

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

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JUNE 30, 2012

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STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

OFFICIAL ROSTER

JUNE 30, 2012

BOARD OF EDUCATION

Randol Riley	President
Jesus Lucero	Vice President
Mathew Gutierrez	Secretary
Kenneth Lujan	Member
Kendra Otis	Member

SCHOOL OFFICIALS

Carolyn Allen-Renteria	Superintendent
Carol Gonzales	Business Manager

Woodward, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Board of Education
Estancia Municipal Schools
Estancia , New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Estancia Municipal Schools (District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of Estancia Municipal School's non-major governmental, and the budgetary comparisons for the major capital project funds, debt service funds and all non-major and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012 as listed in the table of contents. These financial statements are the responsibility of Estancia Municipal School's management. Our responsibility is to express an opinion 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 Estancia Municipal Schools internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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, each major fund, and the aggregate remaining fund information of Estancia Municipal Schools, as of June 30, 2012, and the respective changes in financial position, thereof and the respective budgetary comparison statements for the general fund and major special revenue funds 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 non-major governmental fund and the fiduciary funds of Estancia Municipal Schools, as of June 30, 2012, and

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

the respective changes in financial position, thereof and the respective budgetary comparisons statements for the debt service funds and all non-major 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 dated October 5, 2012 on our consideration of Estancia Municipal School's internal control over financial reporting and 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.

Estancia Municipal Schools have omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the omission of the Management Discussion and Analysis.

Our audit was performed for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements and budgetary comparisons of Estancia Municipal Schools. 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 States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. The schedule of changes in assets and liabilities – agency funds and the additional schedules listed as “other supplemental information” in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Woodward, Cowen & Co.

October 5, 2012

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A

STATEMENT OF NET ASSETS

JUNE 30, 2012

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 2,295,033
Property taxes receivable	7,738
Interest receivable	34
Due from other governments	551,574
Food Inventory	1,144
Total current asstes	<u>2,855,523</u>
Non-current assets:	
Bond issuance costs, net	95,535
Capital assets, net	12,131,867
Total non-current assets	<u>12,227,402</u>
 Total assets	 <u>15,082,925</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	194
Deferred revenue	422,682
Due to activity funds	3,520
Accrued interest payable	13,602
Accrued compensated absences	117,435
Total current liabilities	<u>557,433</u>
Non-current liabilities:	
Due within one year	175,000
Due in more than one year	2,275,000
Total non-current liabilities	<u>2,450,000</u>
 Total liabilities	 <u>3,007,433</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	9,681,867
Restricted:	
Debt Service	70,991
Capital Projects	677,730
Unrestricted	<u>1,644,904</u>
 Total net assets	 <u>\$ 12,075,492</u>

The accompanying notes are an integral part of these financial statements

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary government:					
Governmental activities:					
Instruction	\$ 5,134,835	\$ 19,830	\$ 531,232	\$ -	\$ (4,583,773)
Support Services	-	-	-	-	-
Support Services Students	955,116	-	216,285	-	(738,831)
Support Services Instruction	343,544	-	9,840	-	(333,704)
Support Services General Administration	214,267	-	-	1,788	(212,479)
Support Services School Administration	529,828	-	-	-	(529,828)
Central Services	205,286	-	-	-	(205,286)
Operation and Maintenance of Plant	1,787,888	-	-	-	(1,787,888)
Student Transportation	578,522	-	456,986	-	(121,536)
Other Support Services	8,164	-	-	-	(8,164)
Food Services Operations	428,499	-	422,821	-	(5,678)
Bond interest paid	89,415	-	-	-	(89,415)
Amortization-unallocated	14,174	33,171	28,237	244,923	292,157
Total governmental activities	\$ 10,289,538	\$ 53,001	\$ 1,665,401	\$ 246,711	(8,324,425)

General revenues:

Property Taxes:

General purpose	37,496
Debt service	199,858
Capital projects	178,522
Grant & contributions not restricted	7,207,199
Grants & contributions restricted	-
Unrestricted investment earnings	722
Miscellaneous income	750
Total general revenues	7,624,547

Change in net assets (699,878)

Beginning net assets 12,775,370

Ending net assets \$ 12,075,492

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

BALANCE SHEET-- GOVERNMENTAL FUNDS

JUNE 30, 2012

	<u>GENERAL</u>	<u>TITLE I</u>	<u>IDEA-B ENTITLEMENT</u>
ASSETS			
Cash on Deposit	\$ 555,576	\$ -	\$ -
Investments	242,840	-	-
Accounts Receivable			
Property Taxes	692	-	-
Interest	34	-	-
Federal		185,519	157,206
State	-	-	-
Due from Other Governments	1,101	-	-
Inventories	-	-	-
Due from Other Funds	429,915		
TOTAL ASSETS	<u>\$ 1,230,158</u>	<u>\$ 185,519</u>	<u>\$ 157,206</u>
LIABILITIES AND OTHER CREDITS			
Accounts Payable	\$ 194	\$ -	\$ -
Deferred Revenue	-	-	-
Accrued Interest Payable	-	-	-
Due to Activity Funds	-	-	-
Due to Other Funds	-	185,519	157,206
TOTAL LIABILITIES	<u>194</u>	<u>185,519</u>	<u>157,206</u>
FUND BALANCE			
Nonspendable	-	-	-
Restricted	14,716	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	1,215,248	-	-
TOTAL FUND BALANCE	<u>1,229,964</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,230,158</u>	<u>\$ 185,519</u>	<u>\$ 157,206</u>

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

EXHIBIT C

<u>WIND FARM PROJECTS</u>	<u>SB-9</u>	<u>BOND BUILDING</u>	<u>NON MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 405,845	\$ 218,035	\$ 675,611	\$ 196,979	\$ 2,052,046
-	-	-	147	242,987
-	3,176	-	3,870	7,738
-	-	-	-	34
-	-	-	63,092	405,817
-	117,038	-	27,618	144,656
-	-	-	-	1,101
-	-	-	1,144	1,144
-	-	-	-	429,915
<u>\$ 405,845</u>	<u>\$ 338,249</u>	<u>\$ 675,611</u>	<u>\$ 292,850</u>	<u>\$ 3,285,438</u>
\$ -	\$ -	\$ -	\$ -	\$ 194
405,845	-	-	16,837	422,682
-	-	-	13,602	13,602
-	-	-	3,520	3,520
-	-	-	87,190	429,915
<u>405,845</u>	<u>-</u>	<u>-</u>	<u>121,149</u>	<u>869,913</u>
-	-	-	1,144	1,144
-	338,249	675,611	170,557	1,199,133
-	-	-	-	-
-	-	-	-	-
-	-	-	-	1,215,248
<u>-</u>	<u>338,249</u>	<u>675,611</u>	<u>171,701</u>	<u>2,415,525</u>
<u>\$ 405,845</u>	<u>\$ 338,249</u>	<u>\$ 675,611</u>	<u>\$ 292,850</u>	<u>\$ 3,285,438</u>

RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS

June 30, 2012

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

Fund Balances - total governmental funds	\$ 2,415,525
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	12,131,867
Compensated absences are not reported in the funds.	(117,435)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(2,450,000)
Bond issuance costs are not due and payable in the current period and therefore are not reported in the funds	<u>95,535</u>
Net assets of governmental activities	<u><u>\$ 12,075,492</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE-- GOVERNMENTAL FUNDS

Year Ended June 30, 2012

	GENERAL	TITLE I	IDEA-B ENTITLEMENT
REVENUE			
Federal Programs	\$ 16,313	\$ 302,767	\$ 258,098
State Programs	491,616	-	-
Local Programs	-	-	-
State Equalization	7,153,963	-	-
Property Taxes	37,496	-	-
Service Revenues	5,143	-	-
Interest	547	-	-
Other revenue sources	668	-	-
TOTAL REVENUES	7,705,746	302,767	258,098
EXPENDITURES			
Current			
Instruction	4,319,584	234,623	149,014
Support Services	-	-	-
Support Services Students	738,831	68,144	107,971
Support Services Instruction	333,702	-	1,113
Support Services General Administration	210,321	-	-
Support Services School Administration	526,172	-	-
Central Services	168,739	-	-
Operation and Maintenance of Plant	1,149,136	-	-
Student Transportation	483,905	-	-
Other Support Services	7,433	-	-
Food Services Operations	-	-	-
Capital Outlay	-	-	-
Debt Service			
Principal	-	-	-
Interest and Fiscal Charge	-	-	-
TOTAL EXPENDITURES	7,937,823	302,767	258,098
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(232,077)	-	-
OTHER FINANCING SOURCES (USES)			
Transfers In/Transfers (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCES	(232,077)	-	-
FUND BALANCE June 30, 2011	1,462,041	-	-
FUND BALANCE June 30, 2012	\$ 1,229,964	\$ -	\$ -

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

EXHIBIT E

WIND FARM PROJECTS	SB-9	BOND BUILDING	NON MAJOR GOVERNMENTAL FUNDS	Total GOVERNMENTAL FUNDS
\$ -	\$ -	\$ -	\$ 581,145	\$ 1,158,323
-	246,711	-	31,775	770,102
36,923	-	-	-	36,923
-	-	-	-	7,153,963
-	178,522	-	199,858	415,876
-	-	-	47,858	53,001
-	-	-	175	722
-	-	-	82	750
<u>36,923</u>	<u>425,233</u>	<u>-</u>	<u>860,893</u>	<u>9,589,660</u>
-	-	-	144,767	4,847,988
-	-	-	-	-
-	-	-	40,170	955,116
-	-	-	8,727	343,542
-	1,788	-	2,051	214,160
-	-	-	-	526,172
31,954	-	-	-	200,693
4,969	-	-	-	1,154,105
-	-	-	-	483,905
-	-	-	731	8,164
-	-	-	422,821	422,821
-	283,254	39,473	89,394	412,121
-	-	-	50,000	50,000
-	-	-	89,415	89,415
<u>36,923</u>	<u>285,042</u>	<u>39,473</u>	<u>848,076</u>	<u>9,708,202</u>
-	140,191	(39,473)	12,817	(118,542)
-	-	-	-	-
-	-	-	-	-
-	140,191	(39,473)	12,817	(118,542)
-	198,058	715,084	158,884	2,534,067
<u>\$ -</u>	<u>\$ 338,249</u>	<u>\$ 675,611</u>	<u>\$ 171,701</u>	<u>\$ 2,415,525</u>

RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2012

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

Net change in fund balance - total governmental funds	\$ (118,542)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year</p>	
Capital Outlay	175,058
Depreciation	(773,028)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds</p>	
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to the 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, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items</p>	
	-
<p>Expenses in Statement of Activities which do not require use of current financial resources i.e. Compensated Absences</p>	
	(19,192)
Amortization of bond issuance costs	(14,174)
Bond Principal	<u>50,000</u>
Change in Net Assets	<u><u>\$ (699,878)</u></u>

The accompanying notes are an integral part of these financial statements

COMBINED STATEMENT OF REVENUE, EXPENDITURES--BUDGET
(NON-GAAP) AND ACTUAL--GENERAL FUND

Year Ended June 30, 2012

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 37,123	\$ 37,123	\$ 16,313	\$ (20,810)
State Programs	7,584,250	7,639,830	7,645,579	5,749
Local Programs	37,276	37,276	43,919	6,643
TOTAL REVENUE	<u>7,658,649</u>	<u>7,714,229</u>	<u>\$ 7,705,811</u>	<u>\$ (8,418)</u>
BUDGETED CASH BALANCE	<u>1,417,781</u>	<u>1,433,678</u>		
TOTAL REVENUE & CASH	<u>\$ 9,076,430</u>	<u>\$ 9,147,907</u>		
EXPENDITURES				
Current				
Instruction	\$ 4,837,696	\$ 4,866,052	\$ 4,319,584	\$ 546,468
Support Services	-	-	-	-
Support Services Students	893,916	888,916	738,831	150,085
Support Services Instruction	431,903	443,903	333,702	110,201
Support Services General Administration	280,310	289,310	210,321	78,989
Support Services School Administration	558,004	557,004	526,172	30,832
Central Services	237,910	215,410	168,739	46,671
Operation and Maintenance of Plant	1,319,978	1,327,478	1,149,136	178,342
Student Transportation	460,190	503,311	483,905	19,406
Other Support Services	21,169	21,169	7,433	13,736
Food Services Operations	33,354	35,354	-	35,354
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 9,074,430</u>	<u>\$ 9,147,907</u>	<u>\$ 7,937,823</u>	<u>\$ 1,210,084</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TITLE I

Year Ended June 30, 2012

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 262,413	\$ 355,232	\$ 202,477	\$ (152,755)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>262,413</u>	<u>355,232</u>	<u>\$ 202,477</u>	<u>\$ (152,755)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 262,413</u>	<u>\$ 355,232</u>		
EXPENDITURES				
Current				
Instruction	\$ 193,692	\$ 274,495	\$ 234,623	\$ 39,872
Support Services	-	-	-	-
Support Services Students	68,721	72,237	68,144	4,093
Support Services Instruction	-	-	-	-
Support Services General Administration	-	8,500	-	8,500
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 262,413</u>	<u>\$ 355,232</u>	<u>\$ 302,767</u>	<u>\$ 52,465</u>

