental Activities	Component Unit
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 19,623,727	\$ 384,680
Receivables:		
Taxes	631,109	
Due from other governments	1,349,511	-
Other	10,555	-
Inventory	465,660	-
Prepaid expenses	13,356	-
	22,093,918	384,680
Noncurrent assets		
Restricted cash and cash equivalents	-	-
Bond issuance costs, net of amortization of \$38,412	72,262	-
Capital assets	111,950,060	117,619
Less: accumulated depreciation	(43,564,988)	(114,821)
	68,457,334	2,798
Total assets	\$ 90,551,252	\$ 387,478

The accompanying notes are an integral part of these financial statements

	Governmental Activities	Component Unit
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 971,316	\$ 132,641
Accrued payroll	49,041	90,477
Accrued interest	153,583	-
Current portion of accrued compensated absences	133,722	-
Current portion of bonds payable	1,660,000	-
Total current liabilities	<u>2,967,662</u>	<u>223,118</u>
Noncurrent liabilities		
Accrued compensated absences	62,768	-
Bond premiums, net of amortization of \$22,099	42,316	-
Bonds payable	7,875,000	-
Total noncurrent liabilities	<u>7,980,084</u>	<u>-</u>
Total liabilities	<u>10,947,746</u>	<u>223,118</u>
<b>Net assets</b>		
Invested in capital assets, net of related debt	58,850,072	2,798
Restricted for:		
Special revenue	1,863,406	9,699
Debt service	1,695,474	-
Capital projects	8,147,274	34,095
Unrestricted	9,047,280	117,768
Total net assets	<u>79,603,506</u>	<u>164,360</u>
Total liabilities and net assets	<u>\$ 90,551,252</u>	<u>\$ 387,478</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Statement of Activities  
 For the Year Ended June 30, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
Instruction	\$ 35,550,419	\$ 634,446	\$ 3,781,128	\$ 17,626
Support services	11,390,634	203,281	1,211,503	5,647
Central services	1,428,652	25,496	151,951	708
Operation and maintenance of plant	6,442,621	114,977	685,234	3,194
Student transportation	1,731,142	-	1,652,876	-
Food services operations	3,271,731	1,003,424	2,297,048	-
Community services operations	78,998	1,410	8,402	39
Interest on long-term debt	375,743	-	-	-
Depreciation-unallocated	2,346,572	-	-	-
	<u>\$ 62,616,512</u>	<u>\$ 1,983,035</u>	<u>\$ 9,788,142</u>	<u>\$ 27,215</u>
<b>Component Unit Activities:</b>				
Jefferson Montessori Academy	1,832,934	\$ 19,388	\$ 186,995	\$ 62,554

**General Revenues:**

Taxes:

Property taxes, levied for operating programs

Property taxes, levied for debt services

Property taxes, levied for capital projects

Oil and gas

State equalization guarantee

Interest and investment earnings

Miscellaneous

Subtotal, general revenues

Changes in net assets

Net assets, beginning

Restatement (Note 14)

Net assets beginning of the year as restated

Net assets, ending

The accompanying notes are an integral part of these financial statements

<b>Net (Expense) Revenue and Changes in Net Assets</b>	
<b>Primary Government</b>	<b>Component Unit</b>
<b>Governmental Activities</b>	<b>Charter School</b>
\$ (31,117,220)	\$ -
(9,970,202)	-
(1,250,497)	-
(5,639,215)	-
(78,266)	-
28,741	-
(69,147)	-
(375,743)	-
(2,346,572)	-
(50,818,120)	-
	(1,563,996)
450,734	-
885,401	-
3,044,884	-
3,386,961	-
46,300,777	1,283,329
56,789	-
373,646	-
54,499,192	1,283,329
3,681,072	(280,667)
74,482,225	445,027
1,440,209	-
75,922,434	-
<u>\$ 79,603,506</u>	<u>\$ 164,360</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Balance Sheet  
 Governmental Funds  
 June 30, 2010

	General Fund	Title I - IASA	Bond Building
<i>Assets</i>			
Cash and cash equivalents	\$ 7,494,270	\$ 406,185	\$ 3,887,429
Receivables:			
Taxes	54,842	-	-
Due from other governments	-	393,321	-
Other	10,555	-	-
Inventory	369,038	-	-
Prepaid expenses	-	-	-
Due from other funds	2,391,999	-	-
<i>Total assets</i>	\$ 10,320,704	\$ 799,506	\$ 3,887,429
<i>Liabilities and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 174,317	\$ -	\$ 217,778
Accrued payroll	36,963	465	-
Deferred revenue	8,685	-	-
Due to other funds	817,450	785,000	-
<i>Total liabilities</i>	1,037,415	785,465	217,778
<i>Fund balances</i>			
Reserved for:			
Inventory	369,038	-	-
Prepaid expenses	-	-	-
Unreserved, reported in			
General fund	8,914,251	-	-
Special revenue funds	-	14,041	-
Capital projects funds	-	-	3,669,651
Debt service fund	-	-	-
<i>Total fund balances</i>	9,283,289	14,041	3,669,651
<i>Total liabilities and fund balances</i>	\$ 10,320,704	\$ 799,506	\$ 3,887,429

The accompanying notes are an integral part of these financial statements

Capital Improvements SB-9	Other Governmental Funds	Total
\$ 2,226,979	\$ 5,608,864	\$ 19,623,727
224,098	352,169	631,109
-	956,190	1,349,511
-	-	10,555
-	96,622	465,660
-	13,356	13,356
618,937	200,599	3,211,535
<u>\$ 3,070,014</u>	<u>\$ 7,227,800</u>	<u>\$ 25,305,453</u>
\$ 132,707	\$ 448,764	\$ 973,566
-	9,362	46,790
37,821	60,367	106,873
87	1,608,998	3,211,535
<u>170,615</u>	<u>2,127,491</u>	<u>4,338,764</u>
-	96,622	465,660
-	13,356	13,356
-	-	8,914,251
-	1,739,338	1,753,379
2,899,399	1,578,224	8,147,274
-	1,672,769	1,672,769
<u>2,899,399</u>	<u>5,100,309</u>	<u>20,966,689</u>
<u>\$ 3,070,014</u>	<u>\$ 7,227,800</u>	<u>\$ 25,305,453</u>



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Governmental Funds  
 Reconciliation of the Balance Sheet to the Statement of Net Assets  
 June 30, 2010

Exhibit B-1  
 Page 2 of 2

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

Fund balances - total governmental funds	\$	20,966,689
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		68,385,072
Other noncurrent assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Bond discounts		-
Bond issuance costs		72,262
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		106,872
Interest on long-term debt is not accrued in the fund financial statements unless it is due and payable:		
Accrued interest		(153,583)
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued compensated absences		(196,490)
Bond premiums		(42,316)
Bonds payable		(9,535,000)
		(9,535,000)
Total net assets - governmental funds	\$	79,603,506

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2010

	<u>General Fund</u>	<u>Title I - IASA</u>	<u>Bond Building</u>
<i>Revenues</i>			
Taxes	\$ 666,371	\$ -	\$ -
Federal flowthrough	3,244	1,416,810	-
Federal direct	32,430	-	-
Local grants	4,743	50	-
State flowthrough	42,659,875	-	-
State direct	-	-	-
Combined state/local	-	-	-
Transportation distribution	1,652,876	-	-
Charges for services	292,903	-	-
Investment income	33,467	-	9,355
Miscellaneous	17,052	-	5,077
<i>Total revenues</i>	<u>45,362,961</u>	<u>1,416,860</u>	<u>14,432</u>
<i>Expenditures</i>			
Current			
Instruction	29,467,403	1,255,416	-
Support services	7,270,027	147,403	-
Central services	1,396,673	-	-
Operation and maintenance of plant	5,474,396	-	-
Student transportation	1,697,426	-	-
Food services operations	29,953	-	-
Community services operations	72,255	-	-
Capital outlay	41,378	-	1,371,006
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>45,449,511</u>	<u>1,402,819</u>	<u>1,371,006</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(86,550)</u>	<u>14,041</u>	<u>(1,356,574)</u>
<i>Net change in fund balances</i>	<u>(86,550)</u>	<u>14,041</u>	<u>(1,356,574)</u>
<i>Fund balances - beginning</i>	8,360,893	-	5,026,225
<i>Restatement</i>	1,008,946	-	-
<i>Fund Balance - beginning of the year as restated</i>	<u>9,369,839</u>	<u>-</u>	<u>5,026,225</u>
<i>Fund balances - ending</i>	<u>\$ 9,283,289</u>	<u>\$ 14,041</u>	<u>\$ 3,669,651</u>

The accompanying notes are an integral part of these financial statements

Capital Improvements SB- 9	Other Governmental Funds	Total
\$ 2,725,807	\$ 4,300,787	\$ 7,692,965
-	5,379,563	6,799,617
-	358,975	391,405
-	86,309	91,102
215	4,487,783	47,147,873
-	27,000	27,000
-	6,261	6,261
-	-	1,652,876
-	1,690,132	1,983,035
4,688	9,279	56,789
105,277	246,240	373,646
<u>2,835,987</u>	<u>16,592,329</u>	<u>66,222,569</u>
-	4,164,733	34,887,552
15,751	3,741,675	11,174,856
-	21,864	1,418,537
-	869,967	6,344,363
-	-	1,697,426
-	3,184,462	3,214,415
-	-	72,255
2,505,998	6,144,252	10,062,634
-	1,600,000	1,600,000
-	398,448	398,448
<u>2,521,749</u>	<u>20,125,401</u>	<u>70,870,486</u>
<u>314,238</u>	<u>(3,533,072)</u>	<u>(4,647,917)</u>
<u>314,238</u>	<u>(3,533,072)</u>	<u>(4,647,917)</u>
2,585,161	8,202,118	24,174,397
-	431,263	1,440,209
<u>2,585,161</u>	<u>8,633,381</u>	<u>25,614,606</u>
<u>\$ 2,899,399</u>	<u>\$ 5,100,309</u>	<u>\$ 20,966,689</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures and Changes  
 in Fund Balances of Governmental Funds to the Statement of Activities  
 For the year ended June 30, 2010

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

Net change in fund balances - total governmental funds	\$ (4,647,917)
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Governmental funds report capital outlays as expenditures. However, in  
 the Statement of Activities, the cost of those assets is allocated over their  
 estimated useful lives and reported as depreciation expense:

Capital expenditures recorded in capital outlay	10,062,634
Depreciation expense	(3,371,514)
Loss on disposal of capital assets	-

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

Property taxes	78,870
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Expenses in the Statement of Activities that do not consume current financial  
 resources are not reported as expenditures in the funds:

Increase in accrued compensated absences	(55,994)
Decrease in accrued interest	22,705

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial  
 resources to governmental funds, while the repayment of the principal of long-term  
 debt consumes the current financial resources of governmental funds. Neither  
 transaction, however, has any effect on net assets. Also, governmental funds  
 report the effect of issuance costs, premiums, discounts, and similar items when  
 debt is first issued, whereas these amounts are deferred and amortized in the  
 statement of activities:

Amortization of bond issuance costs	-
Amortization of bond discounts and premiums	(3,856)
Bond premium capitalized	5,367
Bond discounts capitalized	-
Bond issuance costs capitalized	(9,223)
Bond proceeds	-
Principal payments on bonds	<u>1,600,000</u>

Change in net assets of governmental activities	<u><u>\$ 3,681,072</u></u>
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The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Carlsbad Municipal School District No. 20**  
**General Fund**

Exhibit C-1

Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ 677,280	\$ 677,280	\$ 654,917	\$ (22,363)
Federal flowthrough	70,000	70,000	3,244	(66,756)
Federal direct	36,370	36,370	32,430	(3,940)
Local grants	15,277	15,277	4,543	(10,734)
State flowthrough	44,303,496	42,383,640	42,659,875	276,235
Transportation distribution	1,697,706	1,652,876	1,652,876	-
Charges for services	270,500	270,500	292,903	22,403
Investment income	42,500	42,500	33,467	(9,033)
Miscellaneous	(240,406)	(331,645)	17,052	348,697
<i>Total revenues</i>	<u>46,872,723</u>	<u>44,816,798</u>	<u>45,351,307</u>	<u>534,509</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	32,134,471	30,609,600	29,430,057	1,179,543
Support services	10,160,644	10,177,371	7,461,980	2,715,391
Central services	1,660,261	1,491,261	1,362,430	128,831
Operation and maintenance of plant	5,959,738	5,786,753	5,321,657	465,096
Student transportation	1,697,706	1,652,876	1,652,876	-
Food services operations	-	30,600	29,953	647
Community services operations	78,495	72,895	72,255	640
Capital outlay	-	50,000	31,444	18,556
<i>Total expenditures</i>	<u>51,691,315</u>	<u>49,871,356</u>	<u>45,362,652</u>	<u>4,508,704</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,818,592)</u>	<u>(5,054,558)</u>	<u>(11,345)</u>	<u>5,043,213</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	4,818,592	5,054,558	-	(5,054,558)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>4,818,592</u>	<u>5,054,558</u>	<u>-</u>	<u>(5,054,558)</u>
<i>Net change in fund balances</i>	-	-	(11,345)	(11,345)
<i>Fund balances - beginning of year</i>	-	-	7,703,607	7,703,607
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,692,262</u>	<u>\$ 7,692,262</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (11,345)
Adjustments to revenues for other receivables and deferred revenue				11,655
Adjustments to expenditures for inventory, accounts payable and accrued payroll				(86,860)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (86,550)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Title I - IASA Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	1,456,086	1,431,962	1,206,747	(225,215)
Federal direct	-	-	-	-
Local grants	-	-	50	50
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,456,086</u>	<u>1,431,962</u>	<u>1,206,797</u>	<u>(225,165)</u>
<i>Expenditures</i>				
Current				
Instruction	1,113,409	1,373,175	1,255,416	117,759
Support services	592,677	308,787	147,002	161,785
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,706,086</u>	<u>1,681,962</u>	<u>1,402,418</u>	<u>279,544</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(195,621)</u>	<u>54,379</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	250,000	250,000	-	(250,000)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>(250,000)</u>
<i>Net change in fund balances</i>	-	-	(195,621)	(195,621)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(197,249)</u>	<u>(197,249)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (392,870)</u>	<u>\$ (392,870)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (195,621)
Adjustments to revenues for due from other governments				393,321
Adjustments to expenditures for accrued payroll				<u>(183,659)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 14,041</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2010

Exhibit D-1

*Assets*

Cash and cash equivalents	<u>\$ 46,122</u>
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<i>Total assets</i>	<u><u>\$ 46,122</u></u>
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*Liabilities*

Deposits held in trust for others	<u>\$ 46,122</u>
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<i>Total liabilities</i>	<u><u>\$ 46,122</u></u>
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The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2010

**NOTE 1. Summary of Significant Accounting Policies**

Carlsbad Municipal School District No. 20 (“District”) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government which has oversight responsibility and control over all activities related to the public school education in the City of Carlsbad and surrounding area. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management who is responsible for their integrity and objectivity. The financial statements and notes of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for the governmental units. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance. The more significant of the District’s accounting policies are described below.

A. *Financial Reporting Entity*

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

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion in the reporting entity. Based upon the application of these criteria, the District has one component unit and is not a component unit of another government agency.

The District’s Board of Education approved the Jefferson Montessori Academy Charter School for operations in accordance with the criteria listed above. The charter school is deemed to be fiscally dependent upon the District and has been deemed to be a separate legal entity based on state statute and is presented as a discrete component unit. The discretely presented component unit does not have separately issued financial statements.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2010

**NOTE 1. Summary of Significant Accounting Policies** (continued)

B. *Government-wide and fund financial statements*

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function such as the sale of lunch tickets and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function such as state and federal grants. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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.

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

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

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

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

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property tax receivables are recognized in the period for which the taxes are levied, net of estimated refunds and uncollectible amounts. Oil and gas taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. All other revenue items are considered to be measurable and available only when cash is received by the government.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2010

**NOTE 1. Summary of Significant Accounting Policies (continued)**

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

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by School tax levy, state equalization and transportation funds, state instructional material allocations, and earnings from investments. Expenditures include all costs associated with the daily operations of the schools except for those items included in other funds.

The *Title I – IASA Special Revenue Fund* is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

The *Bond Building Capital Projects Fund* is used to account for the erecting, remodeling, additions and furnishings of school buildings. This particular Bond Building Fund is for the bonds issued in 2007.

The *Capital Improvements SB-9 Capital Projects Fund* is used to account for expenditures of property taxes levied and state matching funds restricted to maintenance and capital improvement projects as adopted by school board resolution. Authority for creation of this fund is NMSA 22-25-1 to 22-25-10.

Additionally, the government reports the following agency fund:

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

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

**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 Schools to invest in Certificates of Deposit, obligations of the U.S. Government, and the Local Government Investment Pool. The Local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of pool shares. As of June 30, 2010, the District does not have any investments with Local Governmental Investment Pool.

**Restricted Assets:** Certain proceeds of the District's revenue bonds and general obligation bonds are classified as restricted assets on the balance sheet because their use is limited by the applicable bond covenants.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2010

**NOTE 1. Summary of Significant Accounting Policies** (continued)

D. *Assets, Liabilities and Net Assets or Equity*

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

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

The District receives monthly income from a tax levy from Eddy County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2010 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2010. Period of availability is deemed to be sixty days subsequent to year end.

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

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

U.S.D.A. commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories. No deferred revenue was recorded for unused commodity inventory as of June 30, 2010.

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). The District does not have any infrastructure.

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

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

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2010

**NOTE 1. Summary of Significant Accounting Policies (continued)**

D. *Assets, Liabilities and Net Assets or Equity (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>
Land Improvements	20
Buildings	50
Building Improvements	20
Furniture, fixtures and equipment	5-20

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

- *Unearned revenue* - Under both the accrual and the modified accrual basis of accounting exchange, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for deferred revenue.
- *Unavailable revenue* – Under the modified accrual basis of accounting, revenue must also be susceptible to accrual (it must be both measureable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue.

**Compensated Absences:** The District permits administrative employees to accumulate a limited amount of earned but unused vacation, which will be paid if not used, upon termination from the District. Accumulated sick leave benefits vest with each employee in accordance with District policy. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is reported for unpaid accumulated sick leave, as no payment is required upon termination of service employees.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net assets.

**Long-term Obligations:** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method or straight line method if the difference is inconsequential.

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

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2010

**NOTE 1. Summary of Significant Accounting Policies (continued)**

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

**Fund Equity:** In the fund financial statements, governmental funds report reservations of fund balance 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.

**Equity Classifications**

*Government-wide Statements*

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt:  
Net assets invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Assets:  
Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net assets restricted for "special revenue," "debt service" and "capital projects" are described on pages 54-57.
- c. Unrestricted Net Assets:  
All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$47,584,107 in state equalization guarantee distributions during the year ended June 30, 2010.

E. *Revenues (continued)*

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$4,295,025 in property tax revenues in the governmental fund financial statements during the year ended June 30, 2010.

**STATE OF NEW MEXICO**  
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Notes to Financial Statements  
June 30, 2010

**NOTE 1. Summary of Significant Accounting Policies** (continued)

Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

**Transportation Distribution:** School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$1,652,876 in transportation distributions during the year ended June 30, 2010.

**Instructional Materials:** The 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. The District received \$228,749 in instructional materials revenue from the State for the year ended June 30, 2010.

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

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

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

E. *Revenues (continued)*

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

The District also receives reimbursement under the National School Lunch and Breakfast for its food services operations, and the distribution of commodities through the New Mexico Human Services Department. These items are recorded as non-operating revenues. All charges for services are recorded as operating income.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Notes to Financial Statements  
June 30, 2010

**NOTE 2. Stewardship, Compliance and Accountability**

*Budgetary Information*

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

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget at the function (or “series”) level. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a ‘series’ this may be accomplished with only local Board of Education approval. If a transfer between ‘series’ or a budget increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Public Education Department.
2. In May or June, the budget is approved by the Board of Education.
3. The school board must certify the budget. The school board meeting is open for the general public unless a closed meeting has been 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 State of New Mexico Public Education Department.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds.
6. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Budget basis expenditures exclude encumbrances.

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

The appropriated budget for the year ended June 30, 2010, was properly amended by the District’s Board of Education throughout the year.



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2010

**NOTE 2. Stewardship, Compliance and Accountability (continued)**

	Excess (deficiency) of revenues over expenditures			
	Original		Final	
	<u>Budget</u>		<u>Budget</u>	
Budgeted Funds:				
General Fund	\$	(4,818,592 )	\$	(5,054,558 )
Title I – IASA	\$	135,235	\$	(119,558 )
Bond Building	\$	(542,963 )	\$	(5,550,840 )
Capital Improvements SB-9	\$	(1,440,717 )	\$	(3,039,382 )
Nonmajor Funds	\$	(8,976,306 )	\$	(9,521,868 )

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

**NOTE 3. Deposits and Investments**

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, the state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2010.