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

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

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 302,413	\$ 179,210	\$ (123,203)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	-	302,413	\$ 179,210	\$ (123,203)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 302,413		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 192,001	\$ 149,014	\$ 42,987
Support Services	-	-	-	-
Support Services Students	-	107,336	107,971	(635)
Support Services Instruction	-	2,200	1,113	1,087
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	876	-	876
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 302,413	\$ 258,098	\$ 44,315

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT J

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--WIND FARM PROJECTS

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	149,500	149,500	149,500	-
TOTAL REVENUE	<u>149,500</u>	<u>149,500</u>	<u>\$ 149,500</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>287,762</u>	<u>287,762</u>		
TOTAL REVENUE & CASH	<u>\$ 437,262</u>	<u>\$ 437,262</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	31,954	(31,954)
Operation and Maintenance of Plant	100,000	100,000	4,969	95,031
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	<u>337,262</u>	<u>337,262</u>	<u>-</u>	<u>337,262</u>
TOTAL EXPENDITURES	<u>\$ 437,262</u>	<u>\$ 437,262</u>	<u>\$ 36,923</u>	<u>\$ 400,339</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--SB-9

Year Ended June 30, 2012

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	105,379	222,417	129,673	(92,744)
Local Programs	194,694	194,694	178,799	(15,895)
TOTAL REVENUE	<u>300,073</u>	<u>417,111</u>	<u>\$ 308,472</u>	<u>\$ (108,639)</u>
BUDGETED CASH BALANCE	<u>93,812</u>	<u>194,605</u>		
TOTAL REVENUE & CASH	<u>\$ 393,885</u>	<u>\$ 611,716</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	1,967	1,967	1,788	179
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	<u>391,918</u>	<u>609,749</u>	<u>283,254</u>	<u>326,495</u>
TOTAL EXPENDITURES	<u>\$ 393,885</u>	<u>\$ 611,716</u>	<u>\$ 285,042</u>	<u>\$ 326,674</u>

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

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT L

STATEMENT OF FIDUCIARY NET ASSETS

June 30, 2012

	Employee Retirement Plan	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Cash on Deposit	\$ -	\$ 97,991
Investments, at fair value		
Mutual Funds	4,756	-
TOTAL ASSETS	<u>\$ 4,756</u>	<u>\$ 97,991</u>
LIABILITIES		
Due To Student Groups	\$ -	\$ 97,991
TOTAL LIABILITIES	<u>-</u>	<u>\$ 97,991</u>
NET ASSETS		
Held in trust for pension benefits and other purposes	4,756	
TOTAL NET ASSETS	<u>\$ 4,756</u>	

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

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

For the Year Ended June 30, 2012

	Employee Retirement Plan
ADDITIONS:	
Contributions:	
Plan Members	\$ -
Total contributions	<u>-</u>
Investment earnings:	
Net increase (decrease) in fair value of investments	149
Total investment earnings	<u>149</u>
Less investment expense	<u>-</u>
Net investment earnings	<u>149</u>
TOTAL ADDITIONS	<u>149</u>
DEDUCTIONS	
Benefits	-
Refunds of contributions	-
Administrative expenses	<u>-</u>
TOTAL DEDUCTIONS	<u>-</u>
CHANGE IN NET ASSETS	149
Net Assets -- beginning of the year	4,607
Net Assets -- end of the year	<u>\$ 4,756</u>

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Implementation of New Accounting Policies

During the fiscal year 2004 the Estancia Municipal Schools has implemented GASB Statements No. 33 (GASB 33), Accounting and Financial Reporting for Non-exchange Transactions, GASB Statement No. 34 (GASB 34), Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments, GASB Statement No. 37 (GASB 37), Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus and GASB Statement No. 38 (GASB 38), Certain Financial Statements Disclosure. At July 1, 2003, there was no effect on fund balance as a result of implementing GASB 33, GASB 34, GASB 37 and GASB 38.

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the School District has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10 following the levy and become delinquent after thirty (30) days.

GASB – 34 creates new basic financial statements for reporting on the School District's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column.

B. Reporting Entity

Estancia Municipal School District is a special purpose government entity 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 Town of Estancia 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 Estancia Municipal School District's management who is responsible for their integrity and objectivity. The financial statements of the District conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

The District does not have any component units required to be disclosed.

C. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of inter-fund activity has been removed from these statements.

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Government-wide and fund financial statements (continued)

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.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues, net of estimated refunds and estimated un-collectable amounts, in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all the qualifying expenditure is made and 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.

Agency funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Property taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Grant revenues and deferrals are recognized in accordance with GASB33.

The government reports the following major governmental funds:

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

Title I -- Special Revenue - The Title I project provides remedial instruction in language arts for educationally deprived students in low-income areas. The project is funded by the Federal Government through the New Mexico State Department of Education under the Elementary and Secondary Education Act of 1965, Title I, Chapter I, part A, 20 U.S.C. 2701 efseq.

IDEA-B Entitlement - P.L. 94-142, Individuals with Disabilities Education Act--to account for a federal grant restricted to the operation and maintenance of meeting the special education need of children with disabilities. Authority for the creation of this fund is Individuals with Disabilities Act, Part B, Sec. 611, as amended; Public Laws 91-230,93-380,94-142,98-199,99-457,100-630 and 101-476; 20 U.S.C. 1401-1419, Public Law 105-17.

Wind Farm Projects -- Special Revenue -- To account for revenue collected from wind farms in the district in lieu of taxes. Authority for the creation of this fund is New Mexico PED.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

SB-9 – Special Revenue --To account for 2.0 mill levy restricted by board resolution for erecting, remodeling, making additions to, providing equipment for, and furnishing school buildings, improving school grounds and maintenance of school buildings and grounds, exclusive of salary expense of employees. Authority for the creation of this fund is NMSA 22-25-1 to 22-25-10.

Bond Building – Capital Projects -- To account for the costs of capital improvements, such as erecting, remodeling, making additions to, providing equipment for, and furnishing school buildings, purchasing and improving school grounds funded by bond proceeds.

Fiduciary Agency Fund – To account for assets held by the District in a trustee capacity or as an agent.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

E. Assets, liabilities, and net assets or equity

1. Deposits and investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments.

State statutes authorize the investment of the District's funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, and money market accounts. The District is also allowed to invest in United States Government obligations. All funds of the District must follow the above investment policies.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the school district. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

1. Deposits and investments (continued)

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

Investments for the District are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. As of June 30, 2012 the District had \$242,987 invested with the State Treasurer.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." This interfund activity is eliminated in the government-wide financial statements.

The School District's property taxes are levied each year on the assessed valuation of property located in the School District as of the preceding January 1st. The assessed valuation for the 2012 fiscal year was \$91,478,095. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB - 9 Capital Improvements Fund and Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

3. Inventories

The food inventories are valued at cost using the first-in/first-out (FIFO) method. USDA Commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Capital assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-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 two years. The District is capitalizing qualifying software, library books, and assets constructed by district personnel as required. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are to be capitalized as projects are constructed.

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

4. Capital assets (continued)

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

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	50
Land Improvements	50
Equipment	10

5. Compensated absences

It is the policy of Estancia Municipal Schools to permit certain employees to accumulate a limited amount of earned but unused sick pay, which will be paid to employees upon separation from the school districts' service. In governmental funds, the cost of sick pay is recognized when payments are made to employees. The accumulated compensated absences balance at June 30, 2012 was \$117,435. Compensated absences are expended in the fund in which the liability is incurred. The general fund has been used to liquidate compensated absences in prior years. The summary in changes in compensated absences is as follows:

Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012	Amounts due in One Year
\$ 98,243	\$ 32,817	\$ (13,625)	\$ 117,435	\$ 117,435

6. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discounts. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

7. Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; 2) imposed by law through constitutional provisions or enabling legislation. Total restricted net assets of \$748,721 are comprised of Capital Projects \$677,730 and Debt Service \$70,991.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

8. Comparative data/reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

9. Indirect Costs

The School District's General Fund receives indirect cost reimbursements from the various federal programs it administers. These reimbursements are for expenses incurred in performing administrative functions on behalf of the Special Revenue Funds. They are shown as expenditures in the Special Revenue Funds, and as other special federal revenue in the General Fund.

10. Salaries and Wages

The School District pays all salaries and wages due teachers on or before June 30th of each year.

11. Estimates

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

12. Revenues

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$7,153,963 in state equalization guarantee distributions during the year ended June 30, 2012.

Transportation Distribution: School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$456,986 in transportation distributions during the year ended June 30, 2012.

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between fund *balance total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of the \$2,450,000 difference is as follows:

Bonds Payable	\$ 2,450,000
Ed Tech Equipment Notes	<u>-0-</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 2,450,000</u>

Another element of the reconciliation is the amounts provided for compensated absences. The details of the \$117,435 difference is as follows:

Compensated Absences	<u>\$ 117,435</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 117,435</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of the \$(597,970) difference is as follows:

Capital Outlay	\$ 175,058
Depreciation expense	<u>(773,028)</u>
Net adjustment to increase net changes in fund balances – total government funds to arrive at changes in net assets of governmental activities	<u>\$ (597,970)</u>

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (continued)

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of the \$50,000 difference is as follows:

Principal repayments:	
General obligation debt	\$ 50,000
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 50,000</u>

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

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

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

Actual expenditures may not exceed the budget at the function level, i.e., each budgeted expenditure must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series', this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

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

- In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
- In May or June, the budget is approved by the Board of Education

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

A. Budgetary information (continued)

- The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.
- The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
- The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
- Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.
- The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2012 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 9,076,430	\$ 9,147,907
Special Revenue Funds	1,622,925	2,430,521
Capital Projects Funds	767,295	807,101
Debt Service Funds	419,358	419,358
	<u>\$ 11,886,008</u>	<u>\$ 12,804,887</u>

B. Deficit fund equity

There were not any deficit fund balances at June 30, 2012.

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

IV. DETAILED NOTES ON ALL FUNDS

A. Cash and temporary investments

At June 30, 2012, the carrying amount of the District's deposits was \$2,150,037 and the bank balance was \$2,667,880. Of this balance \$2,667,880 was covered by federal depository insurance.

Collateral requirements are as follows:

Wells Fargo Bank	Total Deposits	\$	2,667,880
	Less: FDIC coverage		<u>(2,667,880)</u>
	Uninsured Public Funds		-
Pledged collateral held by pledging bank's agent in the District's name			<u>-</u>
Uninsured and un-collateralized			<u><u>-</u></u>

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

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

Investments held by the New Mexico State Treasurer are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool (LGIP) is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the direct obligations of the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. Obligations of the United States Government or obligations explicitly guaranteed by the United States Government are not considered to have credit risk. The pool does not have unit shares. Per Section 6-10-10.1 F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested. Participation in the local government investment pool is voluntary. The credit risk rating for the LGIP is disclosed on Schedule 1 at page 94 of this report. The State Treasurer issues a separate, publicly available audited financial report that includes disclosure of the collateral pledged to secure State Treasurer cash and investments.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

IV. DETAILED NOTES ON ALL FUNDS (continued)

B. Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 20, 2012, none of the government's bank balance and temporary investments of \$2,667,880 was exposed to custodial credit risk as follows:

Uninsured and un-collateralized \$ -0-

C. Receivables

Receivables as of yearend for the government's individual major funds and non-major funds in the aggregate, include the following:

	General	Title I	IDEA-B Entitlement	SB-9	Other Governmental	TOTAL
Taxes:						
Property	\$ 692	\$ -	\$ -	\$ 3,176	\$ 3,870	\$ 7,738
Intergovernmental						-
Grants:						
Federal	-	185,519	157,206	-	63,092	405,817
State	-	-	-	117,038	27,618	144,656
Other Governments	1,101	-	-	-	-	1,101
Other: Interest Receivable	34	-	-	-	-	34
	<u>\$ 1,827</u>	<u>\$ 185,519</u>	<u>\$ 157,206</u>	<u>\$ 120,214</u>	<u>\$ 94,580</u>	<u>\$ 559,346</u>

Governmental funds reported *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Amount due to the District from delinquent property tax due to the County Treasurers were not available. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

Grant draw downs prior to meeting all eligibility requirements	<u>Unavailable</u> \$ 422,682
Total deferred/unearned revenue for government funds	<u>\$ 422,682</u>

STATE OF NEW MEXICO
ESTANCIA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