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. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

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

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

According to the Federal Deposit Insurance Corporation (FDIC), public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing negotiable order of withdrawal (NOW) accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. However, on October 14, 2008, the FDIC announced a new Transaction Account Guarantee (TAG) Program, that provides depositors' with unlimited coverage through December 31, 2010, for insured depository institutions (IDIs) currently participating in the TAG program, with the possibility of an additional extension of up to 12 months without additional rulemaking, upon a determination by the FDIC's Board of Directors that continuing economic difficulties warrant further extension. With regards to this Transaction Guarantee Program, noninterest-bearing checking accounts include Demand Deposit Accounts (DDA's) and any other transaction accounts that has unlimited withdrawals and that cannot earn interest. Also included in this program, are low-interest NOW accounts that cannot earn more than 0.5% interest.

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2010, \$20,345,176 of the District's bank balance of \$21,095,176 was subject to custodial credit risk. \$20,208,318 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the District's name. \$3,197,655 of the District's deposits were uninsured and uncollateralized at June 30, 2010.

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2010

**NOTE 3. Deposits and Investments (continued)**

	<u>Western Commerce Bank</u>	<u>Wells Fargo Bank</u>	<u>Carlsbad National Bank</u>	<u>Total</u>
Amount of deposits	\$ 11,324,122	\$ 5,320,948	\$ 4,450,106	\$ 21,095,176
FDIC coverage	<u>(11,324,122)</u>	<u>(5,320,948)</u>	<u>(4,450,106)</u>	<u>(21,095,176)</u>
Total uninsured public funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Collateral requirement (50% of uninsured funds)	\$ -	\$ -	\$ -	\$ -
Pledged Collateral	<u>9,724,467</u>	<u>8,131,745</u>	<u>2,352,106</u>	<u>20,208,318</u>
Over (Under) collateralized	<u>\$ 9,724,467</u>	<u>\$ 8,131,745</u>	<u>\$ 2,352,106</u>	<u>\$ 20,208,318</u>

The collateral pledged is listed on Schedule III on this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, school district or political subdivision of the State of New Mexico.

Reconciliation to the Statement of Net Assets

The carrying amount of deposits shown above are included in the District's Statement of Net Assets as follows:

Reconciliation to the Statement of Net Assets:

Cash and cash equivalents per Exhibit A-1	\$ 19,623,727
Restricted cash and cash equivalents per Exhibit A-1	-
Agency funds cash per Exhibit E-1	<u>46,122</u>
Total cash and cash equivalents	<u>19,669,849</u>
Add: outstanding checks	1,780,819
Less: deposits in transit	<u>(355,492)</u>
Bank balance of deposits	<u>\$ 21,095,176</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2010

**NOTE 3. Deposits and Investments (continued)**

**Component Unit:**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Component Unit’s deposits may not be returned to it. The Component Unit does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2010, \$92,229 of the Component Unit’s bank balance of \$342,229 was subject to custodial credit risk.

	Western Commerce Bank
Amount of deposits	\$ 474,598
FDIC Coverage	(250,000)
Total uninsured public funds	224,598
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the Component Unit's name	224,598
Uninsured and uncollateralized	\$ -
Collateral requirement (50% of uninsured funds)	\$ 112,299
Pledged Collateral	263,788
Over (Under) collateralized	\$ 151,489

Reconciliation to the Statement of Net Assets

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

Reconciliation to the Statement of Net Assets:

Cash and cash equivalents per Exhibit A-1	\$ 384,680
Restricted cash and cash equivalents per Exhibit A-1	-
Total cash and cash equivalents	384,680
Add: outstanding checks	90,118
Less: petty cash	(200)
Bank balance of deposits	\$ 474,598

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2010

**NOTE 4. Accounts Receivable**

**Primary Government:**

Accounts receivable as of June 30, 2010, are as follows:

	<u>General</u>	<u>Title I - IASA</u>	<u>Capital Improvement SB-9</u>	<u>Total Nonmajor Funds</u>	<u>Total</u>
Taxes receivable:					
Property taxes	\$ 12,778	\$ -	\$ 55,843	\$ 89,053	\$ 157,674
Oil and gas taxes	42,064	-	168,255	263,116	473,435
Intergovernmental:					
State	-	-	-	127,974	127,974
Federal	-	393,321	-	828,216	1,221,537
Other receivables:					
Miscellaneous	<u>10,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,555</u>
Totals by category	<u>\$ 65,397</u>	<u>\$ 393,321</u>	<u>\$ 224,098</u>	<u>\$ 1,308,359</u>	<u>\$ 1,991,175</u>

The above receivables are deemed 100% collectible.

**STATE OF NEW MEXICO**  
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 June 30, 2010

**NOTE 5. Interfund Receivables, Payables, and Transfers**

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. All interfund balances are to be repaid within one year.

The composition of interfund balances during the year ended June 30, 2010 is as follows:

**Primary Government:**

<u>Due from Other Fund</u>	<u>Due to Other Fund</u>	<u>Amount</u>
General Fund	Title I - IASA	\$ 785,000
General Fund	Entitlement IDEA-B	360,000
General Fund	Preschool IDEA-B	35,000
General Fund	IDEA-B Early Intervention Services	5,000
General Fund	IDEA Private School Share	10,000
General Fund	IDEA-B "Risk Pool"	20,000
General Fund	Partnerships in Character Ed Pilot	2,000
General Fund	Teacher/Principal Training & Recruiting	20,000
General Fund	Title IV-A Safe & Drug Free Schools & Community	65,000
General Fund	Carl D Perkins Secondary - Current	1,000
General Fund	Carl D Perkins HSTW - Current	35,000
General Fund	Title 1 - IASA - Federal Stimulus	165,000
General Fund	Entitlement IDEA-B - Federal Stimulus	610,000
General Fund	IDEA Private School Share - Federal Stimulus	10,000
General Fund	2008 GO Bond Student Library Fund	80,000
General Fund	Libraries-GO Bonds-Laws of 2004	1,000
General Fund	Beginning Teacher Mentoring Program	20,000
General Fund	Technology Equity	160,000
General Fund	School Improvement Framework	1,000
General Fund	Libraries - SB310 GO Bonds-Laws of 2006	5,000
General Fund	Fresh Fruits and Vegetables	1,999
Food Services	Capital Improvements SB-9	87
Non-Instructional Support	General Fund	15,634
Fresh Fruits and Vegetables	Food Services	1,999
Capital Improvements HB-33	General Fund	181,918
Capital Improvements SB-9	General Fund	618,937
Debt Service	General Fund	961
Total Interfund Balances		<u><u>\$ 3,211,535</u></u>

**Component Unit:**

<u>Due from Other Fund</u>	<u>Due to Other Fund</u>	<u>Amount</u>
General Fund	Reading Materials	\$ 3,754
General Fund	Library GO Bonds	2,110
General Fund	Food Services	21,061
Instructional Materials	Food Services	3,742
Entitlement IDEA-B	Food Services	9,561
Public School Capital Outlay	Food Services	7,553
Total Interfund Balances		<u><u>\$ 47,781</u></u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Notes to Financial Statements  
 June 30, 2010

**NOTE 6. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2010, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

**Primary Government:**

	<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2010</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,346,923	\$ -	\$ -	\$ 1,346,923
Construction in progress	<u>9,128,771</u>	<u>916,697</u>	<u>3,728,650</u>	<u>6,316,818</u>
Total capital assets not being depreciated	<u>10,475,694</u>	<u>916,697</u>	<u>3,728,650</u>	<u>7,663,741</u>
Capital assets being depreciated:				
Land improvements	7,169,860	3,867,024	-	11,036,884
Buildings and improvements	74,174,680	8,485,719	29,990	82,630,409
Equipment	<u>10,097,182</u>	<u>521,844</u>	<u>-</u>	<u>10,619,026</u>
Total capital assets being depreciated	<u>91,441,722</u>	<u>12,874,587</u>	<u>29,990</u>	<u>104,286,319</u>
Less accumulated depreciation:				
Land Improvements	1,962,286	305,641	-	2,267,927
Buildings and improvements	32,452,450	2,012,097	29,990	34,434,557
Equipment	<u>5,808,728</u>	<u>1,053,776</u>	<u>-</u>	<u>6,862,504</u>
Total accumulated depreciation	<u>40,223,464</u>	<u>3,371,514</u>	<u>29,990</u>	<u>43,564,988</u>
Total capital assets, net of depreciation	<u>\$ 61,693,952</u>	<u>\$ 10,419,770</u>	<u>\$ 3,728,650</u>	<u>\$ 68,385,072</u>

Depreciation expense for the year ended June 30, 2010 was charged to the following functions:

Instruction	\$ 606,873
Support services	215,778
Central services	10,115
Operation and maintenance of plant	94,402
Student transportation	33,715
Food services operations	57,316
Community services operations	6,743
Unallocated	<u>2,346,572</u>
	<u>\$ 3,371,514</u>

The District has active construction projects as of June 30, 2010. The projects include additions, renovations and improvements to school buildings and grounds.

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**NOTE 6. Capital Assets (continued)**

**Component Unit:**

	Balance June 30, 2009	Adjustments	Additions	Deletions	Balance June 30, 2010
Capital assets being depreciated:					
Furniture, Fixtures, and Equipment	175,819	(58,200)	-	-	117,619
Less accumulated depreciation:					
Furniture, Fixtures, and Equipment	(163,127)	58,200	(9,894)	-	(114,821)
Total accumulated depreciation	(163,127)	58,200	(9,894)	-	(114,821)
Total capital assets, net of depreciation	\$ 12,692	\$ -	\$ (9,894)	\$ -	\$ 2,798

Depreciation expense for the year ended June 30, 2010 was charged to the following functions:

Instruction	\$ 9,894
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**NOTE 7. Long-term Debt**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued in prior years was \$14,200,000. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2010 are for governmental activities.

The following is a summary of the long-term debt and the activity for the year June 30, 2010.

**Primary Government:**

	Balance June 30, 2009	Additions	Retirements	Balance June 30, 2010	Due Within One Year
Bonds	\$ 11,135,000	\$ -	\$ 1,600,000	\$ 9,535,000	\$ 1,660,000
Compensated Absences	140,496	189,716	133,722	196,490	133,722
Total Long-Term Debt	\$ 11,275,496	\$ 189,716	\$ 1,733,722	\$ 9,731,490	\$ 1,793,722

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**NOTE 7. Long-term Debt** (continued)

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2011	\$ 1,660,000	\$ 336,963	\$ 1,996,963
2012	1,000,000	285,950	1,285,950
2013	775,000	252,400	1,027,400
2014	840,000	220,525	1,060,525
2015	750,000	189,475	939,475
2016-2020	4,510,000	497,213	5,007,213
	<u>\$ 9,535,000</u>	<u>\$ 1,782,526</u>	<u>\$ 11,317,526</u>

**Compensated Absences** – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2010, compensated absences increased \$55,994 from the prior year accrual. In prior years, the general fund was typically used to liquidate long-term liabilities.

**NOTE 8. 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; and natural disasters. Therefore, the District is a member of the New Mexico Public School Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

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

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. No settlements exceeded insurance coverage for 2010.



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 June 30, 2010

**NOTE 9. Deficit Fund Balances and Budget Noncompliance Issues**

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

- A. Deficit fund balance of individual funds. The following funds reflected a deficit fund balance as of June 30, 2010:

**Primary Government:**

Libraries-GO Bonds-Laws of 2004	\$	49
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**Component Unit:**

Instructional Materials	\$	4,450
Food Services		6,036
Library GO Bonds		2,110
Reading Materials		<u>3,754</u>
Total		<u>\$ 16,350</u>

- B. Excess of expenditures over appropriations. The following fund exceeded approved budgetary authority for the year ended June 30, 2010:

**Component Unit:**

Food Services	\$	36,293
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- C. In the budget designated cash appropriations exceeded prior year available balances. The following funds exceeded budgeted designated cash appropriations for the year ended June 30, 2010:

**Primary Government:**

Food Services	\$	19,571
Debt Service		<u>224,590</u>
Total		<u>\$ 244,161</u>

**Component Unit:**

Operational	\$	<u>9,216</u>
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The cause for these deficits is inadequate monitoring of cash available to be rebudgeted. To correct this problem the District plans to expand the budget development process to include trend information on fourth quarter revenue and expenditure activity and on prior year actual cash balances for each fund.

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**NOTE 10. ERB Pension Plan**

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

*Funding Policy.* Effective July 1, 2009, plan members were required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The District was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross salary of employees earning more than \$20,000 annually. The employer contribution is increasing by .75% each year until effective July 1, 2011, the employer contribution will be 13.9% of the gross covered salary. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2010, 2009, and 2008 were \$3,617,419, \$4,184,679, and \$3,775,303, respectively, which equal the amount of the required contributions for each fiscal year.

**NOTE 11. Post-Employment Benefits – Retiree Health Care Plan**

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

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

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

*Funding Policy.* The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us). The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2010, the statute required each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee was required to contribute .65% of their salary.

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**NOTE 11. Post-Employment Benefits – Retiree Health Care Plan (continued)**

In the fiscal years ending June 30, 2011 through June 30, 2013 the contribution rates for employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY11	1.666%	.833%
FY12	1.834%	.917%
FY13	2.000%	1.000%

Also, employers joining the program after 1/1/98 are required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature. The District’s contribution to the RHCA for the years ended June 30, 2010, 2009, and 2008 were \$457,035, \$233,471, and \$226,695, respectively, which equal the required contribution for each year.

**NOTE 12. Contingent Liabilities**

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

The District is involved in various claims and lawsuits arising in the normal course of business. The New Mexico Human Services Department (“HSD”) is seeking recoupment in the approximate amount of \$367,890. HSD claims that the School District was overpaid in that amount after an audit of the School District for services rendered from 7/1/2004 through 6/30/2006. HSD is seeking repayment based on the School District’s failure to provide adequate documentation to support claims made during that time frame. Since the hearing in this matter had not yet commenced as of the date of this report, it is not possible to estimate the likelihood of an unfavorable outcome. The School District does not believe that the outcomes of any other lawsuits would have a material effect on the financial statements.

**NOTE 13. Commitments**

The District’s commitments as of June 30, 2010 are as follows:

<u>Construction Projects</u>	<u>Contract Amount</u>	<u>Projected Completion Date</u>
Painting at Hillcrest	\$ 33,882	Fiscal year 10/11
Elementary HVAC	\$ 70,000	Fiscal year 10/11
Painting at PRL	\$ 74,473	Fiscal year 10/11
CHS Street Improvements	\$ 327,260	Fiscal year 10/11
CHS Main Academic Stairs	\$ 11,770	Fiscal year 10/11
Painting Sunset	\$ 63,715	Fiscal year 10/11
CHS Auxiliary Gym	\$ 428,225	Fiscal year 10/11
CHS Lockers	\$ 78,750	Fiscal year 10/11
AV Re-roofing & HVAC	\$ 438,504	Fiscal year 10/11
PRL Renovation	\$ 69,000	Fiscal year 10/11

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**NOTE 14. Restatements**

The District has restated prior year net assets in the general fund, transportation fund, and non-instructional support fund financial statements and the government-wide financial statements as a result of the following:

- Accounts payable from 2008 had not been cleared out in the subsequent year.
- All activity in the non-instructional support fund was reported in the summary of activity funds in the prior year instead of in the fund financial statements.
- An erroneous posting of a liability in the prior year for insurance premiums that were actually for the current year.

The restatements presented in the operational fund, transportation, and non-instructional support fund financial statements total \$963,396, \$45,550, and \$431,263 respectively. The restatement presented in the government-wide financial statements totals \$1,440,209 as presented on Exhibits A-2 and B-2.

**NOTE 15. Subsequent Pronouncements**

In March 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which is effective for financial statements for periods beginning after June 15, 2010 with earlier implementation encouraged. GASB Statement No. 54 distinguishes fund balance between amounts that are considered nonspendable, such as fund balance associated with inventories, and other amounts that are classified based on the relative strength of the constraints that control the purpose for which specific amounts can be spent. This statement is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. The District is analyzing the effect that this standard will have on the financial statements.

**SUPPLEMENTARY INFORMATION**

**NONMAJOR GOVERNMENTAL FUNDS**

**STATE OF NEW MEXICO**  
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**SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Grants accounted for in the Special Revenue Funds include:

**Food Services (21000)** – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Cafeteria Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

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

**Non-Instructional Support (23000)** - To account for funds paid to the Schools for student activity travel. Accumulated funds are used to replace activity buses. Funding authority is the State Department of Education.

**PED Fed Loan Clearing (24025)** – To account for revenue received in a prior year for an unidentified program. Refund of the revenue to the Public Education Department is pending receipt of guidance from the payor.

**Entitlement IDEA-B (24106)** – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

**Discretionary IDEA-B (24107)** – The purpose of this program is to provide administrators and program directors with information and strategies that will support licensed and waived teachers in the areas of special education with day-to-day functions of the classroom. Authority for creation of this fund is Individuals with Disabilities Education Act (IDEA), Part B, Sections 611-617, and Part D, Section 674 as amended, 20 U.S.C. 1411-1417 and 1420, Public Law 105-17.

**Preschool IDEA-B (24109)** – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from age three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

**IDEA-B Early Intervention Services (24112)** – To account for a program funded by a Federal grant to assist the District to make improvements in elementary and secondary education. Funding authorized by Elementary and Secondary Education Act of 1965, as amended, Title I, Chapter 2, Part A; Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvements of 1988, Public Law 100-297, 20 U.S.C. 2911-2952, 2971-2976.

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

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June 30, 2010

**Fresh Fruits and Vegetables (24118)** – To account for funds administered by the New Mexico State University through New Mexico Human Services Department to promote nutrition education to students and parents. Authority for creation of this fund is 22-8-12, NMSA 1978; OBMS 020-000-0809-0023-IB.

**IDEA-B “Risk Pool” (24120)** - Entitlement funds that are set aside each year for the Puente para los Ninos high cost child program.

**Partnerships in Char Ed Pilot (24129)** – To account for federal resources for designing and implementing character education programs that take into consideration the views of parents, students, students with disabilities, and other members of the community. Authority for creation of this fund is the Elementary and Secondary Education Act of 1965, as amended, Title V, Part D, Subpart 3, Sec. 5431; 20 U.S.C. 7247.

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

**Title IV-A Safe & Drug Free Schools & Community (24157)** – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

**Carl D Perkins Secondary – Current – 24174 & Carl D Perkins HSTW - Current - 24180** - To provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

**Title I - IASA - Federal Stimulus (24201)** – Under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds are intended to create an opportunity for educators to implement strategies that will improve education for at-risk students and close the achievement gaps while also stimulating the economy.

**Entitlement IDEA-B - Federal Stimulus (24206)** - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of the Entitlement IDEA-B grant.

**Preschool IDEA-B - Federal Stimulus (24209)** - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of the Preschool IDEA-B grant.

**IDEA Early Intervention Services - Federal Stimulus (24212)** - Under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds are for students in kindergarten through grade 12 (with a particular emphasis on students in kindergarten through grade 3) who have not been identified as needing special education or related services but who need additional academic and behavioral support to succeed in the general education environment.

**Education of Homeless - Federal Stimulus (24213)** - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of Education of Homeless grant.

**IDEA Private School Share - Federal Stimulus (24115)** - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of the IDEA-B Private School Share grant.

**Title XIX Medicaid 3/21 years (25153)** – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children.

**State Equalization Guarantee – Federal Stimulus (25250)** - Under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds help stabilize the District’s budget in order to minimize and avoid reduction in education services.



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**Microsoft Settlement Funds (26170)** – To account for monies received from the Action for Youth Foundation of New Mexico to be used for providing after-school tutoring in basic skills. Authority for creation of this fund is in the New Mexico Department of Education School District Policies and Procedures Manual.

**A+ for Energy (26179)** – Grant from BP America that recognizes innovative energy education programs in the classroom. Awarded to Rio Rancho Middle School to purchase materials and supplies to implement the program entitled “Students-As-Teachers: An Energy Resource Project”.

**Dual Credit Instructional Materials (27103)** - SB943 (2007) and SB31 (2008) create a dual credit program that allows public high school students in school districts, charter schools and state-supported schools in the state to earn both high school and college credit for qualifying dual credit courses.

**2008 GO Bond Student Library Fund (27105)** - must be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program.

**Technology for Education PED (27117)** – The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 2215A-1 to 22-15A-10.

**Family and Youth Resources Pro PED (27140)** – The purpose of this fund is to provide additional resources for at-risk children and their parents to improve school attendance and academics. Authority for creation of this fund is the Legislative Appropriations Laws of New Mexico 2005.

**Libraries-GO Bonds-Laws of 2004 (27145)** – In the November 2004 election, New Mexico voters approved GO Bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public school and juvenile detention libraries. Per student unit value is \$19.01.

**Beginning Teacher Mentoring Program (27154)** – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

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

**Technology Equity (27162)** – To define and develop minimum educational technology adequacy standards to supplement the adequacy standards developed by the public school capital outlay council for school districts to use to identify outstanding serious deficiencies in educational technology infrastructure. Authority for creation of this fund is Section 22-15A-11 NMSA 1978.