IV. DETAILED NOTES ON ALL FUNDS (continued)

D. Capital Assets

Capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balance 7/1/2011	Increases	Decreases	Ending Balance 6/30/2012
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 1,602,468	\$ -	\$ -	\$ 1,602,468
Construction in Progress	-	-	-	-
Total Capital assets, not being depreciated	<u>1,602,468</u>	<u>-</u>	<u>-</u>	<u>1,602,468</u>
Capital assets, being depreciated:				
Equipment	1,993,824	127,641	-	2,121,465
Building & Improvements	24,629,837	47,417	-	24,677,254
Total Capital assets being depreciated	<u>26,623,661</u>	<u>175,058</u>	<u>-</u>	<u>26,798,719</u>
Less accumulated depreciation for:				
Equipment	1,222,691	149,706	-	1,372,397
Building & Improvements	14,273,601	623,322	-	14,896,923
Total accumulated depreciation	<u>15,496,292</u>	<u>773,028</u>	<u>-</u>	<u>16,269,320</u>
Total Capital assets, being depreciated, net	<u>11,127,369</u>	<u>(597,970)</u>	<u>-</u>	<u>10,529,399</u>
Governmental activities capital assets, net	<u>\$ 12,729,837</u>	<u>\$ (597,970)</u>	<u>\$ -</u>	<u>\$ 12,131,867</u>

Depreciation expense was charged to function/programs of the School District as follows:

Instruction	\$ 30,592
Support Services	-
Support Services Students	-
Support Services Instruction	2
Support Services General Administration	107
Support Services School Administration	3,656
Central Services	4,593
Operation and Maintenance of Plant	633,783
Student Transportation	94,617
Other Support Services	-
Food Services Operations	5,678
Total	<u>\$ 773,028</u>

STATE OF NEW MEXICO
ESTANCIA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

IV. DETAILED NOTES ON ALL FUNDS (continued)

D. Capital Assets (continued)

Bond issuance costs are capitalized and amortized on straight line. Amortization activity for the year ended June 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Bond issuance costs	\$ 141,752	\$ -	\$ -	\$ 141,752
Less accumulated amortization	32,043	14,174	-	46,217
Bond issuance costs, net	<u>\$ 109,709</u>	<u>\$ (14,174)</u>	<u>\$ -</u>	<u>\$ 95,535</u>

E. Long-Term Debt

Governmental Activities
Bonds Payable

A summary in changes in long-term obligations follows:

	<u>Balance 7-1-2011</u>	<u>Bonds Issued</u>	<u>Bonds Redeemed</u>	<u>Balance 6-30-2012</u>	<u>Amounts due within one year</u>
\$1,600,000 2010 GO Building Bonds due in annual installments of \$125,000 to \$165,000 from June 2013 through June 2023, interest at 2.00% to 4.00%	1,600,000	-	-	1,600,000	125,000
\$900,000 2011 GO Building Bonds due in annual Installments of \$50,000 to \$75,000 from February 2012 through February 2026, interest at 3.50% to 4.75%	900,000	-	50,000	850,000	50,000
Total	<u>\$ 2,500,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 2,450,000</u>	<u>\$ 175,000</u>

Total bond interest paid for the year was \$ 89,415.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

IV. DETAILED NOTES ON ALL FUNDS (continued)

E. Long-Term Debt (continued)

The annual requirements to amortize all bonded debt outstanding as of June 30, 2012, including interest of \$657,281 are shown below:

	Governmental Activities	
	G.O. Bonds	
	Principal	Interest
6/30/2013	\$ 175,000	\$ 86,200
6/30/2014	175,000	81,950
6/30/2015	185,000	77,700
6/30/2016	185,000	72,575
6/30/2017	195,000	66,775
2018-2022	1,355,000	230,981
2023-2026	180,000	41,100
TOTAL	<u>\$ 2,450,000</u>	<u>\$ 657,281</u>

Legal Debt Margin

The legal debt margin is specified by Article IX Section 11 of the Constitution of the State of New Mexico as not greater than 6% of the assessed value of the taxable property within the School District. Based on these criteria, the maximum general obligation debt permissible is \$5,488,686 including \$2,450,000 debt outstanding based on the June 30, 2012 valuation.

V. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2012.

B. Contingent liabilities

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

V. OTHER INFORMATION (continued)

B. Contingent liabilities (continued)

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

C. Pension Plan – Educational Retirement Board

Plan Description – Substantially all of the Estancia Municipal School 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 the financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, New Mexico 87502. The report is also available on ERB's website at www.nmerb.org.

Funding Policy – Plan members earning \$20,000 or less annually are required by statute to contribute 7.90% of their gross salary. Plan members earning over \$20,000 annually were required to contribute 11.15% of their gross salary in fiscal year 2012 and will be required to contribute 9.40% of their gross salary in fiscal year 2013. The Estancia Municipal School District has been and is required to contribute 12.40% of the gross covered salary for employees earning \$20,000 or less, in fiscal years 2012 and 2013. In fiscal year 2012 the Estancia Municipal School District contributed 9.15% of the gross covered salary of employees earning more than \$20,000 annually. In fiscal year 2013 the Estancia Municipal School District will contribute 10.9% of the gross covered salary of employees earning more than \$20,000 annually. The contribution requirements of plan members and the Estancia Municipal School District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of legislature. The Estancia Municipal School District's contributions to the ERB for the fiscal years ended June 30, 2012, 2011 and 2010 were: \$464,555, \$576,880, and \$604,939, respectively, which equal the amount of the required contributions for the year.

D. Post-Employment Benefits – State Retiree Health Care Plan

Plan Description - Estancia Municipal School District contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit post employment 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 the 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.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

V. OTHER INFORMATION (continued)

D. Post-Employment Benefits – State Retiree Health Care Plan (continued)

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2012, the statute requires each participating employer to contribute 1.834% of each participating employee's annual salary; each participating employee is required to contribute .917% of their salary. In the fiscal years ending June 30, 2013 the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan the contributions will be:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY13	2.000%	1.000%

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

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

The Estancia Municipal School District's contributions to the RHCA for the years ended June 30, 2012, 2011 and 2010 were \$89,781, \$76,811 and \$68,437 respectively, which equal the required contributions for each year.

E. Restatement of Beginning Net Assets for Governmental Funds

There was no restatement of the District's net assets for the fiscal year June 30, 2012.

F. Transfers

Transfers are used to move revenue from the fund that statute or budget requires them to be collected in, to the fund that statute or budget requires them to be expended in. These transfers are not routine in nature and are not consistent with the activities of the fund making transfer. There were no permanent transfers during the fiscal year June 30, 2012.

G – Restatements of Beginning Fund Balances

There were no adjustments made to the District's beginning fund balances for the fiscal year June, 30 2012.