**School in Need of Improvement (27163)** – To provide funds for a module based math program.

**School Improvement Framework (27164)** – Funds will enable the District to act as one of three Regional Quality Centers to provide program development, implementation, training, oversight and funding distribution services to the three Regional Quality Centers. Authority for the creation of this fund is the New Mexico Public Education Department.

**Libraries – SB 301 GO Bonds-Laws of 2006 (27170)** – In the November 2004 election, New Mexico voters approved GO bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public schools and juvenile detention libraries.

**School Library Material Fund FY08 (27549)** – To support the acquisition of library books as specified in with the legislative language of 2008 Senate Bill 471 whereas funds were distributed to public and charter schools through the Instructional Materials Bureau.

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**NM Energy/Minerals/Natural Resources (28110)** – To account for a direct grant from the New Mexico State Parks for the “Kids ‘n’ Parks” program awarded to Alta Vista and P.R. Leyva Middle Schools for the purpose of transporting students to national parks to complete an academic-based outdoor classroom learning experience. Authority for creation of this fund is by award from New Mexico Energy and Natural Resources Department; Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended, 22-8-12 NMSA 1978; OBMS 020-000-0809-0067-IB.

**Suicide Prevention (28158)** – Carlsbad was one of four sites selected by the State to receive this grant. It requires a SBHC to be in operation and a wellness plan must be submitted and approved. A coordinator is required to develop and facilitate intervention programs to reduce the incidence of youth suicide in the selected communities. Training and specific activities are required, such as the development of Peer Helpers and the implementation of a Prevention Curriculum. Authority for creation of this fund was executed by CMS Board of Education at the January 16, 2007 meeting.

**Private Dir Grants (Categorical) (29102)** – To account for local grants awarded to provide additional funding for specific projects. AEL was awarded to provide training for the LLHS Administration. Milken was used for beautification purposes at a school site.

**School Based Health Center (29130)** – To account for funds administered by the Department of Health and the County of Dona Ana in support of providing Primary Care and Mental Health Service on school campus. Authority for creation of this fund was executed by CMS Board of Education at the August 15, 2006 meeting.

**CAPITAL PROJECT FUNDS**

Capital projects funds are used to account for acquisition and construction of major facilities other than those financed by proprietary funds and trust funds.

**Special Capital Outlay - State (31400)** – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of specific capital outlay projects.

**Capital Improvements HB-33 (31600)** – To account for two mill levy funds authorized by the Public School Capital Improvement Act. The levy must be voted on by local residents and allows the District to impose a property tax.

**DEBT SERVICE FUND**

**Debt Service Fund (41000)** – To accumulate resources for payment of principal and interest due on general obligation bonds. Financing is provided by a special tax levy approved by the voters of the District and assessed by the County Assessor and collected and remitted to the District by the County Treasurer.

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 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2010

	Special Revenue			
	Food Services	Athletics	Non-Instructional Support	PED Fed Loan Clearing
<i>Assets</i>				
Cash and cash equivalents	\$ 520,674	\$ 338,701	\$ 365,467	\$ 2,250
Receivables:				
Taxes	-	-	-	-
Due from other governments	74,912	-	-	-
Inventory	96,622	-	-	-
Prepaid expenses	13,356	-	-	-
Due from other funds	87	-	15,634	-
	<u>\$ 705,651</u>	<u>\$ 338,701</u>	<u>\$ 381,101</u>	<u>\$ 2,250</u>
<i>Liabilities</i>				
Accounts payable	\$ 11,617	\$ -	\$ 7,848	\$ 2,250
Accrued payroll	9,395	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	1,999	-	-	-
	<u>23,011</u>	<u>-</u>	<u>7,848</u>	<u>2,250</u>
<i>Fund balances</i>				
Reserved for:				
Inventory	96,622	-	-	-
Prepaid expenses	13,356	-	-	-
Unreserved, reported in:				
Special revenue	572,662	338,701	373,253	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
	<u>682,640</u>	<u>338,701</u>	<u>373,253</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 705,651</u>	<u>\$ 338,701</u>	<u>\$ 381,101</u>	<u>\$ 2,250</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Entitlement IDEA-B	Discretionary IDEA-B	Preschool IDEA-B	IDEA-B Early Intervention Services	IDEA Private School Share	Fresh Fruits and Vegetables
\$ 192,427	\$ 5	\$ 19,428	\$ 3,143	\$ 5,130	\$ -
-	-	-	-	-	-
185,585	-	24,089	1,857	4,870	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,999
<u>\$ 378,012</u>	<u>\$ 5</u>	<u>\$ 43,517</u>	<u>\$ 5,000</u>	<u>\$ 10,000</u>	<u>\$ 1,999</u>
\$ 7,191	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	(1)	-	-	-
-	-	-	-	-	-
360,000	-	35,000	5,000	10,000	1,999
<u>367,191</u>	<u>-</u>	<u>34,999</u>	<u>5,000</u>	<u>10,000</u>	<u>1,999</u>
-	-	-	-	-	-
-	-	-	-	-	-
10,821	5	8,518	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,821</u>	<u>5</u>	<u>8,518</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 378,012</u>	<u>\$ 5</u>	<u>\$ 43,517</u>	<u>\$ 5,000</u>	<u>\$ 10,000</u>	<u>\$ 1,999</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2010

	Special Revenue			
	IDEA-B "Risk Pool"	Partnerships in Char Ed Pilot	Teacher/Principal Training & Recruiting	Title IV-A Safe & Drug Free Schools & Community
<i>Assets</i>				
Cash and cash equivalents	\$ 11,197	\$ 1,390	\$ 14,420	\$ 34,289
Receivables:				
Taxes	-	-	-	-
Due from other governments	8,803	610	30,408	31,022
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 20,000</u>	<u>\$ 2,000</u>	<u>\$ 44,828</u>	<u>\$ 65,311</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	20,000	2,000	20,000	65,000
<i>Total liabilities</i>	<u>20,000</u>	<u>2,000</u>	<u>20,000</u>	<u>65,000</u>
<i>Fund balances</i>				
Reserved for:				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Unreserved, reported in:				
Special revenue	-	-	24,828	311
Capital projects	-	-	-	-
Debt service	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>24,828</u>	<u>311</u>
<i>Total liabilities and fund balances</i>	<u>\$ 20,000</u>	<u>\$ 2,000</u>	<u>\$ 44,828</u>	<u>\$ 65,311</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Carl D Perkins Secondary - Current	Carl D Perkins HSTW - Current	Title I - IASA - Federal Stimulus	Entitlement IDEA- B - Federal Stimulus	Preschool IDEA- B - Federal Stimulus	IDEA Early Intervention Services - Federal Stimulus
\$ 529	\$ 16,814	\$ 83,413	\$ 304,792	\$ -	\$ -
-	-	-	-	-	-
471	22,728	81,587	343,569	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,000</u>	<u>\$ 39,542</u>	<u>\$ 165,000</u>	<u>\$ 648,361</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ 4,542	\$ -	\$ 38,361	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
1,000	35,000	165,000	610,000	-	-
<u>1,000</u>	<u>39,542</u>	<u>165,000</u>	<u>648,361</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,000</u>	<u>\$ 39,542</u>	<u>\$ 165,000</u>	<u>\$ 648,361</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2010

	Special Revenue			
	Education of Homeless - Federal Stimulus	IDEA Private School Share - Federal Stimulus	Title XIX Medicaid 3/21 Years	State Equalization Guarantee - Federal Stimulus
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ 6,131	\$ 327,599	\$ 1,442
Receivables:				
Taxes	-	-	-	-
Due from other governments	-	3,869	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Due from other funds	-	-	-	-
	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 327,599</u>	<u>\$ 1,442</u>
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 327,599</u>	<u>\$ 1,442</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ 10
Accrued payroll	-	-	123	(155)
Deferred revenue	-	-	-	-
Due to other funds	-	10,000	-	-
	<u>-</u>	<u>10,000</u>	<u>123</u>	<u>(145)</u>
<i>Total liabilities</i>	<u>-</u>	<u>10,000</u>	<u>123</u>	<u>(145)</u>
<i>Fund balances</i>				
Reserved for:				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Unreserved, reported in:				
Special revenue	-	-	327,476	1,587
Capital projects	-	-	-	-
Debt service	-	-	-	-
	<u>-</u>	<u>-</u>	<u>327,476</u>	<u>1,587</u>
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>327,476</u>	<u>1,587</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 327,599</u>	<u>\$ 1,442</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Microsoft Settlement Funds	A+ for Energy	Dual Credit Instructional Materials	2008 GO Bond Student Library Fund	Technology for Education PED	Family and Youth Resource Pro PED
\$ 38,006	\$ 5,920	\$ -	\$ 40,303	\$ 4,159	\$ -
-	-	-	-	-	-
-	-	-	48,452	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 38,006</u>	<u>\$ 5,920</u>	<u>\$ -</u>	<u>\$ 88,755</u>	<u>\$ 4,159</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	80,000	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
38,006	5,920	-	8,755	4,159	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>38,006</u>	<u>5,920</u>	<u>-</u>	<u>8,755</u>	<u>4,159</u>	<u>-</u>
<u>\$ 38,006</u>	<u>\$ 5,920</u>	<u>\$ -</u>	<u>\$ 88,755</u>	<u>\$ 4,159</u>	<u>\$ -</u>



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2010

	Special Revenue			
	Libraries-GO Bonds-Laws of 2004	Beginning Teacher Mentoring Program	Breakfast for Elementary Students	Technology Equity
<i>Assets</i>				
Cash and cash equivalents	\$ 951	\$ 11,007	\$ -	\$ 80,478
Receivables:				
Taxes	-	-	-	-
Due from other governments	-	8,993	-	79,522
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Due from other funds	-	-	-	-
	<u>\$ 951</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 160,000</u>
<i>Total assets</i>				
	<u>\$ 951</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 160,000</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	1,000	20,000	-	160,000
	<u>1,000</u>	<u>20,000</u>	<u>-</u>	<u>160,000</u>
<i>Total liabilities</i>				
	<u>1,000</u>	<u>20,000</u>	<u>-</u>	<u>160,000</u>
<i>Fund balances</i>				
Reserved for:				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Unreserved, reported in:				
Special revenue	(49)	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
	<u>(49)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total fund balances</i>				
	<u>(49)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>				
	<u>\$ 951</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 160,000</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

School in Need of Improvement	School Improvement Framework	Libraries - SB 301 GO Bonds-Laws of 2006	School Library Material Fund FY08	NM Energy/Minerals/Natural Resources	Suicide Prevention
\$ -	\$ 605	\$ 2,695	\$ 748	\$ 140	\$ 3,711
-	-	-	-	-	-
-	395	2,305	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 5,000</u>	<u>\$ 748</u>	<u>\$ 140</u>	<u>\$ 3,711</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	1,000	5,000	-	-	-
-	1,000	5,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	748	140	3,711
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	748	140	3,711
<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 5,000</u>	<u>\$ 748</u>	<u>\$ 140</u>	<u>\$ 3,711</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2010

	<u>Special Revenue</u>		<u>Capital Projects</u>	
	Private Dir Grants (Categorical)	School Based Health Center	Special Capital Outlay - State	Capital Improvements HB- 33
<i>Assets</i>				
Cash and cash equivalents	\$ 2,089	\$ 19,786	\$ 57,959	\$ 1,524,783
Receivables:				
Taxes	-	-	-	224,098
Due from other governments	2,143	-	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Due from other funds	-	-	-	181,918
	<u>\$ 4,232</u>	<u>\$ 19,786</u>	<u>\$ 57,959</u>	<u>\$ 1,930,799</u>
<i>Total assets</i>				
	<u>\$ 4,232</u>	<u>\$ 19,786</u>	<u>\$ 57,959</u>	<u>\$ 1,930,799</u>
<i>Liabilities</i>				
Accounts payable	\$ 4,232	\$ -	\$ -	\$ 372,713
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	37,821
Due to other funds	-	-	-	-
	<u>4,232</u>	<u>-</u>	<u>-</u>	<u>410,534</u>
<i>Total liabilities</i>				
	<u>4,232</u>	<u>-</u>	<u>-</u>	<u>410,534</u>
<i>Fund balances</i>				
Reserved for:				
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
Unreserved, reported in:				
Special revenue	-	19,786	-	-
Capital projects	-	-	57,959	1,520,265
Debt service	-	-	-	-
	<u>-</u>	<u>19,786</u>	<u>57,959</u>	<u>1,520,265</u>
<i>Total fund balances</i>				
	<u>-</u>	<u>19,786</u>	<u>57,959</u>	<u>1,520,265</u>
<i>Total liabilities and fund balances</i>	<u>\$ 4,232</u>	<u>\$ 19,786</u>	<u>\$ 57,959</u>	<u>\$ 1,930,799</u>

The accompanying notes are an integral part of these financial statements

<u>Debt Service</u>	
<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,566,283	\$ 5,608,864
128,071	352,169
-	956,190
-	96,622
-	13,356
<u>961</u>	<u>200,599</u>
<u>\$ 1,695,315</u>	<u>\$ 7,227,800</u>
\$ -	\$ 448,764
-	9,362
22,546	60,367
-	1,608,998
<u>22,546</u>	<u>2,127,491</u>
-	96,622
-	13,356
-	1,739,338
-	1,578,224
<u>1,672,769</u>	<u>1,672,769</u>
<u>1,672,769</u>	<u>5,100,309</u>
<u>\$ 1,695,315</u>	<u>\$ 7,227,800</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2010

	Special Revenue			
	Food Services	Athletics	Non-Instructional Support	PED Fed Loan Clearing
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	2,296,067	-	-	-
Federal direct	-	-	-	-
Local grants	981	212	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	1,003,424	330,447	356,261	-
Investment income	1,522	145	1,326	-
Miscellaneous	167,548	15,150	53,028	-
<i>Total revenues</i>	<u>3,469,542</u>	<u>345,954</u>	<u>410,615</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	284,930	468,625	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	3,159,439	-	-	-
Community services operations	-	-	-	-
Capital outlay	41,093	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,200,532</u>	<u>284,930</u>	<u>468,625</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>269,010</u>	<u>61,024</u>	<u>(58,010)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>269,010</u>	<u>61,024</u>	<u>(58,010)</u>	<u>-</u>
<i>Fund balances - beginning</i>	413,630	277,677	-	-
<i>Restatement</i>	-	-	431,263	-
<i>Fund Balances - beginning of year as restated</i>	<u>413,630</u>	<u>277,677</u>	<u>431,263</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ 682,640</u>	<u>\$ 338,701</u>	<u>\$ 373,253</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Entitlement IDEA-B	Discretionary IDEA-B	Preschool IDEA-B	IDEA-B Early Intervention Services	IDEA Private School Share	Fresh Fruits and Vegetables
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,375,406	-	67,692	2,127	6,187	19,351
-	-	-	-	-	-
-	5,253	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,375,406</u>	<u>5,253</u>	<u>67,692</u>	<u>2,127</u>	<u>6,187</u>	<u>19,351</u>
1,130,968	4,060	26,710	166	-	-
233,617	1,188	32,464	1,961	6,187	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	19,351
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,364,585</u>	<u>5,248</u>	<u>59,174</u>	<u>2,127</u>	<u>6,187</u>	<u>19,351</u>
<u>10,821</u>	<u>5</u>	<u>8,518</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,821</u>	<u>5</u>	<u>8,518</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 10,821</u>	<u>\$ 5</u>	<u>\$ 8,518</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2010

	Special Revenue			Title IV-A Safe & Drug Free Schools & Communities
	IDEA-B "Risk Pool"	Partnerships in Char Ed Pilot	Teacher/Principal Training & Recruiting	
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	14,186	-	377,868	-
Federal direct	-	-	-	30,527
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>14,186</u>	<u>-</u>	<u>377,868</u>	<u>30,527</u>
<i>Expenditures</i>				
Current				
Instruction	8,099	-	327,682	311
Support services	6,087	-	25,358	29,905
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>14,186</u>	<u>-</u>	<u>353,040</u>	<u>30,216</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>24,828</u>	<u>311</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>24,828</u>	<u>311</u>
<i>Fund balances - beginning</i>	-	-	-	-
<i>Restatement</i>	-	-	-	-
<i>Fund Balances - beginning of year as restated</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,828</u>	<u>\$ 311</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Carl D Perkins Secondary - Current	Carl D Perkins HSTW - Current	Title I - IASA - Federal Stimulus	Entitlement IDEA- B - Federal Stimulus	Preschool IDEA- B - Federal Stimulus	IDEA Early Intervention Services - Federal Stimulus
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43,910	41,490	229,152	836,391	56,774	3,699
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
43,910	41,490	229,152	836,391	56,774	3,699
36,401	32,241	218,495	777,651	22,936	3,616
7,509	9,249	10,657	58,740	33,838	83
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
43,910	41,490	229,152	836,391	56,774	3,699
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2010

	Special Revenue			
	Education of Homeless - Federal Stimulus	IDEA Private School Share - Federal Stimulus	Title XIX Medicaid 3/21 Years	State Equalization Guarantee - Federal Stimulus
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	5,394	3,869	-	-
Federal direct	-	-	328,448	-
Local grants	-	-	-	-
State flowthrough	-	-	-	4,129,222
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,394</u>	<u>3,869</u>	<u>328,448</u>	<u>4,129,222</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	3,783	-	701,302
Support services	5,394	86	972	2,534,502
Central services	-	-	-	21,864
Operation and maintenance of plant	-	-	-	869,967
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,394</u>	<u>3,869</u>	<u>972</u>	<u>4,127,635</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>327,476</u>	<u>1,587</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>327,476</u>	<u>1,587</u>
<i>Fund balances - beginning</i>	-	-	-	-
<i>Restatement</i>	-	-	-	-
<i>Fund Balances - beginning of year as restated</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 327,476</u>	<u>\$ 1,587</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Microsoft Settlement Funds	A+ for Energy	Dual Credit Instructional Materials	2008 GO Bond Student Library Fund	Technology for Education PED	Family and Youth Resource Pro PED
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
40,077	20,000	-	-	-	-
-	-	6,500	57,206	73,608	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,077</u>	<u>20,000</u>	<u>6,500</u>	<u>57,206</u>	<u>73,608</u>	<u>-</u>
2,071	14,080	6,500	-	3,182	-
-	-	-	48,451	66,267	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,071</u>	<u>14,080</u>	<u>6,500</u>	<u>48,451</u>	<u>69,449</u>	<u>-</u>
38,006	5,920	-	8,755	4,159	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
38,006	5,920	-	8,755	4,159	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 38,006</u>	<u>\$ 5,920</u>	<u>\$ -</u>	<u>\$ 8,755</u>	<u>\$ 4,159</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2010

	Special Revenue			
	Libraries-GO Bonds-Laws of 2004	Beginning Teacher Mentoring Program	Breakfast for Elementary Students	Technology Equity
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	(49)	14,884	5,672	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>(49)</u>	<u>14,884</u>	<u>5,672</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	11,647	-	-
Support services	-	3,237	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	5,672	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>14,884</u>	<u>5,672</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(49)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(49)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning</i>	-	-	-	-
<i>Restatement</i>	-	-	-	-
<i>Fund Balances - beginning of year as restated</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending</i>	<u>\$ (49)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

School in Need of Improvement	School Improvement Framework	Libraries - SB 301 GO Bonds-Laws of 2006	School Library Material Fund FY08	NM Energy/Minerals/Natural Resources	Suicide Prevention
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
72,725	-	-	17,921	140	5,004
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>72,725</u>	<u>-</u>	<u>-</u>	<u>17,921</u>	<u>140</u>	<u>5,004</u>
72,725	-	-	-	-	291
-	-	-	17,173	-	1,002
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>72,725</u>	<u>-</u>	<u>-</u>	<u>17,173</u>	<u>-</u>	<u>1,293</u>
-	-	-	748	140	3,711
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	748	140	3,711
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 748</u>	<u>\$ 140</u>	<u>\$ 3,711</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended June 30, 2010

	Special Revenue		Capital Projects	
	Private Dir Grants (Categorical)	School Based Health Center	Special Capital Outlay - State	Capital Improvements HB- 33
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ 2,725,807
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	19,786	-	-
State flowthrough	-	104,950	-	-
State direct	-	-	27,000	-
Combined state/local	6,261	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	1,225	4,825
Miscellaneous	-	-	-	10,514
<i>Total revenues</i>	6,261	124,736	28,225	2,741,146
<i>Expenditures</i>				
Current				
Instruction	6,261	-	-	-
Support services	-	104,950	-	494,804
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	6,103,159
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	6,261	104,950	-	6,597,963
<i>Excess (deficiency) of revenues over expenditures</i>	-	19,786	28,225	(3,856,817)
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	19,786	28,225	(3,856,817)
<i>Fund balances - beginning</i>	-	-	29,734	5,377,082
<i>Restatement</i>	-	-	-	-
<i>Fund Balances - beginning of year as restated</i>	-	-	29,734	5,377,082
<i>Fund balances - ending</i>	\$ -	\$ 19,786	\$ 57,959	\$ 1,520,265

The accompanying notes are an integral part of these financial statements

<u>Debt Service</u>			
<u>Debt Service</u>		<u>Total Nonmajor Governmental Funds</u>	
\$ 1,574,980		\$ 4,300,787	
-		5,379,563	
-		358,975	
-		86,309	
-		4,487,783	
-		27,000	
-		6,261	
-		-	
-		1,690,132	
236		9,279	
-		246,240	
<u>1,575,216</u>		<u>16,592,329</u>	
-		4,164,733	
7,994		3,741,675	
-		21,864	
-		869,967	
-		-	
-		3,184,462	
-		-	
-		6,144,252	
1,600,000		1,600,000	
398,448		398,448	
<u>2,006,442</u>		<u>20,125,401</u>	
<u>(431,226)</u>		<u>(3,533,072)</u>	
-		-	
<u>-</u>		<u>-</u>	
<u>-</u>		<u>-</u>	
<u>(431,226)</u>		<u>(3,533,072)</u>	
2,103,995		8,202,118	
-		431,263	
<u>2,103,995</u>		<u>8,633,381</u>	
<u>\$ 1,672,769</u>		<u>\$ 5,100,309</u>	

## STATE OF NEW MEXICO

Statement B-1

Carlsbad Municipal School District No. 20

Food Services Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	2,282,399	2,282,399	2,296,067	13,668
Federal direct	-	-	-	-
Local grants	-	-	981	981
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	1,147,000	1,147,000	928,512	(218,488)
Investment income	1,500	1,500	1,522	22
Miscellaneous	166,076	166,076	167,548	1,472
<i>Total revenues</i>	<u>3,596,975</u>	<u>3,596,975</u>	<u>3,394,630</u>	<u>(202,345)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	3,912,397	3,871,726	3,163,099	708,627
Community services operations	-	-	-	-
Capital outlay	20,000	41,100	41,093	7
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,932,397</u>	<u>3,912,826</u>	<u>3,204,192</u>	<u>708,634</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(335,422)</u>	<u>(315,851)</u>	<u>190,438</u>	<u>506,289</u>
<i>Other financing sources (uses)</i>				
Designated cash	335,422	315,851	-	(315,851)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>335,422</u>	<u>315,851</u>	<u>-</u>	<u>(315,851)</u>
<i>Net change in fund balances</i>	-	-	190,438	190,438
<i>Fund balances - beginning of year</i>	-	-	315,851	315,851
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 506,289</u>	<u>\$ 506,289</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 190,438
Adjustments to revenue for due from other governments				74,912
Adjustments to expenditures for inventory, prepaid expenses, accounts payable and accrued payroll				3,660
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 269,010</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-2

Carlsbad Municipal School District No. 20

Athletics Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	212	212
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	150,500	150,500	330,447	179,947
Investment income	500	500	145	(355)
Miscellaneous	-	-	15,150	15,150
<i>Total revenues</i>	<u>151,000</u>	<u>151,000</u>	<u>345,954</u>	<u>194,954</u>
<i>Expenditures</i>				
Current				
Instruction	275,123	428,774	285,027	143,747
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>275,123</u>	<u>428,774</u>	<u>285,027</u>	<u>143,747</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(124,123)</u>	<u>(277,774)</u>	<u>60,927</u>	<u>338,701</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash) (bud	124,123	277,774	-	(277,774)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>124,123</u>	<u>277,774</u>	<u>-</u>	<u>(277,774)</u>
<i>Net change in fund balances</i>	-	-	60,927	60,927
<i>Fund balances - beginning of year</i>	-	-	(277,774)	(277,774)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (216,847)</u>	<u>\$ (216,847)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 60,927
No adjustments to revenues				-
No adjustments to expenditures				97
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 61,024</u>

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-3

Carlsbad Municipal School District No. 20  
 Non-Instructional Support Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	557,000	557,000	356,281	(200,719)
Investment income	1,000	1,000	1,326	326
Miscellaneous	110,000	110,000	53,028	(56,972)
<i>Total revenues</i>	<u>668,000</u>	<u>668,000</u>	<u>410,635</u>	<u>(257,365)</u>
<i>Expenditures</i>				
Current				
Instruction	1,120,467	1,120,467	460,797	659,670
Support services	2,000	6,885	-	6,885
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	120,000	23,648	-	23,648
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,242,467</u>	<u>1,151,000</u>	<u>460,797</u>	<u>690,203</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(574,467)</u>	<u>(483,000)</u>	<u>(50,162)</u>	<u>432,838</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash) (bud	574,467	483,000	-	(483,000)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>574,467</u>	<u>483,000</u>	<u>-</u>	<u>(483,000)</u>
<i>Net change in fund balances</i>	-	-	(50,162)	(50,162)
<i>Fund balances - beginning of year</i>	-	-	(431,263)	(431,263)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (481,425)</u>	<u>\$ (481,425)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (50,162)
Adjustments to revenue for other receivables				(20)
Adjustments to expenditures for accounts payable				(7,828)
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (58,010)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-4

Carlsbad Municipal School District No. 20  
 PED Fed Loan Clearing Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash) (bud	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	2,250	2,250
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,250</u>	<u>\$ 2,250</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-5

Carlsbad Municipal School District No. 20  
Entitlement IDEA-B Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	1,412,319	1,596,151	1,602,160	6,009
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,412,319</u>	<u>1,596,151</u>	<u>1,602,160</u>	<u>6,009</u>
<i>Expenditures</i>				
Current				
Instruction	1,155,043	1,248,952	1,131,054	117,898
Support services	235,276	333,114	226,904	106,210
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,390,319</u>	<u>1,582,066</u>	<u>1,357,958</u>	<u>224,108</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>22,000</u>	<u>14,085</u>	<u>244,202</u>	<u>230,117</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(22,000)	(14,085)	-	14,085
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(22,000)</u>	<u>(14,085)</u>	<u>-</u>	<u>14,085</u>
<i>Net change in fund balances</i>	-	-	244,202	244,202
<i>Fund balances - beginning of year</i>	-	-	(422,596)	(422,596)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (178,394)</u>	<u>\$ (178,394)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 244,202
Adjustments to revenue for due from other governments				(226,754)
Adjustments to expenditures for accounts payable				(6,627)
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 10,821</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-6

Carlsbad Municipal School District No. 20  
 Discretionary IDEA-B Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	44,691	44,691
Federal direct	-	-	-	-
Local grants	-	5,250	5,253	3
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,250</u>	<u>49,944</u>	<u>44,694</u>
<i>Expenditures</i>				
Current				
Instruction	-	4,062	4,060	2
Support services	-	1,188	1,188	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,250</u>	<u>5,248</u>	<u>2</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>44,696</u>	<u>44,696</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	44,696	44,696
<i>Fund balances - beginning of year</i>	-	-	(44,691)	(44,691)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 5</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 44,696
No adjustments to revenues				(44,691)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 5</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-7

Carlsbad Municipal School District No. 20  
 Preschool IDEA-B Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	46,675	63,723	35,690	(28,033)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>46,675</u>	<u>63,723</u>	<u>35,690</u>	<u>(28,033)</u>
<i>Expenditures</i>				
Current				
Instruction	16,394	27,394	26,710	684
Support services	30,281	36,329	32,600	3,729
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>46,675</u>	<u>63,723</u>	<u>59,310</u>	<u>4,413</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(23,620)</u>	<u>(23,620)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(23,620)	(23,620)
<i>Fund balances - beginning of year</i>	-	-	7,596	7,596
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,024)</u>	<u>\$ (16,024)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (23,620)
Adjustments to revenue for due from other governments				32,002
No adjustments to expenditures				136
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 8,518</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

Carlsbad Municipal School District No. 20  
 IDEA-B Early Intervention Services Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	1,000	17,814	270	(17,544)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,000</u>	<u>17,814</u>	<u>270</u>	<u>(17,544)</u>
<i>Expenditures</i>				
Current				
Instruction	500	11,231	166	11,065
Support services	500	6,583	1,961	4,622
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,000</u>	<u>17,814</u>	<u>2,127</u>	<u>15,687</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,857)</u>	<u>(1,857)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(1,857)	(1,857)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,857)</u>	<u>\$ (1,857)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,857)
Adjustments to revenue for due from other governments				1,857
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-9

Carlsbad Municipal School District No. 20  
 IDEA Private School Share Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	10,095	11,586	9,141	(2,445)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>10,095</u>	<u>11,586</u>	<u>9,141</u>	<u>(2,445)</u>
<i>Expenditures</i>				
Current				
Instruction	500	500	-	500
Support services	9,595	11,086	6,187	4,899
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,095</u>	<u>11,586</u>	<u>6,187</u>	<u>5,399</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>2,954</u>	<u>2,954</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	2,954	2,954
<i>Fund balances - beginning of year</i>	-	-	7,824	7,824
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,778</u>	<u>\$ 10,778</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,954
Adjustments to revenue for due from other governments				(2,954)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

Carlsbad Municipal School District No. 20  
 Fresh Fruits and Vegetables Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	21,350	17,817	(3,533)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>21,350</u>	<u>17,817</u>	<u>(3,533)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	21,350	19,351	1,999
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>21,350</u>	<u>19,351</u>	<u>1,999</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,534)</u>	<u>(1,534)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(1,534)	(1,534)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,534)</u>	<u>\$ (1,534)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,534)
No adjustments to revenues				1,534
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-11

Carlsbad Municipal School District No. 20  
 IDEA-B "Risk Pool" Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	15,259	5,383	(9,876)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>15,259</u>	<u>5,383</u>	<u>(9,876)</u>
<i>Expenditures</i>				
Current				
Instruction	-	8,506	8,099	407
Support services	-	6,753	6,087	666
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>15,259</u>	<u>14,186</u>	<u>1,073</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,803)</u>	<u>(8,803)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(8,803)	(8,803)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,803)</u>	<u>\$ (8,803)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (8,803)
Adjustments to revenue for due from other governments				8,803
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

Carlsbad Municipal School District No. 20

Partnerships in Char Ed Pilot

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	610	610
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 610</u>	<u>\$ 610</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-13

Carlsbad Municipal School District No. 20  
 Teacher/Principal Training & Recruiting Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	384,777	381,870	412,901	31,031
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	384,777	381,870	412,901	31,031
<i>Expenditures</i>				
Current				
Instruction	360,727	342,585	327,682	14,903
Support services	24,050	39,285	25,358	13,927
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	384,777	381,870	353,040	28,830
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	59,861	59,861
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	59,861	59,861
<i>Fund balances - beginning of year</i>	-	-	(68,743)	(68,743)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (8,882)	\$ (8,882)
<i>Net change in fund balances (Budget Basis)</i>				\$ 59,861
Adjustments to revenue for due from other governments				(35,033)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 24,828

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-14

Carlsbad Municipal School District No. 20  
 Title IV-A Safe & Drug Free Schools & Communities Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	25,465	25,465	3,011	(22,454)
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,465</u>	<u>25,465</u>	<u>3,011</u>	<u>(22,454)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	25,465	33,085	30,216	2,869
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,465</u>	<u>33,085</u>	<u>30,216</u>	<u>2,869</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(7,620)</u>	<u>(27,205)</u>	<u>(19,585)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	7,620	-	(7,620)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>7,620</u>	<u>-</u>	<u>(7,620)</u>
<i>Net change in fund balances</i>	-	-	(27,205)	(27,205)
<i>Fund balances - beginning of year</i>	-	-	3,817	3,817
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (23,388)</u>	<u>\$ (23,388)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (27,205)
Adjustments to revenue for due from other governments				27,516
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 311</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-15

Carlsbad Municipal School District No. 20  
 Carl D Perkins Secondary - Current Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	64,344	54,715	79,924	25,209
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	64,344	54,715	79,924	25,209
<i>Expenditures</i>				
Current				
Instruction	60,172	46,927	36,401	10,526
Support services	4,172	7,788	7,509	279
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	64,344	54,715	43,910	10,805
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	36,014	36,014
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	36,014	36,014
<i>Fund balances - beginning of year</i>	-	-	(36,485)	(36,485)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (471)	\$ (471)
<i>Net change in fund balances (Budget Basis)</i>				\$ 36,014
Adjustments to revenue for due from other governments				(36,014)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-16

Carlsbad Municipal School District No. 20  
 Carl D Perkins HSTW - Current Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	45,480	18,762	(26,718)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>45,480</u>	<u>18,762</u>	<u>(26,718)</u>
<i>Expenditures</i>				
Current				
Instruction	1,000	37,485	27,699	9,786
Support services	-	10,480	9,249	1,231
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,000</u>	<u>47,965</u>	<u>36,948</u>	<u>11,017</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,000)</u>	<u>(2,485)</u>	<u>(18,186)</u>	<u>(15,701)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,000	2,485	-	(2,485)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,000</u>	<u>2,485</u>	<u>-</u>	<u>(2,485)</u>
<i>Net change in fund balances</i>	-	-	(18,186)	(18,186)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,186)</u>	<u>\$ (18,186)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (18,186)
Adjustments to revenue for due from other governments				22,728
Adjustments to expenditures for accounts payable				(4,542)
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-17

Carlsbad Municipal School District No. 20  
 Title I - IASA - Federal Stimulus Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	347,405	691,191	147,565	(543,626)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>347,405</u>	<u>691,191</u>	<u>147,565</u>	<u>(543,626)</u>
<i>Expenditures</i>				
Current				
Instruction	220,929	460,591	218,495	242,096
Support services	126,476	230,600	10,657	219,943
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>347,405</u>	<u>691,191</u>	<u>229,152</u>	<u>462,039</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(81,587)</u>	<u>(81,587)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(81,587)	(81,587)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (81,587)</u>	<u>\$ (81,587)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (81,587)
Adjustments to revenue for due from other governments				81,587
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-18

Carlsbad Municipal School District No. 20  
 Entitlement IDEA-B - Federal Stimulus Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	1,535,007	492,822	(1,042,185)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	1,535,007	492,822	(1,042,185)
<i>Expenditures</i>				
Current				
Instruction	-	1,042,920	739,853	303,067
Support services	-	492,087	58,177	433,910
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	1,535,007	798,030	736,977
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(305,208)	(305,208)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(305,208)	(305,208)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (305,208)	\$ (305,208)
<i>Net change in fund balances (Budget Basis)</i>				\$ (305,208)
Adjustments to revenue for due from other governments				343,569
Adjustments to expenditures for accounts payable				(38,361)
<i>Net changes in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements



STATE OF NEW MEXICO

Statement B-19

Carlsbad Municipal School District No. 20  
 Preschool IDEA-B - Federal Stimulus Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	59,322	56,774	(2,548)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>59,322</u>	<u>56,774</u>	<u>(2,548)</u>
<i>Expenditures</i>				
Current				
Instruction	-	23,052	22,936	116
Support services	-	36,270	33,838	2,432
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>59,322</u>	<u>56,774</u>	<u>2,548</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

Carlsbad Municipal School District No. 20  
 IDEA Early Intervention Services - Federal Stimulus Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	10,000	10,000	3,699	(6,301)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>10,000</u>	<u>10,000</u>	<u>3,699</u>	<u>(6,301)</u>
<i>Expenditures</i>				
Current				
Instruction	4,883	4,883	3,616	1,267
Support services	5,117	5,117	83	5,034
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,000</u>	<u>10,000</u>	<u>3,699</u>	<u>6,301</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

Carlsbad Municipal School District No. 20  
 Education of Homeless - Federal Stimulus Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	10,000	5,394	(4,606)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>10,000</u>	<u>5,394</u>	<u>(4,606)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	10,000	5,394	4,606
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>10,000</u>	<u>5,394</u>	<u>4,606</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-22

Carlsbad Municipal School District No. 20  
 IDEA Private School Share - Federal Stimulus Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	11,044	11,044	-	(11,044)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>11,044</u>	<u>11,044</u>	<u>-</u>	<u>(11,044)</u>
<i>Expenditures</i>				
Current				
Instruction	4,485	4,485	3,783	702
Support services	6,559	8,159	86	8,073
Central services	-	6,650	-	6,650
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>11,044</u>	<u>19,294</u>	<u>3,869</u>	<u>15,425</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(8,250)</u>	<u>(3,869)</u>	<u>4,381</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	8,250	-	(8,250)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>8,250</u>	<u>-</u>	<u>(8,250)</u>
<i>Net change in fund balances</i>	-	-	(3,869)	(3,869)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,869)</u>	<u>\$ (3,869)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (3,869)
Adjustments to revenue for due from other governments				3,869
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-23

Carlsbad Municipal School District No. 20  
 Title XIX Medicaid 3/21 Years Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	200,000	200,000	68,807	(131,193)
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	200,000	200,000	68,807	(131,193)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	396,621	446,497	972	445,525
Central services	3,000	3,000	-	3,000
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	399,621	449,497	972	448,525
<i>Excess (deficiency) of revenues over expenditures</i>	(199,621)	(249,497)	67,835	317,332
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	199,621	249,497	-	(249,497)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	199,621	249,497	-	(249,497)
<i>Net change in fund balances</i>	-	-	67,835	67,835
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 67,835	\$ 67,835
<i>Net change in fund balances (Budget Basis)</i>				\$ 67,835
No adjustments to revenues				259,641
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 327,476

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-24

Carlsbad Municipal School District No. 20  
 State Equalization Guarantee - Federal Stimulus Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	3,161,608	4,127,635	4,129,222	1,587
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,161,608</u>	<u>4,127,635</u>	<u>4,129,222</u>	<u>1,587</u>
<i>Expenditures</i>				
Current				
Instruction	737,107	701,302	701,302	-
Support services	2,371,501	2,534,502	2,534,502	-
Central services	45,000	21,864	21,864	-
Operation and maintenance of plant	8,000	869,967	869,967	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,161,608</u>	<u>4,127,635</u>	<u>4,127,635</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,587</u>	<u>1,587</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	1,587	1,587
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,587</u>	<u>\$ 1,587</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,587
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 1,587</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-25

Carlsbad Municipal School District No. 20  
 Microsoft Settlement Funds Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	40,077	2,071	38,006
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>40,077</u>	<u>2,071</u>	<u>38,006</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(40,077)</u>	<u>(2,071)</u>	<u>38,006</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	40,077	-	(40,077)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>40,077</u>	<u>-</u>	<u>(40,077)</u>
<i>Net change in fund balances</i>	-	-	(2,071)	(2,071)
<i>Fund balances - beginning of year</i>	-	-	(40,077)	(40,077)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,148)</u>	<u>\$ (42,148)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (2,071)
No adjustments to revenues				40,077
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 38,006</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

Carlsbad Municipal School District No. 20  
 A+ for Energy Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	20,000	20,000	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	20,000	20,000	-
<i>Expenditures</i>				
Current				
Instruction	-	20,000	14,080	5,920
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	20,000	14,080	5,920
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	5,920	5,920
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	5,920	5,920
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 5,920	\$ 5,920
<i>Net change in fund balances (Budget Basis)</i>				\$ 5,920
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 5,920

The accompanying notes are an integral part of these financial statements



STATE OF NEW MEXICO

Statement B-27

Carlsbad Municipal School District No. 20  
 Dual Credit Instructional Materials Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	6,500	6,500	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	6,500	6,500	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-28

Carlsbad Municipal School District No. 20  
 2008 GO Bond Student Library Fund Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	51,106	8,754	(42,352)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	51,106	8,754	(42,352)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	51,106	48,451	2,655
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	51,106	48,451	2,655
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(39,697)	(39,697)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(39,697)	(39,697)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (39,697)	\$ (39,697)
<i>Net change in fund balances (Budget Basis)</i>				\$ (39,697)
Adjustments to revenue for due from other governments				48,452
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 8,755

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-29

Carlsbad Municipal School District No. 20  
 Technology for Education PED Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	98,537	69,450	40,727	(28,723)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	98,537	69,450	40,727	(28,723)
<i>Expenditures</i>				
Current				
Instruction	13,500	3,182	3,182	-
Support services	85,037	66,268	66,267	1
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	98,537	69,450	69,449	1
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(28,722)	(28,722)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(28,722)	(28,722)
<i>Fund balances - beginning of year</i>	-	-	32,881	32,881
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 4,159	\$ 4,159
<i>Net change in fund balances (Budget Basis)</i>				\$ (28,722)
No adjustments to revenues				32,881
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 4,159

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-30

Carlsbad Municipal School District No. 20  
 Family and Youth Resource Pro PED Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	10,700	10,700
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	10,700	10,700
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	10,700	10,700
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	10,700	10,700
<i>Fund balances - beginning of year</i>	-	-	(10,700)	(10,700)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ 10,700
No adjustments to revenues				(10,700)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

Carlsbad Municipal School District No. 20  
 Libraries-GO Bonds-Laws of 2004 Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(49)</u>	<u>(49)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49)</u>	<u>\$ (49)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				(49)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (49)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

Carlsbad Municipal School District No. 20  
 Beginning Teacher Mentoring Program Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	18,153	18,153	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>18,153</u>	<u>18,153</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	14,911	11,647	3,264
Support services	-	3,242	3,237	5
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>18,153</u>	<u>14,884</u>	<u>3,269</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,269</u>	<u>3,269</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	3,269	3,269
<i>Fund balances - beginning of year</i>	-	-	12,262	12,262
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,531</u>	<u>\$ 15,531</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,269
No adjustments to revenues				(3,269)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