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

V. OTHER INFORMATION (continued)

H – Inter-fund Receivables

Cash overdrafts are inter-fund receivables and considered to be short-term borrowings from general funds to cover current year operating expenditures and will be paid back within the next year. At June 30, 2012, they consisted of the following:

Due to Operational	<u>\$ 429,915</u>
Due From:	
Title I	\$ 185,519
IDEA-B Entitlement	157,206
IDEA-B Preschool	8,112
IDEA-B Private School Share	914
IDEA-B Risk Pool	1,695
Teacher/Principal Training	52,030
2009 Dual Credit Instructional Materials	404
2010 GO Bond Student Library Fund	1,556
Breakfast for Elementary Students	22,479
	<u>\$ 429,915</u>
Due to Activity Funds	<u>\$ 3,520</u>
Due From:	
IDEA-B Private School Share	341
2010 GO Bond Student Library Fund	3,179
Due From Operational	<u>\$ 3,520</u>

I – Central Regional Educational Cooperative #5

Certain special revenue (federal) funds of the district were administered by the Central Region Educational Cooperative, in Albuquerque, New Mexico. These funds are audited separately by another IPA. That report may be obtained by writing to: Central Regional Educational Cooperative, 5321-A Menaul Blvd. NE, Albuquerque, New Mexico 87110.

J -- Deferred Compensation Plan

Estancia Municipal School District has adopted deferred compensation plans under code sections 403b and 457. Employees can contribute up to 100% of their salary not to exceed \$16,500 per plan. The plan is managed by Legacy Financial Group as agent for National Plan Administrators. There were no employee contributions to this plan for the fiscal year June 30, 2012.

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2012

V. OTHER INFORMATION (continued)

M - Reconciliation of Budgetary and GAAP Basis Amounts

	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>
REVENUES			
Budgetary Basis	\$ 7,214,023	\$ 456,986	\$ 34,802
Add:			
Current Year Receivables & Other Credits	726	-	-
Deduct:			
Prior Year Receivables & Other Debits	<u>791</u>	<u>-</u>	<u>-</u>
REVENUE --GAAP BASIS	<u>\$ 7,213,958</u>	<u>\$ 456,986</u>	<u>\$ 34,802</u>
EXPENDITURES			
Budgetary Basis	\$ 7,444,856	\$ 470,309	\$ 22,658
Add:			
Current Year Payables & Other Debits	-	-	-
Deduct:			
Prior Year Payables & Other Credits	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u>\$ 7,444,856</u>	<u>\$ 470,309</u>	<u>\$ 22,658</u>

<u>Cafeteria</u>	<u>Athletics</u>	<u>Title I</u>	<u>Entitlement</u>	<u>Preschool</u>	<u>Private School Share</u>
\$ 418,285	\$ 22,238	\$ 202,477	\$ 179,210	\$ 8,837	\$ -
-	-	185,519	157,206	8,112	1,255
-	-	85,229	78,318	4,457	-
<u>\$ 418,285</u>	<u>\$ 22,238</u>	<u>\$ 302,767</u>	<u>\$ 258,098</u>	<u>\$ 12,492</u>	<u>\$ 1,255</u>
\$ 374,349	\$ 19,830	\$ 302,767	\$ 258,098	\$ 12,492	\$ 1,255
1,969	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 376,318</u>	<u>\$ 19,830</u>	<u>\$ 302,767</u>	<u>\$ 258,098</u>	<u>\$ 12,492</u>	<u>\$ 1,255</u>

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2012

V. OTHER INFORMATION (continued)

M - Reconciliation of Budgetary and GAAP Basis Amounts (Continued)

	USDA Fresh Fruit & Vegetables	Risk Pool	Teacher/ Principal Training
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Budgetary Basis	\$ 24,024	\$ -	\$ 35,796
Add:			
Current Year Receivables & Other Credits	-	1,695	52,030
Deduct:			
Prior Year Receivables & Other Debits	<u>-</u>	<u>-</u>	<u>16,807</u>
REVENUE --GAAP BASIS	<u>\$ 24,024</u>	<u>\$ 1,695</u>	<u>\$ 71,019</u>
EXPENDITURES			
Budgetary Basis	\$ 24,024	\$ 1,695	\$ 71,019
Add:			
Current Year Payables & Other Debits	-	-	-
Deduct:			
Prior Year Payables & Other Credits	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u>\$ 24,024</u>	<u>\$ 1,695</u>	<u>\$ 71,019</u>

<u>Title I Stimulus</u>	<u>Entitlement Stimulus</u>	<u>Preschool Stimulus</u>	<u>Private School Share Stimulus</u>	<u>Medicaid Title XIX</u>	<u>Education Job Fund</u>
\$ 27,489	\$ 54,832	\$ 2,873	\$ 1,132	\$ 70,328	\$ 3,055
-	-	-	-	4,694	-
<u>27,489</u>	<u>54,832</u>	<u>2,873</u>	<u>1,132</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,022</u>	<u>\$ 3,055</u>
\$ -	\$ -	\$ -	\$ -	\$ 75,022	\$ 3,055
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,022</u>	<u>\$ 3,055</u>

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2012

V. OTHER INFORMATION (continued)

M - Reconciliation of Budgetary and GAAP Basis Amounts (Continued)

	<u>Dual Credit</u>	<u>2008 GO Bond</u>	<u>2010 GO Bond</u>
REVENUES			
Budgetary Basis	\$ -	\$ 18,585	\$ -
Add:			
Current Year Receivables & Other Credits	404	-	4,735
Deduct:			
Prior Year Receivables & Other Debits	<u>-</u>	<u>14,593</u>	<u>-</u>
REVENUE --GAAP BASIS	<u><u>\$ 404</u></u>	<u><u>\$ 3,992</u></u>	<u><u>\$ 4,735</u></u>
EXPENDITURES			
Budgetary Basis	\$ 404	\$ 3,992	\$ 4,735
Add:			
Current Year Payables & Other Debits	-	-	-
Deduct:			
Prior Year Payables & Other Credits	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u><u>\$ 404</u></u>	<u><u>\$ 3,992</u></u>	<u><u>\$ 4,735</u></u>

Incentives for School Improvement	Beginning Teacher Mentoring	Breakfast for Elementary Students	Wind Farm Projects	SB-9
\$ -	\$ -	\$ -	\$ 149,500	\$ 308,472
165	-	22,479	-	120,214
-	-	-	112,577	3,453
<u>\$ 165</u>	<u>\$ -</u>	<u>\$ 22,479</u>	<u>\$ 36,923</u>	<u>\$ 425,233</u>
\$ 165	\$ -	\$ 22,479	\$ 36,923	\$ 285,042
-	-	-	-	-
-	-	-	-	-
<u>\$ 165</u>	<u>\$ -</u>	<u>\$ 22,479</u>	<u>\$ 36,923</u>	<u>\$ 285,042</u>