Carlsbad Municipal School District No. 20  
 Breakfast for Elementary Students Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	5,672	5,672	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,672</u>	<u>5,672</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	5,672	5,672	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,672</u>	<u>5,672</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-34

Carlsbad Municipal School District No. 20  
 Technology Equity Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	79,522	79,522
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,522</u>	<u>\$ 79,522</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
Adjustments to revenues for due from other governments				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-35

Carlsbad Municipal School District No. 20  
 School in Need of Improvement Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	91,900	72,725	(19,175)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	91,900	72,725	(19,175)
<i>Expenditures</i>				
Current				
Instruction	-	91,900	72,725	19,175
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	91,900	72,725	19,175
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-36

Carlsbad Municipal School District No. 20  
 School Improvement Framework Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	395	395
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 395</u>	<u>\$ 395</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-37

Carlsbad Municipal School District No. 20  
 Libraries - SB 301 GO Bonds-Laws of 2006 Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	96	96
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>96</u>	<u>96</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>96</u>	<u>96</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	96	96
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,401</u>	<u>2,401</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,497</u>	<u>\$ 2,497</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 96
No adjustments to revenues				(96)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-38

Carlsbad Municipal School District No. 20  
 School Library Material Fund FY 08 Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	17,921	-	(17,921)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	17,921	-	(17,921)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	17,921	17,173	748
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	17,921	17,173	748
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(17,173)	(17,173)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(17,173)	(17,173)
<i>Fund balances - beginning of year</i>	-	-	(17,921)	(17,921)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (35,094)	\$ (35,094)
<i>Net change in fund balances (Budget Basis)</i>				\$ (17,173)
No adjustments to revenues				17,921
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 748

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-39

Carlsbad Municipal School District No. 20  
 NM Energy/Minerals/Natural Resources Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(140)	(140)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (140)</u>	<u>\$ (140)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				140
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 140</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-40

Carlsbad Municipal School District No. 20  
 Suicide Prevention Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	6,000	39,873	33,873
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,000</u>	<u>39,873</u>	<u>33,873</u>
<i>Expenditures</i>				
Current				
Instruction	-	10,846	291	10,555
Support services	-	3,500	1,002	2,498
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>14,346</u>	<u>1,293</u>	<u>13,053</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(8,346)</u>	<u>38,580</u>	<u>46,926</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	8,346	-	(8,346)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>8,346</u>	<u>-</u>	<u>(8,346)</u>
<i>Net change in fund balances</i>	-	-	38,580	38,580
<i>Fund balances - beginning of year</i>	-	-	35,515	35,515
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,095</u>	<u>\$ 74,095</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 38,580
No adjustments to revenues				(34,869)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 3,711</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-41

Carlsbad Municipal School District No. 20  
 Private Dir Grants (Categorical) Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	5,000	-	(5,000)
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	5,000	-	(5,000)
<i>Expenditures</i>				
Current				
Instruction	-	2,131	2,029	102
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	2,131	2,029	102
<i>Excess (deficiency) of revenues over expenditures</i>	-	2,869	(2,029)	(4,898)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(2,869)	-	2,869
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	(2,869)	-	2,869
<i>Net change in fund balances</i>	-	-	(2,029)	(2,029)
<i>Fund balances - beginning of year</i>	-	-	(4,118)	(4,118)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (6,147)	\$ (6,147)
<i>Net change in fund balances (Budget Basis)</i>				\$ (2,029)
Adjustments to revenue for due from other governments				6,261
Adjustments to expenditures for accounts payable				(4,232)
<i>Net changes in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-42

Carlsbad Municipal School District No. 20  
School Based Health Center Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	104,950	104,950	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	104,950	104,950	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	124,736	104,950	19,786
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	124,736	104,950	19,786
<i>Excess (deficiency) of revenues over expenditures</i>	-	(19,786)	-	19,786
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	19,786	-	(19,786)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	19,786	-	(19,786)
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	19,786	19,786
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 19,786	\$ 19,786
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues				19,786
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 19,786

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-43

Carlsbad Municipal School District No. 20  
Special Capital Outlay - State Capital Projects Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	30,000	30,000	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	1,225	1,225
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	30,000	31,225	1,225
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	30,000	-	30,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	30,000	-	30,000
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	31,225	31,225
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	31,225	31,225
<i>Fund balances - beginning of year</i>	-	-	26,734	26,734
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 57,959	\$ 57,959
<i>Net change in fund balances (Budget Basis)</i>				\$ 31,225
No adjustments to revenues				(3,000)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 28,225

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-44

Carlsbad Municipal School District No. 20  
 Capital Improvements HB-33 Capital Projects Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ 2,770,454	\$ 2,770,454	\$ 2,680,862	\$ (89,592)
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	35,000	35,000	4,825	(30,175)
Miscellaneous	-	-	10,514	10,514
<i>Total revenues</i>	<u>2,805,454</u>	<u>2,805,454</u>	<u>2,696,201</u>	<u>(109,253)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	327,705	822,923	480,505	342,418
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	7,905,336	8,110,336	6,636,800	1,473,536
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,233,041</u>	<u>8,933,259</u>	<u>7,117,305</u>	<u>1,815,954</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,427,587)</u>	<u>(6,127,805)</u>	<u>(4,421,104)</u>	<u>1,706,701</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash) (bud	5,427,587	6,127,805	-	(6,127,805)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,427,587</u>	<u>6,127,805</u>	<u>-</u>	<u>(6,127,805)</u>
<i>Net change in fund balances</i>	-	-	(4,421,104)	(4,421,104)
<i>Fund balances - beginning of year</i>	-	-	6,127,805	6,127,805
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,706,701</u>	<u>\$ 1,706,701</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (4,421,104)
Adjustments to revenues for property taxes receivable, other receivables and deferred revenue				44,945
Adjustments to expenditures for accounts payable				519,342
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (3,856,817)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-45

Carlsbad Municipal School District No. 20  
 Bond Building Capital Projects Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	40,000	40,000	9,355	(30,645)
Miscellaneous	-	-	5,077	5,077
<i>Total revenues</i>	<u>40,000</u>	<u>40,000</u>	<u>14,432</u>	<u>(25,568)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	5,532,963	5,590,840	1,677,843	3,912,997
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,532,963</u>	<u>5,590,840</u>	<u>1,677,843</u>	<u>3,912,997</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,492,963)</u>	<u>(5,550,840)</u>	<u>(1,663,411)</u>	<u>3,887,429</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash) (bud	5,492,963	5,550,840	-	(5,550,840)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,492,963</u>	<u>5,550,840</u>	<u>-</u>	<u>(5,550,840)</u>
<i>Net change in fund balances</i>	-	-	(1,663,411)	(1,663,411)
<i>Fund balances - beginning of year</i>	-	-	5,550,840	5,550,840
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,887,429</u>	<u>\$ 3,887,429</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,663,411)
No adjustments to revenues				-
Adjustments to expenditures for accounts payable				<u>306,837</u>
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (1,356,574)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-46

Carlsbad Municipal School District No. 20  
 Capital Improvements SB-9 Capital Projects Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ 2,770,454	\$ 2,770,454	\$ 2,680,862	\$ (89,592)
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	140,238	215	(140,023)
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	20,000	20,000	4,688	(15,312)
Miscellaneous	-	-	105,277	105,277
<i>Total revenues</i>	<u>2,790,454</u>	<u>2,930,692</u>	<u>2,791,042</u>	<u>(139,650)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	27,705	27,705	15,751	11,954
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	4,203,466	5,942,369	2,968,844	2,973,525
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,231,171</u>	<u>5,970,074</u>	<u>2,984,595</u>	<u>2,985,479</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,440,717)</u>	<u>(3,039,382)</u>	<u>(193,553)</u>	<u>2,845,829</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash) (bud	1,440,717	3,039,382	-	(3,039,382)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,440,717</u>	<u>3,039,382</u>	<u>-</u>	<u>(3,039,382)</u>
<i>Net change in fund balances</i>	-	-	(193,553)	(193,553)
<i>Fund balances - beginning of year</i>	-	-	3,039,382	3,039,382
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,845,829</u>	<u>\$ 2,845,829</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (193,553)
Adjustments to revenues for property taxes receivable, other receivables and deferred revenue				44,945
Adjustments to expenditures for accounts payable				462,846
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 314,238</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-47

Carlsbad Municipal School District No. 20

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ 1,998,448	\$ 1,998,448	\$ 1,575,119	\$ (423,329)
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	329,994	329,994	236	(329,758)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,328,442</u>	<u>2,328,442</u>	<u>1,575,355</u>	<u>(753,087)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	7,994	7,994	7,994	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	4,258,087	3,920,331	1,600,000	2,320,331
Interest	398,447	398,448	398,448	-
<i>Total expenditures</i>	<u>4,664,528</u>	<u>4,326,773</u>	<u>2,006,442</u>	<u>2,320,331</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,336,086)</u>	<u>(1,998,331)</u>	<u>(431,087)</u>	<u>1,567,244</u>
<i>Other financing sources (uses)</i>				
Designated cash	2,336,086	1,998,331	-	(1,998,331)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,336,086</u>	<u>1,998,331</u>	<u>-</u>	<u>(1,998,331)</u>
<i>Net change in fund balances</i>	-	-	(431,087)	(431,087)
<i>Fund balances - beginning of year</i>	-	-	1,998,331	1,998,331
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,567,244</u>	<u>\$ 1,567,244</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (431,087)
Adjustments to revenue for property taxes receivable and deferred revenue				(139)
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (431,226)</u>

The accompanying notes are an integral part of these financial statements

**GENERAL FUND**

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Combining Balance Sheet  
 General Fund  
 June 30, 2010

Statement C-1

	<u>Operational Fund</u>	<u>Transportation Fund</u>	<u>Instructional Materials Fund</u>	<u>Total</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 7,127,631	\$ 45,801	\$ 320,838	\$ 7,494,270
Receivables:				
Taxes	54,842	-	-	54,842
Due from other governments	-	-	-	-
Other	10,555	-	-	10,555
Inventory	369,038	-	-	369,038
Prepaid expenses	-	-	-	-
Due from other funds	2,391,999	-	-	2,391,999
<i>Total assets</i>	<u>\$ 9,954,065</u>	<u>\$ 45,801</u>	<u>\$ 320,838</u>	<u>\$ 10,320,704</u>
<i>Liabilities and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 174,317	\$ -	\$ -	\$ 174,317
Accrued payroll	36,712	251	-	36,963
Accrued compensated absences	-	-	-	-
Deferred revenue	8,685	-	-	8,685
Due to other funds	817,450	-	-	817,450
<i>Total liabilities</i>	<u>1,037,164</u>	<u>251</u>	<u>-</u>	<u>1,037,415</u>
<i>Fund balances</i>				
Reserved for:				
Inventory	369,038	-	-	369,038
Prepaid expenses	-	-	-	-
Unreserved				
Unreserved, reported in				
General fund	8,547,863	45,550	320,838	8,914,251
<i>Total fund balances</i>	<u>8,916,901</u>	<u>45,550</u>	<u>320,838</u>	<u>9,283,289</u>
<i>Total liabilities and fund balances</i>	<u>\$ 9,954,065</u>	<u>\$ 45,801</u>	<u>\$ 320,838</u>	<u>\$ 10,320,704</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-2

Carlsbad Municipal School District No. 20  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 General Fund  
 For the Year Ended June 30, 2010

	Operational Fund	Transportation Fund	Instructional Materials Fund	Total
<i>Revenues</i>				
Taxes	\$ 666,371	\$ -	\$ -	\$ 666,371
Federal flowthrough	3,244	-	-	3,244
Federal direct	32,430	-	-	32,430
Local grants	4,643	-	100	4,743
State flowthrough	42,431,126	-	228,749	42,659,875
State direct	-	-	-	-
Transportation distribution	-	1,652,876	-	1,652,876
Charges for services	292,903	-	-	292,903
Investment income	33,467	-	-	33,467
Miscellaneous	17,052	-	-	17,052
<i>Total revenues</i>	<u>43,481,236</u>	<u>1,652,876</u>	<u>228,849</u>	<u>45,362,961</u>
<i>Expenditures</i>				
Current				
Instruction	29,143,529	-	323,874	29,467,403
Support services	7,264,337	-	5,690	7,270,027
Central services	1,396,673	-	-	1,396,673
Operation and maintenance of plant	5,474,396	-	-	5,474,396
Student transportation	-	1,697,426	-	1,697,426
Food services operations	29,953	-	-	29,953
Community services operations	72,255	-	-	72,255
Capital outlay	41,378	-	-	41,378
<i>Total expenditures</i>	<u>43,422,521</u>	<u>1,697,426</u>	<u>329,564</u>	<u>45,449,511</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>58,715</u>	<u>(44,550)</u>	<u>(100,715)</u>	<u>(86,550)</u>
<i>Net change in fund balances</i>	<u>58,715</u>	<u>(44,550)</u>	<u>(100,715)</u>	<u>(86,550)</u>
<i>Fund balances - beginning</i>	7,894,790	44,550	421,553	8,360,893
<i>Restatement</i>	963,396	45,550	-	1,008,946
<i>Fund Balances - beginning of year as restated</i>	<u>8,858,186</u>	<u>90,100</u>	<u>421,553</u>	<u>9,369,839</u>
<i>Fund balances - ending</i>	<u>\$ 8,916,901</u>	<u>\$ 45,550</u>	<u>\$ 320,838</u>	<u>\$ 9,283,289</u>

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement C-3

Carlsbad Municipal School District No. 20

Operational Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ 677,280	\$ 677,280	\$ 654,917	\$ (22,363)
Federal flowthrough	70,000	70,000	3,244	(66,756)
Federal direct	36,370	36,370	32,430	(3,940)
Local grants	15,277	15,277	4,643	(10,634)
State flowthrough	44,080,721	42,250,736	42,431,126	180,390
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	270,500	270,500	292,903	22,403
Investment income	42,500	42,500	33,467	(9,033)
Miscellaneous	(240,406)	(331,645)	17,052	348,697
<i>Total revenues</i>	<u>44,952,242</u>	<u>43,031,018</u>	<u>43,469,782</u>	<u>438,764</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	31,406,297	29,971,297	29,106,183	865,114
Support services	10,160,644	10,171,192	7,456,290	2,714,902
Central services	1,660,261	1,491,261	1,362,430	128,831
Operation and maintenance of plant	5,959,738	5,786,753	5,321,657	465,096
Student transportation	-	-	-	-
Food services operations	-	30,600	29,953	647
Community services operations	78,495	72,895	72,255	640
Capital outlay	-	50,000	31,444	18,556
<i>Total expenditures</i>	<u>49,265,435</u>	<u>47,573,998</u>	<u>43,380,212</u>	<u>4,193,786</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,313,193)</u>	<u>(4,542,980)</u>	<u>89,570</u>	<u>4,632,550</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(4,313,193)	(4,542,980)	-	(4,542,980)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(4,313,193)</u>	<u>(4,542,980)</u>	<u>-</u>	<u>(4,542,980)</u>
<i>Net change in fund balances</i>	-	-	89,570	89,570
<i>Fund balances - beginning of year</i>	-	-	7,282,054	7,282,054
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,371,624</u>	<u>\$ 7,371,624</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ 89,570
Adjustments to revenues for other receivables and deferred revenue				11,454
Adjustments to expenditures for inventory, accounts payable and accrued payroll				(42,309)
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ 58,715</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement C-4

Carlsbad Municipal School District No. 20

Transportation Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	1,697,706	1,652,876	1,652,876	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,697,706</u>	<u>1,652,876</u>	<u>1,652,876</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	1,697,706	1,652,876	1,652,876	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,697,706</u>	<u>1,652,876</u>	<u>1,652,876</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				(44,550)
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (44,550)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement C-5

Carlsbad Municipal School District No. 20

Instructional Materials Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	100	100
State flowthrough	222,775	132,904	228,749	95,845
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>222,775</u>	<u>132,904</u>	<u>228,849</u>	<u>95,945</u>
<i>Expenditures</i>				
Current				
Instruction	728,174	638,303	323,874	314,429
Support services	-	6,179	5,690	489
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>728,174</u>	<u>644,482</u>	<u>329,564</u>	<u>314,918</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(505,399)</u>	<u>(511,578)</u>	<u>(100,715)</u>	<u>410,863</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	505,399	511,578	-	(511,578)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>505,399</u>	<u>511,578</u>	<u>-</u>	<u>(511,578)</u>
<i>Net change in fund balances</i>	-	-	(100,715)	(100,715)
<i>Fund balances - beginning of year</i>	-	-	421,553	421,553
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 320,838</u>	<u>\$ 320,838</u>
<i>Net change in fund balance (Budget Basis)</i>				\$ (100,715)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP Basis)</i>				<u>\$ (100,715)</u>

The accompanying notes are an integral part of these financial statements

**JEFFERSON MONTESSORI ACADEMY CHARTER SCHOOL**

**STATE OF NEW MEXICO**  
Jefferson Montessori Academy Charter School  
Combining Balance Sheet  
Governmental Funds  
June 30, 2010

	General		Special Revenue	
	Operational	Instructional Materials	Food Services	Non- Instructional Support
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ 285,135	\$ 24,741	\$ 36,082	\$ 450
Receivables:				
Due from other governments	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Due from other funds	26,925	3,742	-	-
<i>Total assets</i>	\$ 312,060	\$ 28,483	\$ 36,082	\$ 450
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current liabilities</i>				
Accounts payable	\$ 99,708	\$ 32,933	\$ -	\$ -
Accrued payroll	90,134	-	201	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	41,917	-
<i>Total liabilities</i>	189,842	32,933	42,118	-
<i>Fund balances</i>				
Unreserved, reported in				
General fund	122,218	(4,450)	-	-
Special revenue fund	-	-	(6,036)	450
Capital projects fund	-	-	-	-
<i>Total fund balances</i>	122,218	(4,450)	(6,036)	450
<i>Total liabilities and fund balances</i>	\$ 312,060	\$ 28,483	\$ 36,082	\$ 450

The accompanying notes are an integral part of these financial statements

Special Revenue					
Entitlement IDEA-B	Library GO Bonds	State Equalization Guarantee - Federal Stimulus	Beginning Teacher Mentoring Program	Reading Materials	Libraries - SB 301 GO Bonds- Laws of 2006
\$ -	\$ -	\$ 6,104	\$ 5,243	\$ -	\$ 383
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,561	-	-	-	-	-
<u>\$ 9,561</u>	<u>\$ -</u>	<u>\$ 6,104</u>	<u>\$ 5,243</u>	<u>\$ -</u>	<u>\$ 383</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	142	-	-	-
-	-	-	-	-	-
-	2,110	-	-	3,754	-
-	<u>2,110</u>	<u>142</u>	<u>-</u>	<u>3,754</u>	<u>-</u>
-	-	-	-	-	-
9,561	(2,110)	5,962	5,243	(3,754)	383
-	-	-	-	-	-
<u>9,561</u>	<u>(2,110)</u>	<u>5,962</u>	<u>5,243</u>	<u>(3,754)</u>	<u>383</u>
<u>\$ 9,561</u>	<u>\$ -</u>	<u>\$ 6,104</u>	<u>\$ 5,243</u>	<u>\$ -</u>	<u>\$ 383</u>

**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 Combining Balance Sheet  
 Governmental Funds  
 June 30, 2010

	<u>Capital Projects</u>	
	Public School Capital Outlay	Total
<b>ASSETS</b>		
<i>Current assets</i>		
Cash and cash equivalents	\$ 26,542	\$ 384,680
Receivables:		
Due from other governments	-	-
Other	-	-
Inventory	-	-
Due from other funds	7,553	47,781
<i>Total assets</i>	\$ 34,095	\$ 432,461
 <b>LIABILITIES AND FUND BALANCES</b>		
<i>Current liabilities</i>		
Accounts payable	\$ -	\$ 132,641
Accrued payroll	-	90,477
Deferred revenue	-	-
Due to other funds	-	47,781
<i>Total liabilities</i>	-	270,899
 <i>Fund balances</i>		
Undesignated, reported in		
General fund	-	117,768
Special revenue fund	-	9,699
Capital projects fund	34,095	34,095
<i>Total fund balances</i>	34,095	161,562
 <i>Total liabilities and fund balances</i>	\$ 34,095	\$ 432,461

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Jefferson Montessori Academy Charter School  
Governmental Funds  
Reconciliation of the Balance Sheet to the Statement of Net Assets  
June 30, 2010

Statement D-1  
Page 2 of 2

Amounts reported for governmental activities in the Statement of  
Net Assets are different in the component unit because:

Fund balances - total governmental funds	\$ 161,562
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	2,798
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued compensated absences	<u>-</u>
Net assets - component unit	<u><u>\$ 164,360</u></u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2010