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2012

V. OTHER INFORMATION (continued)

M - Reconciliation of Budgetary and GAAP Basis Amounts (Continued)

	Bond Building	Ed Tech Equipment Act	Debt Service	Ed Tech Debt Service
REVENUES				
Budgetary Basis	\$ -	\$ 229	\$ 137,886	\$ 67,166
Add:				
Current Year Receivables & Other Credits	-	-	2,450	1,420
Deduct:				
Prior Year Receivables & Other Debits	-	54	2,172	6,892
REVENUE --GAAP BASIS	<u>\$ -</u>	<u>\$ 175</u>	<u>\$ 138,164</u>	<u>\$ 61,694</u>
EXPENDITURES				
Budgetary Basis	\$ 39,473	\$ 90,125	\$ 139,329	\$ 672
Add:				
Current Year Payables & Other Debits	-	-	13,602	-
Deduct:				
Prior Year Payables & Other Credits	-	-	12,137	-
EXPENDITURES --GAAP BASIS	<u>\$ 39,473</u>	<u>\$ 90,125</u>	<u>\$ 140,794</u>	<u>\$ 672</u>

GENERAL FUND

To account for resources traditionally associated with governments, which are not required to be accounted for in any other fund.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A-1

COMBINING BALANCE SHEET -- GENERAL FUND

June 30, 2012

	Operational	Transportation	Instructional Materials	TOTALS
ASSETS				
Cash on Deposit	\$ 540,860	\$ -	\$ 14,716	\$ 555,576
Investments	242,840	-	-	242,840
Accounts Receivable	-	-	-	-
Property Taxes	692	-	-	692
Interest	34	-	-	34
Federal	-	-	-	-
State	-	-	-	-
Due from Other Governments	1,101	-	-	1,101
Inventories	-	-	-	-
Due from Other Funds	429,915	-	-	429,915
TOTAL ASSETS	\$ 1,215,442	\$ -	\$ 14,716	\$ 1,230,158
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ 194	\$ -	\$ -	\$ 194
Deferred Revenue	-	-	-	-
Accrued Interest Payable	-	-	-	-
Due to Activity Funds	-	-	-	-
Due to Other Funds	-	-	-	-
TOTAL LIABILITIES	194	-	-	194
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	-	14,716	14,716
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	1,215,248	-	-	1,215,248
TOTAL FUND BALANCE	1,215,248	-	14,716	1,229,964
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,215,442	\$ -	\$ 14,716	\$ 1,230,158

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A-2

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE -- GENERAL FUND

Year Ended June 30, 2012

	Operational	Transportation	Instructional Materials	TOTALS
REVENUE				
Federal Programs	\$ 16,313	\$ -	\$ -	\$ 16,313
State Programs	-	456,986	34,630	491,616
Local Programs	-	-	-	-
State Equalization	7,153,963	-	-	7,153,963
Property Taxes	37,496	-	-	37,496
Service Revenues	5,143	-	-	5,143
Interest	547	-	-	547
Other revenue sources	496	-	172	668
TOTAL REVENUES	<u>7,213,958</u>	<u>456,986</u>	<u>34,802</u>	<u>7,705,746</u>
EXPENDITURES				
Current				
Instruction	4,296,926	-	22,658	4,319,584
Support Services	-	-	-	-
Support Services Students	738,831	-	-	738,831
Support Services Instruction	333,702	-	-	333,702
Support Services General Administration	210,321	-	-	210,321
Support Services School Administration	526,172	-	-	526,172
Central Services	168,739	-	-	168,739
Operation and Maintenance of Plant	1,149,136	-	-	1,149,136
Student Transportation	13,596	470,309	-	483,905
Other Support Services	7,433	-	-	7,433
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>7,444,856</u>	<u>470,309</u>	<u>22,658</u>	<u>7,937,823</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(230,898)	(13,323)	12,144	(232,077)
OTHER FINANCING SOURCES (USES)				
Transfer In/Transfers (Out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(230,898)	(13,323)	12,144	(232,077)
FUND BALANCE June 30, 2011	<u>1,446,146</u>	<u>13,323</u>	<u>2,572</u>	<u>1,462,041</u>
FUND BALANCE June 30, 2012	<u>\$ 1,215,248</u>	<u>\$ -</u>	<u>\$ 14,716</u>	<u>\$ 1,229,964</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--OPERATIONAL

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 36,276	\$ 36,276	\$ 37,548	\$ 1,272
Fees - Users	-	-	164	164
Fees - Activities	-	-	-	-
Fees - Educational	-	-	4,979	4,979
Rent and Leases	-	-	-	-
Fees-Users	-	-	-	-
Interest Income	1,000	1,000	560	(440)
Refunds	-	-	403	403
State Equalization	7,127,340	7,153,124	7,153,963	839
Emergency utility costs	-	-	-	-
Sale of Personal Property	-	-	-	-
Insurance Recoveries	-	-	93	93
Donations	-	-	-	-
Fees-Govt Agencies	-	-	-	-
Forrest Reserve	17,123	17,123	16,313	(810)
Access Board (E-Rate)	20,000	20,000	-	(20,000)
Indirect Cost	-	-	-	-
TOTAL REVENUE	<u>7,201,739</u>	<u>7,227,523</u>	<u>\$ 7,214,023</u>	<u>\$ (13,500)</u>
 BUDGETED CASH BALANCE	 <u>1,417,781</u>	 <u>1,417,781</u>		
 TOTAL REVENUE & CASH	 <u>\$ 8,619,520</u>	 <u>\$ 8,645,304</u>		
 EXPENDITURES				
Current				
Instruction	\$ 4,807,976	\$ 4,833,760	\$ 4,296,926	\$ 536,834
Support Services	-	-	-	-
Support Services Students	893,916	888,916	738,831	150,085
Support Services Instruction	431,903	443,903	333,702	110,201
Support Services General Administration	280,310	289,310	210,321	78,989
Support Services School Administration	558,004	557,004	526,172	30,832
Central Services	237,910	215,410	168,739	46,671
Operation and Maintenance of Plant	1,319,978	1,327,478	1,149,136	178,342
Student Transportation	33,000	33,000	13,596	19,404
Other Support Services	21,169	21,169	7,433	13,736
Food Services Operations	33,354	35,354	-	35,354
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 8,617,520</u>	<u>\$ 8,645,304</u>	<u>\$ 7,444,856</u>	<u>\$ 1,200,448</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--TRANSPORTATION