	General		Special Revenue	
	Operational	Instructional Materials	Food Services	Non- Instructional Support
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ 36,258	\$ -
Federal direct	-	-	-	-
Local grants	7,450	-	-	450
State flowthrough	1,283,330	34,825	-	-
Charges for services	10,129	-	9,259	-
<i>Total revenues</i>	<u>1,300,909</u>	<u>34,825</u>	<u>45,517</u>	<u>450</u>
<i>Expenditures:</i>				
Current:				
Instruction	994,775	45,996	-	-
Support services	154,548	-	-	-
Central services	278,805	-	-	-
Operation and maintenance of plant	134,231	-	-	-
Food services operations	26,870	-	36,293	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,589,229</u>	<u>45,996</u>	<u>36,293</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(288,320)</u>	<u>(11,171)</u>	<u>9,224</u>	<u>450</u>
Other financing sources (uses)				
Transfers in (out)	-	-	-	-
<i>Net change in fund balances</i>	<u>(288,320)</u>	<u>(11,171)</u>	<u>9,224</u>	<u>450</u>
<i>Fund balances - beginning of year</i>	<u>410,538</u>	<u>6,721</u>	<u>(15,260)</u>	<u>-</u>
<i>Fund balances - ending of year</i>	<u>\$ 122,218</u>	<u>\$ (4,450)</u>	<u>\$ (6,036)</u>	<u>\$ 450</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Entitlement IDEA-B	Library GO Bonds	State Equalization Guarantee - Federal Stimulus	Beginning Teacher Mentoring Program	Reading Materials	Libraries - SB 301 GO Bonds- Laws of 2006
\$ 28,309	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	76,181	-	-	-
-	-	-	-	-	-
-	-	-	3,139	-	383
-	-	-	-	-	-
<u>28,309</u>	<u>-</u>	<u>76,181</u>	<u>3,139</u>	<u>-</u>	<u>383</u>
18,748	-	12,684	-	-	-
-	-	29,075	-	-	-
-	-	-	-	-	-
-	-	28,460	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>18,748</u>	<u>-</u>	<u>70,219</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,561	-	5,962	3,139	-	383
-	-	-	-	-	-
<u>9,561</u>	<u>-</u>	<u>5,962</u>	<u>3,139</u>	<u>-</u>	<u>383</u>
-	(2,110)	-	2,104	(3,754)	-
<u>\$ 9,561</u>	<u>\$ (2,110)</u>	<u>\$ 5,962</u>	<u>\$ 5,243</u>	<u>\$ (3,754)</u>	<u>\$ 383</u>

**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended June 30, 2010

	<u>Capital Projects</u>	
	<u>Public School Capital Outlay</u>	<u>Total</u>
<i>Revenues:</i>		
Federal flowthrough	\$ 62,554	\$ 127,121
Federal direct	-	76,181
Local grants	-	7,900
State flowthrough	-	1,321,677
Charges for services	-	19,388
	<hr/>	<hr/>
<i>Total revenues</i>	62,554	1,552,267
	<hr/>	<hr/>
<i>Expenditures:</i>		
<i>Current:</i>		
Instruction	-	1,072,203
Support services	-	183,623
Central services	-	278,805
Operation and maintenance of plant	62,554	225,245
Food services operations	-	63,163
Capital outlay	-	-
	<hr/>	<hr/>
<i>Total expenditures</i>	62,554	1,823,039
	<hr/>	<hr/>
<i>Excess (deficiency) of revenues over expenditures</i>	-	(270,772)
	<hr/>	<hr/>
Other financing sources (uses)		
Transfers in (out)	-	-
	<hr/>	<hr/>
<i>Net change in fund balances</i>	-	(270,772)
	<hr/>	<hr/>
<i>Fund balances - beginning of year</i>	34,095	432,334
	<hr/>	<hr/>
<i>Fund balances - ending of year</i>	\$ 34,095	\$ 161,562
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Jefferson Montessori Academy Charter School  
 Reconciliation of the Statement of Revenues, Expenditures and Changes  
 in Fund Balances of Governmental Funds to the Statement of Activities  
 For the year Ended June 30, 2010

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

Net change in fund balances - total governmental funds	\$ (270,772)
<p>Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:</p>	
Capital expenditures reported as capital outlay expenditures	-
Depreciation expense	(9,895)
<p>In the Statement of Activities, only the loss on the disposition of capital assets is reported, whereas in the governmental funds, the proceeds from the disposition increase financial resources. Thus, the change in net assets differs from the change in fund balance by the book value cost of the capital assets disposed.</p>	
	-
<p>Expenses in the Statement of Activities that do not provide current financial resources are not reported as expenditures in the funds:</p>	
Increase in compensated absences	-
	<hr style="border-top: 1px solid black;"/>
Change in net assets of component unit activities	<u><u>\$ (280,667)</u></u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-3

Jefferson Montessori Academy Charter School

Operational Fund

Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
Local grants	10,888	10,888	7,450	(3,438)
State flowthrough	1,275,282	1,283,331	1,283,330	(1)
Charges for services	-	-	10,129	10,129
<i>Total revenues</i>	<u>1,286,170</u>	<u>1,294,219</u>	<u>1,300,909</u>	<u>6,690</u>
<i>Expenditures:</i>				
Current:				
Instruction	933,924	973,173	818,753	154,420
Support services	156,722	213,233	145,798	67,435
Central services	224,063	327,051	274,532	52,519
Operation and maintenance of plant	473,110	221,633	132,946	88,687
Food services operations	55,600	116,378	26,870	89,508
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,843,419</u>	<u>1,851,468</u>	<u>1,398,899</u>	<u>452,569</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(557,249)</u>	<u>(557,249)</u>	<u>(97,990)</u>	<u>459,259</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	557,249	557,249	-	(557,249)
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>557,249</u>	<u>557,249</u>	<u>-</u>	<u>(557,249)</u>
<i>Net change in fund balances</i>	-	-	(97,990)	(97,990)
<i>Fund balance - beginning of year</i>	-	-	455,072	455,072
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 357,082</u>	<u>\$ 357,082</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (97,991)
No adjustments to revenues.				-
No adjustments to expenditures				(190,329)
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (288,320)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Jefferson Montessori Academy Charter School  
Instructional Materials Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	4,762	33,837	34,825	988
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>4,762</u>	<u>33,837</u>	<u>34,825</u>	<u>988</u>
<i>Expenditures:</i>				
Current:				
Instruction	4,762	33,837	13,063	20,774
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>4,762</u>	<u>33,837</u>	<u>13,063</u>	<u>20,774</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>21,762</u>	<u>21,762</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	21,762	21,762
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,979</u>	<u>2,979</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,741</u>	<u>\$ 24,741</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 21,762
No adjustments to revenues.				-
No adjustments to expenditures				<u>(32,933)</u>
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (11,171)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-5

Jefferson Montessori Academy Charter School  
 Food Services Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ 36,258	\$ 36,258
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	9,259	9,259
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>45,517</u>	<u>45,517</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	36,293	(36,293)
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>36,293</u>	<u>(36,293)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>9,224</u>	<u>9,224</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	9,224	9,224
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>26,657</u>	<u>26,657</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,881</u>	<u>\$ 35,881</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 9,224
No adjustments to revenues.				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 9,224</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement D-6

Jefferson Montessori Academy Charter School  
 Non-Instructional Support Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
Local grants	-	-	450	450
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>450</u>	<u>450</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>450</u>	<u>450</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	450	450
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ 450</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 450
No adjustments to revenues.				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 450</u>

The accompanying notes are an integral part of these financial statements



STATE OF NEW MEXICO

Statement D-7

Jefferson Montessori Academy Charter School  
 Entitlement IDEA-B Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variations
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ 41,832	\$ 18,748	\$ (23,084)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>41,832</u>	<u>18,748</u>	<u>(23,084)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	41,832	18,748	23,084
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>41,832</u>	<u>18,748</u>	<u>23,084</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(18,632)</u>	<u>(18,632)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,632)</u>	<u>\$ (18,632)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				9,561
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 9,561</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement D-8

Jefferson Montessori Academy Charter School  
 Library GO Bonds Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ 3,194	\$ -	\$ (3,194)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,194</u>	<u>-</u>	<u>(3,194)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	3,194	-	3,194
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,194</u>	<u>-</u>	<u>3,194</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-9

Jefferson Montessori Academy Charter School  
 State Equalization Guarantee - Federal Stimulus Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	69,605	133,183	76,181	(57,002)
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>69,605</u>	<u>133,183</u>	<u>76,181</u>	<u>(57,002)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	31,303	12,684	18,619
Support services	-	72,753	29,075	43,678
Central services	-	-	-	-
Operation and maintenance of plant	69,605	29,127	28,460	667
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>69,605</u>	<u>133,183</u>	<u>70,219</u>	<u>62,964</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>5,962</u>	<u>5,962</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	5,962	5,962
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,962</u>	<u>\$ 5,962</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 5,962
No adjustments to revenues.				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 5,962</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-10

Jefferson Montessori Academy Charter School  
 Beginning Teacher Mentoring Program Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	2,135	3,139	1,004
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,135</u>	<u>3,139</u>	<u>1,004</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	2,135	-	2,135
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,135</u>	<u>-</u>	<u>2,135</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,139</u>	<u>3,139</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	3,139	3,139
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,104</u>	<u>2,104</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,243</u>	<u>\$ 5,243</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,139
No adjustments to revenues.				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 3,139</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement D-11

Jefferson Montessori Academy Charter School  
 Reading Materials Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-12

Jefferson Montessori Academy Charter School  
 Libraries - SB 301 GO Bonds-Laws of 2006 Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	383	383
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>383</u>	<u>383</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>383</u>	<u>383</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	383	383
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 383</u>	<u>\$ 383</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 383
No adjustments to revenues.				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 383</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement D-13

Jefferson Montessori Academy Charter School  
 Public School Capital Outlay Capital Projects Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Federal flowthrough	\$ -	\$ 83,405	\$ 62,554	\$ (20,851)
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
Charges for services	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>83,405</u>	<u>62,554</u>	<u>(20,851)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	83,405	62,554	20,851
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>83,405</u>	<u>62,554</u>	<u>20,851</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>26,542</u>	<u>26,542</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,542</u>	<u>\$ 26,542</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

**SUPPORTING SCHEDULES**



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Deposit and Investment Accounts  
 June 30, 2010

Schedule I

Deposit or Investment Account Type	Western Commerce Bank	Wells Fargo Bank	Carlsbad National Bank	Totals
<b>Primary Government</b>				
Operational - checking	\$ 7,048,293	\$ -	\$ -	\$ 7,048,293
Capital improvements - checking	3,755,278	-	-	3,755,278
Payroll clearing - checking	125,010	-	-	125,010
Activity fund - checking	395,541	-	-	395,541
Debt service - checking	-	1,777,146	-	1,777,146
Operational insurance clearing - checking	-	2,206,323	-	2,206,323
Accounts payable clearing - checking	-	480,924	-	480,924
Payroll clearing - checking	-	821,233	-	821,233
Insurance clearing - checking	-	17,562	-	17,562
Cafeteria insurance clearing	-	17,760	-	17,760
Cafeteria - checking	-	-	504,718	504,718
Bond building - checking	-	-	3,945,388	3,945,388
<b>Total on deposit and investments</b>	<b>11,324,122</b>	<b>5,320,948</b>	<b>4,450,106</b>	<b>21,095,176</b>
Reconciling items	(538,314)	(887,216)	203	(1,425,327)
Reconciled balance at June 30, 2010	<u>\$ 10,785,808</u>	<u>\$ 4,433,732</u>	<u>\$ 4,450,309</u>	<u>\$ 19,669,849</u>

Reconciliation to financial statements:

Cash and cash equivalents:

Government-wide statement net assets - Exhibit A-1

\$ 19,623,727

Restricted cash and cash equivalents:

Government-wide statement net assets - Exhibit A-1

-

Statement of fiduciary assets and liabilities - Exhibit D-1

46,122

\$ 19,669,849

**Component Unit**

Deposit Account Type	Western Commerce Bank
Operational - checking	\$ 384,083
Federal account - checking	90,515
<b>Total on deposit</b>	<b>474,598</b>
Reconciling items	(90,118)
Reconciled balance at June 30, 2010	384,480
Plus petty cash	200
Component Unit cash and cash equivalents - Exhibit A-1	<u>\$ 384,680</u>

See accompanying independent auditors' report

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**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Cash Reconciliation  
 For the Year Ended June 30, 2010

**Primary Government**

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>	<u>Instructional Materials</u>
Audited Cash and Investments June 30, 2009	\$ 5,963,835	\$ -	\$ -	\$ 421,553
Add:			-	
Adjustment to include clearing account	2,206,572			
Current year receipts	<u>43,472,267</u>	<u>-</u>	<u>1,652,876</u>	<u>228,849</u>
Total cash available	<u>51,642,673</u>	<u>-</u>	<u>1,652,876</u>	<u>650,402</u>
Less:				
Current year expenditures	43,380,213	-	1,652,876	329,564
Net receivables/payables	(10,555)	-	-	-
Current year outstanding loans	<u>(2,390,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2010	<u>\$ 5,861,906</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 320,838</u>

**Component Unit**

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>	<u>Instructional Materials</u>
Audited Cash and Investments June 30, 2009	\$ 586,736	\$ -	\$ -	\$ 2,979
Add:				
Current year receipts	<u>1,300,909</u>	<u>-</u>	<u>-</u>	<u>34,826</u>
Total cash available	<u>1,887,645</u>	<u>-</u>	<u>-</u>	<u>37,805</u>
Less:				
Current year expenditures	1,484,308	-	-	13,064
Net Receivables / Payables	(118,202)	-	-	-
Current year outstanding loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2010	<u>\$ 285,135</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,741</u>

See accompanying independent auditors' report

<u>Food Service</u>	<u>Athletics</u>	<u>Non-Instructional</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>	<u>Local Grants</u>
\$ 315,851	\$ 277,774	\$ 468,915	\$ (770,636)	\$ 257,747	\$ 40,077
<u>3,394,630</u>	<u>345,955</u>	<u>410,636</u>	<u>4,148,052</u>	<u>4,198,028</u>	<u>20,000</u>
<u>3,710,481</u>	<u>623,729</u>	<u>879,551</u>	<u>3,377,416</u>	<u>4,455,775</u>	<u>60,077</u>
			-		
			-		
3,204,193	285,028	460,797	4,427,814	4,128,607	16,151
-	-	(37,652)	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,123,000</u>	<u>-</u>	<u>-</u>
<u>\$ 506,289</u>	<u>\$ 338,701</u>	<u>\$ 381,102</u>	<u>\$ 1,072,602</u>	<u>\$ 327,168</u>	<u>\$ 43,926</u>

<u>Food Services</u>	<u>Athletics</u>	<u>Non-Instructional</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>	<u>Local Grants</u>
\$ 45,497	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>450</u>	<u>18,748</u>	<u>76,201</u>	<u>-</u>
<u>45,497</u>	<u>-</u>	<u>450</u>	<u>18,748</u>	<u>76,201</u>	<u>-</u>
36,293	-	-	18,748	70,219	-
26,859	-	-	-	142	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 36,063</u>	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ -</u>	<u>\$ 6,124</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Cash Reconciliation  
 For the Year Ended June 30, 2010

**Primary Government**

	<u>State Flowthrough</u>	<u>State Direct</u>	<u>Local/State</u>	<u>Bond Building</u>
Audited Cash and Investments June 30, 2009	\$ (54,527)	\$ (35,375)	\$ 23,904	\$ 5,550,840
Add:				
Adjustment to include clearing account				
Current year receipts	<u>163,327</u>	<u>39,873</u>	<u>104,950</u>	<u>14,433</u>
Total cash available	<u>108,799</u>	<u>4,498</u>	<u>128,854</u>	<u>5,565,272</u>
Less:				
Current year expenditures	234,855	1,293	106,979	1,677,843
Net receivables/payables	-	-	-	-
Current year outstanding loans	<u>267,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2010	<u>\$ 140,945</u>	<u>\$ 3,205</u>	<u>\$ 21,876</u>	<u>\$ 3,887,429</u>

**Component Unit**

	<u>State Flowthrough</u>	<u>State Direct</u>	<u>Local/State</u>	<u>Bond Building</u>
Audited Cash and Investments June 30, 2009	\$ 2,104	\$ -	\$ -	\$ -
Add:				
Current year receipts	<u>3,521</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash available	<u>5,625</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less:				
Current year expenditures	-	-	-	-
Net Receivables / Payables	-	-	-	-
Current year outstanding loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2010	<u>\$ 5,625</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report

<u>Public School Capital Outlay</u>	<u>Special Capital Outlay State</u>	<u>Special Capital HB 33</u>	<u>Capital Improvements SB-9</u>	<u>Deferred Sick Leave 42000</u>	<u>Ed Tech Debt Service 43000</u>
\$ -	\$ 29,734	\$ 6,127,805	\$ 3,039,382	\$ 329,145	\$ -
-	31,225	2,696,202	2,791,042	-	-
-	60,959	8,824,006	5,830,425	329,145	-
-	-	7,117,305	2,984,596	-	-
-	-	-	-	210,863	-
-	3,000	-	-	-	-
<u>\$ -</u>	<u>\$ 57,959</u>	<u>\$ 1,706,701</u>	<u>\$ 2,845,829</u>	<u>\$ 540,009</u>	<u>\$ -</u>

<u>Public School Capital Outlay</u>	<u>Special Capital Outlay-State</u>	<u>Special Capital Outlay-Federal</u>	<u>Capital Improvements SB9</u>	<u>Energy Efficiency</u>	<u>PSOC 20%</u>
\$ 26,542	\$ -	\$ -	\$ -	\$ -	\$ -
62,554	-	-	-	-	-
89,096	-	-	-	-	-
62,554	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 26,542</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Cash Reconciliation  
 For the Year Ended June 30, 2010

**Primary Government**

	<u>Debt Service</u>	<u>Total</u>
Audited Cash and Investments June 30, 2009	\$ 1,998,331	\$ 23,984,355
Add:		
Adjustment to include clearing account		2,206,572
Current year receipts	<u>1,575,354</u>	<u>65,287,699</u>
Total cash available	<u>3,573,685</u>	<u>91,478,626</u>
Less:		
Current year expenditures	2,006,441	72,014,555
Net receivables/payables	-	162,657
Current year outstanding loans	<u>-</u>	<u>3,000</u>
Total cash balance, June 30, 2010	<u>\$ 1,567,244</u>	<u>\$ 19,623,727</u>

**Component Unit**

	<u>Debt Service</u>	<u>Total</u>
Audited Cash and Investments June 30, 2009	\$ -	\$ 663,858
Add:		
Current year receipts	<u>-</u>	<u>1,497,209</u>
Total cash available	<u>-</u>	<u>2,161,066</u>
Less:		
Current year expenditures	-	1,685,185
Net Receivables / Payables		(91,201)
Current year outstanding loans	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2010	<u>\$ -</u>	<u>\$ 384,680</u>

See accompanying independent auditors' report

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Collateral Pledged by Depository for Public Funds  
 June 30, 2010

Schedule III

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2010	Name and Location of Safekeeper
<b>Primary Government:</b>					
<b>Western Commerce Bank</b>					
	FNMA #52597	7/1/2027	313617NN8	\$ 24,525	Federal Home Loan Bank, Irvine TX
	FNMA #62942 "B"	7/1/2027	31362J5B7	26,490	Federal Home Loan Bank, Irvine TX
	FNMA #70864	9/1/2027	31362YWZ2	30,177	Federal Home Loan Bank, Irvine TX
	FNMA #77037	3/1/2019	313623S27	11,584	Federal Home Loan Bank, Irvine TX
	FNMA #128776	2/1/2031	31365H6M3	17,395	Federal Home Loan Bank, Irvine TX
	FNMA #254201	9/1/2022	31371KU25	275,350	Federal Home Loan Bank, Irvine TX
	FNMA #254589	1/1/2023	31371KXS5	910,786	Federal Home Loan Bank, Irvine TX
	FNMA #256714	4/1/2027	31371NDT9	1,060,292	Federal Home Loan Bank, Irvine TX
	FNMA #256852	8/1/2027	31371NH57	1,114,178	Federal Home Loan Bank, Irvine TX
	FNMA #758904	12/1/2033	31403VDH9	224,571	Federal Home Loan Bank, Irvine TX
	FNMA #826080	7/1/2035	31407BXH7	3,436,375	Federal Home Loan Bank, Irvine TX
	FNMA #745740	7/1/2036	31403DPZ6	2,540,234	Federal Home Loan Bank, Irvine TX
	GNMA Pool #8306	1/20/2018	36202KG1	21,593	Federal Home Loan Bank, Irvine TX
	GNMA Pool #8457	7/20/2024	36202KME	30,917	Federal Home Loan Bank, Irvine TX
	Total Western Commerce Bank			<u>9,724,467</u>	
<b>Wells Fargo Bank</b>					
	FNMA Pool #256233	5/1/2036	31371MSW8	2,088,828	Federal Home Loan Bank, Irvine TX
	FNMA Pool #257004	12/1/2037	31371NNV3	986,784	Federal Home Loan Bank, Irvine TX
	FNMA Pool #885337	6/1/2036	31410CS29	4,060,911	Federal Home Loan Bank, Irvine TX
	FNMA Pool #986519	6/1/2038	31415Q4C7	995,222	Federal Home Loan Bank, Irvine TX
	Total Wells Fargo Bank			<u>8,131,745</u>	
<b>Carlsbad National Bank</b>					
	FNMA #809861	8/1/2010	31371LB65	117,080	Wells Fargo Bank, San Francisco, CA
	FNMA #254862	8/1/2010	31371LB73	99,442	Wells Fargo Bank, San Francisco, CA
	FHLB	5/13/2011	3133X6ZL3	1,035,100	Wells Fargo Bank, San Francisco, CA
	FHLB AMT #1283	12/28/2010	3133XE5D7	1,100,484	Wells Fargo Bank, San Francisco, CA
	Total Carlsbad National Bank			<u>2,352,106</u>	
	Total Primary Government Pledged Collateral			<u><u>\$20,208,318</u></u>	
<b>Component Unit:</b>					
<b>Western Commerce Bank</b>					
	FNMA #67694	10/1/2028	31362QG89	\$ 87,144	Federal Home Loan Bank, Irvine TX
	FHLMC #420191	6/1/2030	31346AF83	28,712	Federal Home Loan Bank, Irvine TX
	FNMA #4593	5/1/2024	31360FC60	50,162	Federal Home Loan Bank, Irvine TX
	FHLMC #29139	7/1/2026	31381ELU9	33,284	Federal Home Loan Bank, Irvine TX
	FNMA #62942	7/1/2027	31362J5B7	33,632	Federal Home Loan Bank, Irvine TX
	FHLMC #412608	5/15/2026	36206JKV5	30,854	Federal Home Loan Bank, Irvine TX
	Total Component Unit Pledged Collateral			<u><u>\$ 263,788</u></u>	

See accompanying independent auditors' report



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District  
 Schedule of Joint Powers Agreements  
 June 30, 2010

a	b	c
Carlsbad Municipal School District and CARC, Inc.	Carlsbad Municipal School District	The purpose of this agreement is to establish CARC, Inc. as the provider or special education services to students who are placed with or referred to them by the Carlsbad Municipal School District. CARC, Inc. will provide all special education services specified in each student's IEP related to the provision of vocational training goals
Public Educational Institutions within the State of New Mexico and Cooperative Educational Services	Department of Finance and Administration	The purpose of this agreement is to pool efforts and resources in order to bring additional, necessary educational services and items of tangible personal property to the respective institutions at an affordable cost.
Carlsbad Municipal School District and NM Human Services Department	NM Human Services Department	The purpose of this agreement is to enable the school district to participate in the Medicaid School-Based Service Program. The intent of the parties in entering into this agreement is to improve the health and developmental outcomes of children and youth in New Mexico by providing quality health care and services through the Medicaid School-Based Services program and assuring the appropriate use of public funds in accordance with applicable state and federal requirements.
Board of Commissioners of Eddy County, Eddy County Sheriff's Office, City of Carlsbad Police Department, & Carlsbad Municipal Schools	Carlsbad Municipal School District	The purpose of the agreement is to provide the school district with four school resource officers who would be assigned as needed to various schools and/or outreach programs.
Project Lead the Way, Inc and Carlsbad Municipal School District	Carlsbad Municipal School District	The purpose of this agreement is to provide a high school and middle school engineering and technology curriculum.

Columns:

- a Participants
- b Party responsible for operations
- c Description
- d Beginning and ending dates of the JPA
- e Total estimated amount of the project and portion applicable to the agency
- f Amount of the agency contribution in the current fiscal year
- g Audit Responsibility
- h Name of government agency where revenues and expenditures are reported
- i Fiscal agent if applicable

See accompanying independent auditor's report

d	e	f	g	h	i
3/18/2009 - 4/15/2010	Undetermined	None	Carlsbad Municipal School District	Carlsbad Municipal School District	None
4/10/2002 - Indefinite	Undetermined	\$ 1,314,296	N/A	Carlsbad Municipal School District	None
7/1/2008 - 6/30/2012	Undetermined	\$ 179,318	Carlsbad Municipal School District	Carlsbad Municipal School District	NM Human Services Department
7/15/2008 - 6/30/2012	\$ 60,000	None	N/A	Carlsbad Municipal School District	None
12/16/2008 - 6/30/2010	Undetermined	None	N/A	Carlsbad Municipal School District	None

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Memorandum's of Understanding  
 For the Year Ended June 30, 2010

<b>Participants</b>	<b>Responsible Party</b>	<b>Description</b>	<b>Beginning/ Ending Date</b>
Region 4 Educated Solutions and Carlsbad Municipal School District	Region 4 Educated Solutions/TCPN	To administer a service program to provide procurement services to local school districts.	July 15, 2008 through until terminated w/30 day notice
NM MESA, Inc. and Carlsbad Municipal School District	NM MESA, Inc.	To empower and motivate New Mexico's culturally diverse students through science, technology, engineering, and math (STEM) enrichment.	August 14, 2009 through June 30, 2010
Carlsbad (NM) AWARE Program, Inc. and Carlsbad Municipal School District	Carlsbad Municipal School District	To provide childcare services for children of students enrolled in the Carlsbad Municipal School District.	July 15, 2008 through until terminated w/30 day notice
Presbyterian Medical Services and Carlsbad Municipal School District	Carlsbad Municipal School District	To provide medical/primary and behavioral health services to students, children of students, and staff of the District.	August 12, 2009 through May 27, 2010
SENM Community Action Corp., Head Start Program, and Carlsbad Municipal School District	Head Start Program	To ensure that children with disabilities enrolled in Head Start Programs receive all the services to which they are entitled.	August 31, 2009 through May 31, 2010
NM Department of Health and Carlsbad Municipal School District	NM Department of Health	To provide youth suicide prevention services for adolescents at Carlsbad High School	Closed September 30, 2009
NM Department of Health and Carlsbad Municipal School District	NM Department of Health	To provide peer-to-peer primary prevention program "Natural Helpers" services for adolescents at Carlsbad High School	January 15, 2010 through June 30, 2010
NM Department of Health and Carlsbad Municipal School District	NM Department of Health	To provide integrated primary and behavioral health care for adolescents through a school based health center.	July 1, 2009 through June 30, 2010

See accompanying independent auditor's report

<b>Total Estimated Amount of Project</b>	<b>Amount Agency Contributed</b>	<b>Portion Applicable to Agency</b>	<b>Audit Responsibility</b>	<b>Reporting Agency</b>
Undetermined	\$550,000	None	None	None
\$2,000	\$6,000	None	None	None
Undetermined	\$179,318	None	None	None
\$85,000	None	None	None	None
Undetermined	None	None	None	None
-	None	None	None	None
\$6,000	None	None	None	None
\$85,000	None	None	None	None

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Changes in Fiduciary Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2010

Schedule VI

Clubs:	Balance 6/30/2009	Additions	Deletions	Balance 6/30/2010
Art Club	\$ -	\$ 324	\$ 81	\$ 243
Baseball Booster Club	-	-	-	-
Basketball-Boys Booster Club	-	403	371	33
Basketball-Girls Booster Club	-	188	-	188
Biology Club	-	3,446	51	3,395
BPA Club	-	17,507	11,464	6,043
Central Office Employee Fund	1,422	153	377	1,199
Chemistry Club	-	6,854	1,503	5,351
CHS Dance Company	-	1,327	1,327	-
Computer Club	-	323	-	323
DECA Club	-	811	241	570
District Leadership Team Employee Fund	59	201	260	-
Elementary PTA	-	32,466	27,711	4,754
FCCLA Club	-	6,513	4,524	1,989
Fellowship of High School Students	-	256	-	256
FFA Club	-	71,856	66,534	5,321
Football Booster Club	-	12,288	11,344	945
French Club	-	830	592	238
Golf Booster Club	-	194	-	194
Honor Society	-	7,940	3,210	4,730
HOSA Club	-	3,456	2,545	911
JAG-Phoenix (Wellman)	-	434	-	434
Key Club	-	315	-	315
Rodeo Booster Club	-	489	-	489
Softball Booster Club	-	740	-	740
Spanish Club	-	456	-	456
Spirit Team-Cheerleading Booster Club	-	7,377	5,948	1,430
Tennis Booster Club	-	164	-	164
Track-Boys Booster Club	-	294	-	294
Track-Girls Booster Club	-	293	-	293
VICA Club	-	18,364	14,724	3,640
Volleyball Booster Club	-	557	-	557
Web Development Club	-	878	322	555
Wrestling Booster Club	-	71	-	71
<b>TOTAL</b>	<b>\$ 1,481</b>	<b>\$ 197,770</b>	<b>\$ 153,129</b>	<b>\$ 46,122</b>

See accompanying independent auditor's report

**COMPLIANCE SECTION**



Accounting & Consulting Group, LLP  
Certified Public Accountants

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

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Carlsbad Municipal School District No. 20  
Carlsbad, New Mexico

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, the budgetary comparisons for the general fund, the Title I – IASA special revenue fund, and the aggregate remaining fund information of Carlsbad Municipal School District No. 20 (the “District”), as of and for the year ended June 30, 2010, which collectively comprise the District’s basic financial statements as listed in the table of contents and have issued our report thereon dated February 8, 2011. We have also audited the financial statements of each of the District’s nonmajor governmental funds, the combining financial statements for the general fund, the component unit funds and the budgetary comparisons for the bond building capital projects fund, the capital improvements SB-9 capital projects fund, the component unit funds, and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010 as listed in the table of contents and have issued our report thereon dated February 8, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weakness have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items FS 2009-3, FS 2010-01, FS 2010-03, FS 2010-05, and JMA FS 2010-01 to be material weaknesses.

### 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* as items FS 2009-1, and FS 2010-06.

We also noted certain matters that are required to be reported under Government Auditing Standards January 2007 Revision paragraphs 5.14 and 5.16, and pursuant to section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as findings FS 2010-02, FS 2010-04, FS 2010-07, FS 2010-08, JMA FS 2010-02, and JMA FS 2010-03.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the audit committee, management, others within the organization, Board of Education, the Office of the State Auditor, the New Mexico Public Education Department, the New Mexico Legislature, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP  
Albuquerque, New Mexico  
February 8, 2011



**FEDERAL FINANCIAL ASSISTANCE**



Accounting & Consulting Group, LLP  
Certified Public Accountants

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

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget and  
To the Board of Education  
Carlsbad Municipal School District No. 20  
Carlsbad, New Mexico

Compliance

We have audited the compliance of Carlsbad Municipal School District No. 20 (the “District”), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular *A-133 Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2010. The District’s major federal programs are identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District’s management. Our responsibility is to express an opinion on the District’s compliance based on our audit.

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

In our opinion, Carlsbad Municipal School District No. 20 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. The results of our auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District’s internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance, and 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiency, in internal control over compliance with a type of compliance requirement that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies.

This report is intended solely for the information and use of the audit committee, management, others within the organization, Board of Education, the Office of the State Auditor, the New Mexico Public Education Department, the New Mexico Legislature, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP  
Albuquerque, NM  
February 8, 2011

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2010

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number		Expenditures
<b>U.S. Department of Education</b>				
<b><i>Passthrough - State of NM Public Education Department</i></b>				
Title I IASA	24101	84.010	(1)	\$ 1,402,819
Entitlement IDEA-B	24106	84.027	(2)	1,364,585 M
Discretionary IDEA-B	24107	84.027	(2)	5,248 M
Preschool IDEA-B	24109	84.027	(2)	59,174 M
Early Intervention Services IDEA-B	24112	84.027	(2)	2,127 M
Private School Share IDEA-B	24115	84.027	(2)	6,187 M
"Risk Pool" IDEA-B	24120	84.027	(2)	14,186 M
Teacher/Principal Training And Recruiting	24154	84.367A		353,040
Title IV-A Safe and Drug Free Schools and Community	24157	84.186A		30,216
Carl D Perkins Secondary - Current	24174	84.048	(3)	43,910
Carl D Perkins HSTW - Current	24180	84.048	(3)	41,490
Title I - IASA - Federal Stimulus - ARRA	24201	84.389	(1)	229,152 M
Entitlement IDEA-B - Federal Stimulus - ARRA	24206	84.391	(2)	836,391 M
Preschool IDEA-B Federal Stimulus - ARRA	24209	84.392	(2)	56,774 M
Early Intervention Services IDEA-B - Federal Stimulus - ARRA	24212	84.391	(2)	3,699 M
Education of Homeless - Federal Stimulus - ARRA	24213	84.196O	(5)	5,394
Private School Share IDEA-B - Federal Stimulus - ARRA	24215	84.391	(2)	3,869 M
Total USDE Passthrough				<u>4,458,261</u>
<b><i>Federal Direct Grants</i></b>				
Impact Aid - General Fund	11000	84.041	(4)	3,923
State Equalization Guarantee - Federal Stimulus - ARRA	25250	84.394		4,127,635 M
Total USDE Direct				<u>4,131,558</u>
<b><i>U.S. Department of Health and Human Services</i></b>				
<b><i>Federal Direct Grants</i></b>				
Medicaid Title XIX	25153	93.778		972
Total USDHHS Direct				<u>972</u>
<b><i>U.S. Department of Agriculture</i></b>				
<b><i>Federal Direct Grants</i></b>				
Forest Reserve	11000	10.665		31,751
National Schools Lunch Program				
Food Distribution	21000	10.550	(6)	167,548 M
National School Breakfast	21000	10.553	(6)	3,036,645 M
Fresh Fruits and Vegetables	24118	10.582	(6)	19,351 M
Total USDA Direct				<u>3,255,295</u>
Total Federal Awards				<u>\$ 11,846,086</u>

M=Denotes major Federal financial assistance program  
 () = Denotes cluster

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2010

**Notes to Schedule of Expenditures of Federal Awards**

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Carlsbad Municipal Schools, New Mexico (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements.

Subrecipients

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

Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2010 was \$167,548 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Program, CFDA number 10.550.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 11,846,086
Total expenditures funded by other sources	<u>50,678,276</u>
Total expenditures	<u><u>\$ 62,524,362</u></u>

See accompanying independent auditors' report

**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2010

Schedule VIII

**A. SUMMARY OF AUDIT RESULTS**

*Financial Statements:*

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

*Federal Awards:*

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

CFDA Number	Federal Program
84.027	IDEA-B Cluster
84.391 & 84.392	IDEA-B Cluster – ARRA
84.389	Title I – IASA – Federal Stimulus - ARRA
84.394	SEG – Federal Stimulus -ARRA
10.550, 10.553, & 10.582	National Schools Lunch Program

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

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2010

Schedule VI

**B. FINDINGS-FINANCIAL STATEMENT AUDIT**

**Primary Government:**

**FS 2009-1: Late Audit Report**

*Condition:* The District's June 30, 2010 audit report was not submitted to the state auditor by November 15, 2010.

*Criteria:* New Mexico State Auditor Rule 2.2.2 NMAC Section 2.2.2.9 (A) requires that the audit report be filed by November 15<sup>th</sup>.

*Effect:* The audit report has not been issued in compliance with 2.2.2.9 NMAC. The users of the financial statements such as legislators, creditors, bondholders, state and federal grantors, etc. do not have timely audit reports and financial statements for their review. Late audit reports could have an effect on state and federal funding.

*Cause:* Capital assets records, six bank reconciliations, and various items from the component unit such as accrued payroll and accounts payable records were not ready to be audited.

*Recommendation:* We recommend that the District implement procedures to ensure that the books are kept in good order to enable auditing procedures to be performed on a timely basis.

*Agency Response:* The approval of the Audit Contract by the Office of the State Auditor was not obtained until the end of July 2010, one month following the end of the fiscal year to be reviewed. This delay caused a closure of the District Warehouse until audit field work to verify inventory counts was authorized and could be completed. Once audit field work began, it was determined that an increase in the scope of work due to OMB A-133 requirements would be necessary. The change in the audit scope of work increased the number of major programs required to be reviewed from two (2) to five (5).

The District implemented a new financial system effective July 1, 2009. A reorganization of Finance Staff duties and evaluation of internal procedures took place and changes were implemented as needed during the year. Processes utilized in prior years regarding Payroll/Insurance Clearing Bank Accounts did not transition smoothly. Final reconciliation of those Clearing Accounts, the late completion of the Capital Assets records for review and delays in obtaining records from the Charter School ultimately resulted in the late submission of the audit report.

To address the causes of this finding, steps will be taken to manage the contract approval and field work scheduling more effectively. The process for the procurement and submission of the Audit Contract will be initiated as soon as the Audit Rule is released by the Office of the State Auditor. This will allow for sufficient contract submission, processing and approval time. In addition, a focus will be placed on pre-audit preparation so that records are completed and ready for review prior to the start of the audit field work. Weekly meetings will be scheduled with the IPA and District representatives, including the Board Audit Committee, at the Audit Entrance Conference. This will allow for timely communication regarding progress made toward the completion of the audit, problem areas that may result in delays and possible findings.

The District will continue to work diligently to ensure that this finding is not repeated in the next year.

**FS 2009-3: Inconsistent Use of Purchase Requisitions**

*Condition:* During our extended test work of 25 cash disbursements totaling \$460,746.88, we noted one disbursement totaling \$71 that was made without proper authorization. The purchase requisition was created after the expenses were incurred and after the expense voucher was received.

*Criteria:* According to the Central Purchasing Memo obtained from the client, in order to initiate a purchase a purchase requisition must be filled out by the person wishing to make a purchase.

*Effect:* Failure to use purchase requisitions resulted in non-compliance with purchasing policies established by Carlsbad Municipal Schools.

**STATE OF NEW MEXICO**  
Carlsbad Municipal School District No. 20  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2010

Schedule VI

**B. FINDINGS-FINANCIAL STATEMENT AUDIT** (continued)

*Cause:* Disbursements were processed without proper authorization because they were not reviewed for compliance with procurement requirements.

*Recommendation:* We recommend that the Schools be consistent with their established procurement policy.

*Agency Response:* The transaction identified in this test of cash disbursements was a payment made to an Athletic Official providing services for an Athletic event. All game Officials are licensed and assigned by the New Mexico Athletics Association (NMAA) but the responsibility for payment of services falls on the District. Routinely, the names of assigned Officials are provided to the District's Athletic Director in advance of the athletic event but, on occasion, alternate Officials will arrive to officiate in lieu of the one originally assigned. The District is not given advance notice of these changes in assignment and the District does not have the authority to deny/disallow the services as the Athletic event cannot continue without the services of the Officials.

The District's procurement system limits the issuance of Purchase Requisitions to vendors on the approved vendor list. A completed/signed Form W-9 is required prior to adding a new vendor to the financial system. When the services of alternate Officials are needed, the required documentation is not received in the Finance Department until after the Athletic event is completed. The issuance of a Purchase Requisition is, therefore, initiated after the date of service.

Although full control of this procurement is not in the hands of the District, procedures will be reviewed and enhanced to address the issue. The District will continue to work with the New Mexico Activities Association in scheduling Officials and monitoring that all necessary documentation is obtained in a timely manner thus enabling the District to issue the required Purchase Requisitions in advance of the service.

**FS 2010-01: Improper Control over Cash Receipts**

*Condition:* During our test of receipts, we noted that the District was not able to generate a sequential listing of all cash receipts used during the year.

*Criteria:* *The Codification of Statements on Auditing Standards* (SAS AU) paragraph 110.03 states that the financial statements are management's responsibility. Management is responsible for adopting sound accounting policies, and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management's assertions embodied in the financial statements. Good internal controls require that the District maintain a cash register or records of receipts that has all cash received recorded in detail.

*Effect:* Because the internal control structure over cash receipts is inadequate and not documented, management and staff are unsure about what procedures and processes to follow or what key controls are in place to properly safeguard assets. Adequate controls are not in place to prevent or detect intentional misstatements of accounting information.

*Cause:* The District does not have a centralized cash receipt system. Each school buy their own cash receipt books and though the books are pre-numbered, the numbers are not tracked so that gaps in sequence will be noted and the Central Office does not know what cash receipt books each school has.

*Auditor's Recommendation:* We recommend that the District require all cash receipts books be purchased by the Central Office and distribute the books as needed, tracking which receipt numbers each school or teacher is given as the books are distributed. All cash receipts from the schools should be given to the Central Office on a timely basis, and the Central Office should check the cash receipts and ensure that there is no gap in sequence.

*Agency's Response:* Current District policy and procedure requires that all money collected shall be receipted and deposited. The use of pre-numbered, three part receipt books is required and only receipt books provided through the District Warehouse are to be used. The requirement to maintain a central control over all receipt books is not currently in place.



**STATE OF NEW MEXICO**  
 Carlsbad Municipal School District No. 20  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2010

**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

The District is in the process of implementing a new Accounts Receivable module for the financial system. This module provides the capability for remote system Users at all schools and departments to issue cash receipts. This module creates system generated receipts with unique receipt numbers that become part of the financial record at the point of collection of monies. Through the use of User Roles to manage system access, the creation, verification and posting of cash receipts is controlled.

The current internal control over the cash receipting function will be expanded to include an inventory process for all non-system generated receipting supplies. In circumstances that require the de-centralized collection of monies, responsible individuals will be required to request a District issued receipt book from a central location. The receipt book will be logged out to the responsible individual for a designated period of time and then returned to the central location after use. An accounting of receipts issued will be required. All District employees charged with cash receipting responsibilities will be required to attend training on the new process as part of the annual beginning of year procedures.

**FS 2010-02: Cash Appropriations in Excess of Available Cash Balances**

*Condition:* The District designated cash appropriations in excess of available balances in the following funds:

	<u>Cash</u>	<u>Available</u>	<u>Available Cash</u>
Food Services	\$ 335,422	\$ 315,851	\$ 19,571
Debt Service	\$ 2,336,086	\$ 2,111,496	\$ 224,590

*Criteria:* Section 2.2.2.10. (P) (1), NMAC, requires all School District funds, with the exception of agency funds, to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances rebudgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

*Effect:* The District will have to supplement the budget deficit with other funds, which may lead to financial difficulties and deplete the budget in other funds.

*Cause:* The District does not have a procedure in place to ensure sufficient beginning cash balances exist to absorb budget deficits.

*Recommendation:* Budget for future years should be reviewed to insure all funds have adequate budget authority for appropriations. Greater attention should be given to the budget monitoring process.

*Agency Response:* The District budget development process for the ensuing school year begins in December or January of the current year and requires the projection of total revenues and expenditures through the end of the fiscal year. These projected amounts are used to estimate the amount of cash balances that will carry-over into the new fiscal year.

On or before July 31, actual cash balances are determined and, upon completion of the annual audit, a budget adjustment is processed to bring projected/ budgeted cash balances to the actual audited amount.

In the case of the Food Services and Debt Services Funds, the estimated cash balances used in preparing the budget was over-projected. A decrease budget adjustment was required to bring the projected/budgeted cash balances to the actual audited amounts for these Funds. Although a budget decrease was required to adjust cash balances for both Funds, neither operated in the deficit or required supplemental funding from the General Fund.

The budget development process will be expanded to include trend information on fourth quarter revenue and expenditure activity and on prior year actual cash balances for each Fund, where cash balances are projected for budgeting purposes. This trend information will be used as a tool to estimate cash balance projections more conservatively. Projected cash balances will be evaluated regularly throughout the budget development process and any changes to projections will be updated as needed.

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Schedule VI

**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

**FS 2010-03: Material Restatement of Net Assets and Fund Balances**

*Condition:* There were material restatements fund balances in the general fund, transportation fund, and non-instructional support fund of \$963,396, \$45,550, and \$431,263 respectively and a restatement of net assets of \$1,440,209 due to posting errors in prior years.

*Criteria:* Auditing standards require that for a material restatement of net assets a finding be reported.

*Effect:* Prior year net assets were materially misstated.

*Cause:* Accounts payable for 2008 were not cleared out in subsequent years. Also, in 2009 a liability was posted for insurance premiums that actually related to 2010 and therefore should not have been expensed in 2009. All activity in the Non-Instructional Support Fund was included in the Summary of Activity Funds in the 2009 financials instead of in the fund financial statements.

*Recommendation:* We recommend that the District review the auditor's journal entries for accuracy.

*Agency Response:* The District Finance department has managed many changes in this and the prior year. Increased regulatory requirements from oversight agencies, new audit standards, electronic processing of transactions and reporting, the expansion of the internal control structure to areas beyond the Finance department and demands for efficiencies due to reduced resources have created many challenges for the operations of the Finance department. As a result of these challenges, past practice and outdated processes have surfaced in the form of this finding and must be addressed.

In 2008 the method for valuing accounts payable was a manual process and no formal review was conducted in the subsequent year to ensure that those values cleared out. The Accounts Payable module in the new financial system has the capability of tracking all vendor invoices and the status of payment. The accounts payable transactions grid provides the data needed to provide aging for all vendor invoices and tracks payments from one fiscal year to the next. This system will be used to resolve this issue.

Past practice has been to prepay the annual Worker's Comp, Property and Liability insurance premiums in June for the subsequent year. In June 2009 notice was received from the New Mexico Public School Insurance Authority (NMPSIA) that payment by check would no longer be accepted; payment via electronic transfer was required. The annual insurance premiums were processed, as done in the past, by charging each Fund for the "fair share" of insurance costs. The transaction was funded through the clearing account in June but the transfer of funds from the District to the NMPSIA did not occur until July. This timing difference resulted in a restatement of the transaction. The District will work with the NMPSIA to resolve the issue of prepayment of insurance premiums and will take the necessary steps to ensure procedures are updated so that this issue is not repeated in the future.

In 2009, the District began work toward meeting the compliance requirements of the Title IX regulation and the related New Mexico requirements outlined in HB432-School Athletic Equity Act. The District implemented a formal registration process for all Parent Organizations, including Booster Clubs. Every organization operating independently of the District was required to provide documentation supporting their structure and tax status. All organizations that were unable to provide this documentation were required to direct all of their financial activities through the District's financial system. Unique accounts were created for each organization and were maintained in a fiduciary manner. The reclassification of accounts resulted in a restatement of beginning balances. This change was a one-time event so this issue will not be repeated in the future.

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Schedule VI

**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

**FS 2010-04: Audit Committee**

*Condition:* The District's audit committee did not meet with the external auditors at least once a month after the audit field work began until the conclusion of the audit.

*Criteria:* New Mexico State Legislature House Bill 227, Section 1 D. (4) states that "The audit committee shall meet with external financial auditors at least monthly after audit field work begins until the conclusion of the audit."

*Effect:* Without this required communication taking place the audit committee will have a difficult time keeping up with the status of the audit.

*Cause:* The audit committee failed to set up monthly meetings with the auditors.

*Recommendation:* We recommend that the audit committee meet on a monthly basis with the auditors during the course of the audit.

*Agency Response:* Notification of the new local School Board Subcommittee requirements was received from the Public Education Department (PED) in June 2010, the end of the fiscal year being reviewed. Throughout the Fall Semester 2010, the District solicited recommendations from various stakeholder groups regarding potential candidates to serve on the Board Audit Committee. The members of this committee were confirmed in mid January 2011 so did not participate in the audit process conducted in the months preceding their appointments.

The Board Audit Committee has been formed and the membership complies with the criteria outlined in the PED notification. An annual cycle of meetings for this committee has already been developed and will serve as a guide for ensuring that the responsibilities of this committee are met. In addition, the Board Audit Committee will participate in the audit entrance conference where weekly progress meetings will be scheduled from the date audit field work begins through the conclusion of the audit.

**FS 2010-05: Bank Reconciliations**

*Criteria:* Good accounting practice requires that bank reconciliations be performed monthly. PSAB Supplement 7 requires that Districts perform bank reconciliations timely.

*Condition:* The District is not completing accurate bank reconciliations in a timely manner. During the audit when the auditors tested cash balances, the District was unable to provide the auditors with all correct bank reconciliations until December 2010.

*Effect:* Without performing bank reconciliations timely, incorrect posting to the general ledger will not be recognized. It is often difficult to detect fraudulent activity if bank reconciliations are not performed timely. Fraudulent transactions can take place and not be detected.

*Cause:* The District staff fell behind in reconciling the bank statements due to their heavy work load and implementation of new accounting software. The outstanding reconciling items have not been correctly posted to the general ledger because the District staff did not reconcile the six clearing accounts until we started fieldwork.

*Auditors' Recommendation:* We recommend that the District perform bank reconciliations on a monthly basis and be reviewed by the Finance Director. If there were fewer clearing accounts, we believe it would be easier for the District to achieve the objective of completing correct bank reconciliations timely.

*Agency's Response:* The District was operating six separate clearing accounts for payroll, insurance and accounts payable during this year. Separate accounts for similar purposes were maintained due to a shift in responsibilities for the financial operations of the Food Services department, previously managed independently of the District's Finance department. The procedure for managing these clearing accounts in the old financial system did not transition well into

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Schedule VI

**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

the new one, as the old system allowed for manual disbursements and deposits processed independently of the system generated transaction process. The process for allowing manual transactions was discontinued in the new financial system but proved to be very complex for staff to manage.

As of this date, all accounts have been fully reconciled, the separate accounts for similar purposes have been consolidated, eliminating the need for separate reconciliations, and two of the six clearing insurance accounts have been closed. The duties for the employee benefits reconciliation function have been reassigned to the payroll unit.

Work is in progress to close one payroll clearing account by the end of March 2011 and another insurance clearing account by the end of June 2011. This will leave two functioning clearing accounts, one for payroll and one for accounts payable. The procedures for managing and tracking clearing account transactions through the financial system have been streamlined and are now being monitored on a check batch basis.

**FS 2010-06: Capitalization Policy**

Condition: During our audit we noted the District was capitalizing inventory under \$5,000

*Criteria:* According to the State Audit Rule Section 2.2.2.10 Y, “The Audit Act (12-6-10, NMSA 1978) requires agencies to capitalize only chattels and equipment that cost over \$5,000. All agencies should update their capitalization policies in accordance with the law. The State Auditor still encourages agencies to maintain a separate accountability report of those items that cost \$5,000 or less, for asset safeguarding and management purposes.”

*Effect:* There are more assets included on the capital assets listing than are allowed by the State’s capitalization policy.

*Cause:* The District was capitalizing items under \$5,000 to keep track of the fixed assets.

*Auditors’ Recommendations:* We recommend that the District maintain capital assets records and record depreciation only for those assets with a cost in excess of \$5,000. For accountability purposes, the District should continue to track assets in accordance with the existing policy, although these assets should not be included in the capital assets reported on the financial statements.

*Agency’s Response:* District policy and procedure allows for the tracking of small assets, with a unit valued less than \$5,000, if classified as “Theft Sensitive”. These assets have been included in the District’s fixed assets inventory.

The District is in the process of implementing the Fixed Assets module for the financial system. This module has the capability of tracking General Fixed Assets (GFA) to be capitalized and Non-General Fixed Assets (Non-GFA) to be tracked separately for inventory tracking purposes. The Fixed Assets module interfaces with the Accounts Payable module and provides controls over the additions to the District’s fixed asset inventory. This enhancement to the financial system will allow the District to continue to meet the capitalization requirements for assets greater than \$5,000 in value and maintain separate accountability over the “Theft Sensitive” assets that do not meet the capitalization threshold.

**FS 2010-07: PED Cash Report Does not Reconcile to the District’s Cash**

*Condition:* For the year ended June 30, 2010, the District did not report all clearing accounts, as required, to the Public Education Department (PED).

*Criteria:* Per Section 6-6-3 NMSA 1978, every local public body shall:

- Keep all the books, records and accounts in their respective offices in the form prescribed by the local government division
- Make all reports as may be required by the local government division, and
- Conform to the rules and regulations adopted by the local government division.

*Effect:* The information that is reported to PED is incomplete and could lead to inappropriate funding of the District.

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**Carlsbad Municipal School District No. 20**  
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**For the Year Ended June 30, 2010**

Schedule VI

**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

*Cause:* Lack of internal controls not developed by management to ensure all cash is recorded on the general ledger.

*Auditors' Recommendation:* We recommend the District develop procedures to ensure that all cash is included on the PED cash report as required.

*Agency's Response:* The Public Education Department (PED) sets financial reporting requirements for the District. The year-end reporting requirements include the *Cash Report* which summarizes the annual cash transactions for all Funds. The District completed this report as required for all Funds, but failed to enter the value of the balances in the clearing accounts in the appropriate box on the form. This oversight is acknowledged but the omission does not impact/change the reporting for all other Funds.

The internal control process over financial reporting will be expanded to allow for review of reports prior to submission to the PED. In addition, the financial reports will be presented to the Board Finance Subcommittee, as required for review and monitoring.

School District: CARLSBAD MUNICIPAL SCHOOLS  
 Charter Name:  
 Month/Quarter: 4TH QUARTER

County:  
 PED No.:

		OPERATIONAL FUND 11000	TEACHERAGE FUND 12000	TRANSPORTATION FUND 13000	INST. MATERIALS FUND 14000	FOOD SERVICES FUND 21000
Total Cash 6/30/09	+	5,963,834.57	-	-	421,553.06	315,851.03
Outstanding Loans	+OR-	(1,750,000.00)	-	-	-	-
Charge Backs	+OR-	-	-	-	-	-
<b>Total Cash Balance 06/30/09</b>	<b>=</b>	<b>4,213,834.57</b>	<b>-</b>	<b>-</b>	<b>421,553.06</b>	<b>315,851.03</b>
Current Year Rev. to Date (Per Receipts Report-excluding Refunds & including any Deposits in Transit)	+	43,469,782.72	-	1,652,876.00	228,849.37	3,394,630.44
Prior Year Warrants Voided	+	-	-	-	-	-
<b>Total Resources to Date for Current Year</b>	<b>=</b>	<b>47,683,617.29</b>	<b>-</b>	<b>1,652,876.00</b>	<b>650,402.43</b>	<b>3,710,481.47</b>
Current Year Expenditures to Date Enter as a Minus (Per Expenditure Report)	-	(43,380,212.89)	-	(1,652,876.00)	(329,563.96)	(3,204,192.77)
Permanent Cash Transfers	+OR-	-	-	-	-	-
** Provide Full Explanation on Last Page						
Net of Prior Year Outstanding Loans	+OR-	1,750,000.00	-	-	-	-
<b>Net Cash</b>	<b>=</b>	<b>6,053,404.40</b>	<b>-</b>	<b>-</b>	<b>320,838.47</b>	<b>506,288.70</b>
Net Receivables/Payables	+OR-	(10,554.79)	-	-	-	-
<b>Total Cash</b>	<b>=</b>	<b>6,042,849.61</b>	<b>-</b>	<b>-</b>	<b>320,838.47</b>	<b>506,288.70</b>
Current Year Outstanding Loans	+OR-	(2,390,000.00)	-	-	-	-
Charge Backs (Overdrafts)	-	-	-	-	-	-
<b>TOTAL CASH BALANCE</b>	<b>=</b>	<b>3,652,849.61</b>	<b>-</b>	<b>-</b>	<b>320,838.47</b>	<b>506,288.70</b>
<b>IDENTIFY VALID ENCUMBRANCE TOTALS:</b>		<b>141,748.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,570.77</b>

\*\* Identify in appropriate section!

**CLEARING FUND CASH BALANCES:**

Payroll Clearing FUND:

FUNDS Payable Clearing FUND:

Other FUND:\_\_\_\_\_:

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**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

**FS 2010-08 — Stale Dated Checks**

*Condition:* The School District had 12 checks across three different bank accounts that were over one year old. The total amount of the stale checks was \$707.

*Criteria:* New Mexico Statutes, Section 6-10-57, NMSA, 1978 compilation, requires local public bodies to cancel or void any checks that are unpaid for one year after it is written.

*Effect:* The District is not in compliance with Section 6-10-57, NMSA 1978. The District's cash balance may be misstated by the amount of the stale checks.

*Cause:* The District does not have a procedure to track and void stale dated warrants.

*Auditor's Recommendation:* We recommend that the outstanding checks be voided as soon as possible and that a procedure to track and void stale dated checks be implemented.

*Management's Response:* The District currently has a process for tracking outstanding checks through the monthly bank reconciliation process and will expand the internal control process to include the review and voiding of stale dated checks. All "unclaimed" funds held by the District in the form of un-cashed checks shall be reported and remitted to the New Mexico Taxation and Revenue Department as required.

**Component Unit:**

**JMA FS 2010-01: Improper Control over Cash Receipts**

*Condition:* During our test of receipts, we noted that the Academy was not able to generate a sequential listing of all cash receipts used during the year.

*Criteria:* *The Codification of Statements on Auditing Standards* (SAS AU) paragraph 110.03 states that the financial statements are management's responsibility. Management is responsible for adopting sound accounting policies, and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management's assertions embodied in the financial statements. Good internal controls require that the District maintain a cash register or records of receipts that has all cash received recorded in detail.

*Effect:* Because receipts are not pre-numbered, cash could be taken from the daily receipts without being detected by the Academy.

*Cause:* Though the Academy has only one cash receipt book, the receipts are not pre-numbered.

*Auditor's Recommendation:* We recommend that the Academy purchase receipt books that are pre-numbered and implement a system to track the cash receipt numbers so that any gaps in sequence will be noted.

*Agency's Response:* JMA has purchased new receipt books that are pre-numbered and disposed of the old stock.

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**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

**JMA FS 2010-02: Cash Appropriations in Excess of Available Cash Balances**

*Condition:* The Academy designated cash appropriations in excess of available balances in the following funds:

	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in Excess of Available Cash
Operational	\$ 557,249	\$ 548,033	\$ 9,216

*Criteria:* Section 2.2.2.10. (P) (1), NMAC, requires all School District funds, with the exception of agency funds, to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances rebudgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

*Effect:* The Academy could have to supplement the budget deficit with other funds, which may lead to financial difficulties and deplete the budget in other funds.

*Cause:* The Academy does not have a procedure in place to ensure sufficient beginning cash balances exist to absorb budget deficits.

*Recommendation:* Budget for future years should be reviewed to insure all funds have adequate budget authority for appropriations. Greater attention should be given to the budget monitoring process.

*Agency Response:* Greater attention will be given to the budget preparation process in effort to avoid this error.

**JMA FS 2010-03: Expenditures in Excess of Budget**

*Condition:* The Academy exceeded the level of budgetary authority in the following fund:

Food Services	\$ 36,293
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*Criteria:* NMAC 6.20.2.10 state that all District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Public Education Department for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation.

*Effect:* The Academy is in violation of the law which requires each fund to disburse money for its specific purpose in accordance with their budget.

*Cause:* Inadequate monitoring of budgeting procedures.

*Recommendation:* Budget for future years should be revised to insure all funds have adequate budget authority for appropriations. Greater attention should be given to the budget monitoring process.

*Agency Response:* Excess budget was carried on the Food Services category in the operational budget. There should have been a BAR to correct the imbalance. The board will review budgets in greater detail to insure all funds have adequate budget authority for appropriations.

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**C. FINDINGS-FEDERAL AWARDS**

None

**D. PRIOR YEAR AUDIT FINDINGS**

**Primary Government**

**2009-1: Late Audit Report** **Revised and Repeated**

**2009-2: Procurement – Verification of Bid Prices** **Resolved**

**2009-3: Inconsistent Use of Purchase Requisitions** **Revised and Repeated**

**2009-4: Suspension and Debarment** **Resolved**

**Component Unit**

**2007-2: Disbursements** **Resolved**



**STATE OF NEW MEXICO**  
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Other Disclosures  
For the Year Ended June 30, 2010

**A. AUDITOR PREPARED FINANCIAL STATEMENTS**

Although it would be preferred and desirable for the District to prepare its own GAAP-basis financial statements, it is felt that the District's personnel do not have the time to prepare them. Therefore, the outside auditor prepared the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

**B. EXIT CONFERENCE**

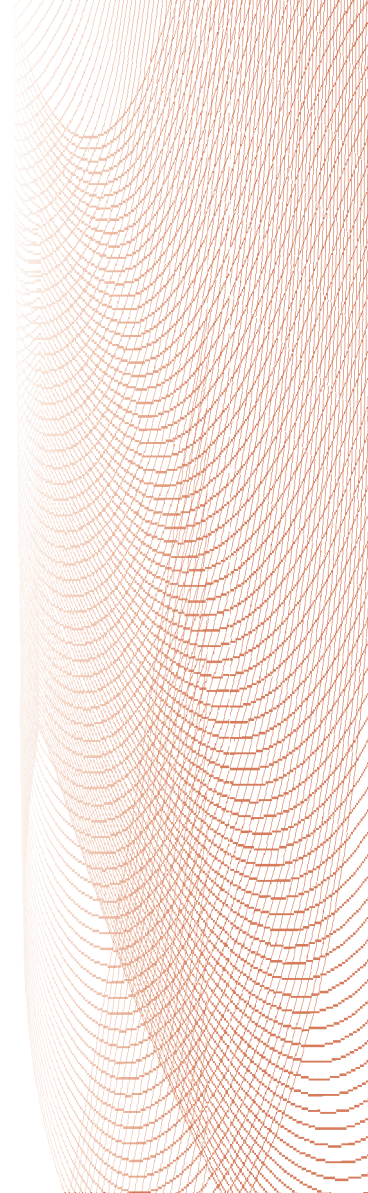
The contents of this report were discussed on February 8, 2010. The following individuals were in attendance.

Carlsbad Schools Personnel

Sheri Williams – Superintendent  
Laura Garcia – Director of Finance  
Ted Cordova – Director of Human Resources  
Erich Francke – Director of Operations  
Ron Singleton – Board of Education President  
LaVern Shan – Director of Curriculum & Elementary Instruction  
Ken Kramer – JMA Treasurer  
Tammi Dutton – JMA Office Manager  
Cindy Holguin – JMA Chief Executive Officer

Accounting & Consulting Group, LLP

Ryan Miller, CPA, Partner



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