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	427,190	456,986	456,986	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>427,190</u>	<u>456,986</u>	<u>\$ 456,986</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>13,325</u>		
TOTAL REVENUE & CASH	<u>\$ 427,190</u>	<u>\$ 470,311</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	427,190	470,311	470,309	2
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 427,190</u>	<u>\$ 470,311</u>	<u>\$ 470,309</u>	<u>\$ 2</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--GENERAL FUND--INSTRUCTIONAL MATERIALS

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	29,720	29,720	34,630	4,910
Local Programs	-	-	172	172
TOTAL REVENUE	<u>29,720</u>	<u>29,720</u>	<u>\$ 34,802</u>	<u>\$ 5,082</u>
BUDGETED CASH BALANCE	-	2,572		
TOTAL REVENUE & CASH	<u>\$ 29,720</u>	<u>\$ 32,292</u>		
EXPENDITURES				
Current				
Instruction	\$ 29,720	\$ 32,292	\$ 22,658	\$ 9,634
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 29,720</u>	<u>\$ 32,292</u>	<u>\$ 22,658</u>	<u>\$ 9,634</u>

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

SPECIAL REVENUE FUNDS

CAFETERIA - to account for financing for school hot lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, New Mexico Statutes Annotated, State Law 22-13-13.

ATHLETICS - to account for revenues received from non-instructional activities for use in the district's athletic and other non-instructional programs. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Authority for this fund is the New Mexico Administrative Code 6.20.2.

IDEA-B PRESCHOOL- P.L. 94-142, Individuals with Disabilities Education Act--to account for a federal grant restricted to the operation and maintenance of meeting the special education need of children with disabilities. Authority for the creation of this fund is Individuals with Disabilities Act, Part B, Sec. 611, as amended; Public Law 105-17.

IDEA-B PRIVATE SCHOOL SHARE – Under 34 CFR Sec. 300.132-300.133, a local educational agency (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 to students with disabilities who are placed in private elementary and secondary schools located in the school district served by the LEA.

USDA FRUIT & VEGETABLE – to account for the expenditures and revenue for a Fresh Fruit and Vegetable Program as authorized by Public Law 109-97 and Section 120 of the Child Nutrition and WIC Reauthorization Act 2004. The FFVP provides all children in participating schools with a variety of free fresh fruits and vegetables throughout the school day as a means of introducing fresh fruits and vegetables as healthy snack alternatives. CFDA #10.582.

IDEA-B RISK POOL – to account for state set aside funds from Part B of the Individuals with disabilities education act as allowed by the federal DOE. Funds are to be used for costs associated with high need students with disabilities. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund.

TEACHER PRINCIPAL TRAINING — to provide grants to State Education Agencies on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965 as amended, Title II, Part A, Public Law 107-110.

TITLE I FEDERAL STIMULUS – Fund to supplement State and local funding for low-achieving children, especially in high-poverty schools. The program finances the additional academic support and learning opportunities that are often required to help disadvantaged students progress along with their classmates. Fund and authority provided under the American Recovery and Reinvestment Act.

IDEA-B ENTITLEMENT FEDERAL STIMULUS – fund to supplement state and local funding for students with disabilities. Fund and authority provided under the American Recovery and Reinvestment Act.

IDEA-B PRESCHOOL STIMULUS – To provide grants to States to assist them in providing special education and related services to children with disabilities ages 3 through 5 years, and at a State's discretion, to 2-year-old children with disabilities who will reach age three during the school year. Fund and authority provided under the Individuals with Disabilities Education Act (IDEA), as amended, , Part B, Section 619, 20 U.S.C 1419; American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5.

IDEA-B PRIVATE SCHOOL SHARE STIMULUS – 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 – The fund is used for reimbursement of health-related services of Medicaid eligible students receiving related services, for administrative time study, and for a statement of service costs study. Authorized by the Social Security Act.

EDUCATION JOB FUND – To provide funds to States to assist local educational agencies (LEAs) in saving or creating education jobs during the 2010-2011 school year. Authority for the creation of this fund is Title I, Public Law 111-126.

2009 DUAL CREDIT INSTRUCTIONAL MATERIALS – to fund all public, charter, and state-supported schools for dual credit course materials approved by the Higher Education Department and through a college/university which has an approved agreement with the school. Fund and authority provided by House Bill 2, 2009 page 226 lines 12-19.

2008 GO BOND STUDENT LIBRARY FUND – to fund all public, charter, and juvenile justice school for public school library improvement or acquisition and to acquire library books, equipment, and library resources for public school and state-supported school libraries statewide. Fund and authority provided by Senate Bill 333, 2008, page 37 lines 15-25 and page 38 lines 1-5.

2010 GO BOND STUDENT LIBRARY FUND – to allow schools to acquire library books, equipment and library resources for public school libraries statewide. Fund and authority provided by Senate Bill 1.

INCENTIVES FOR SCHOOL IMPROVEMENT – to account for monies received to be used as determined by the school principal and teachers in cooperation with other school employees and the community. It shall not be used for salaries, salary increases or bonuses. Financing and authority is provided by NMSA 22-13A-5.

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

BREAKFAST FOR ELEMENTARY STUDENTS – to account for revenues to be used to provide breakfast programs for elementary students. Authority for this fund is the New Mexico Legislature.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2012

	CAFETERIA	ATHLETICS	IDEA-B PRESCHOOL	IDEA-B PRIVATE SCHOOL SHARE
ASSETS				
Cash on Deposit	\$ 90,913	\$ 6,534	\$ -	\$ -
Investments	-	-	-	-
Accounts Receivable				
Property Taxes	-	-	-	-
Interest	-	-	-	-
Federal	-	-	8,112	1,255
State	-	-	-	-
Due from Other Governments	-	-	-	-
Inventories	1,144	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	\$ 92,057	\$ 6,534	\$ 8,112	\$ 1,255
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-
Accrued Interest	-	-	-	-
Due to Activity Funds	-	-	-	341
Due to Other Funds	-	-	8,112	914
TOTAL LIABILITIES	-	-	8,112	1,255
FUND BALANCE				
Nonspendable	1,144	-	-	-
Restricted	90,913	6,534	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	92,057	6,534	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 92,057	\$ 6,534	\$ 8,112	\$ 1,255

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

USDA FRESH FRUIT & VEGETABLES	IDEA-B RISK POOL	TEACHER/ PRINCIPAL TRAINING	TITLE I STIMULUS	IDEA-B ENTITLMENT STIMULUS	IDEA-B PRESCHOOL STIMULUS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	1,695	52,030	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,695</u>	<u>\$ 52,030</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,695	52,030	-	-	-
<u>-</u>	<u>1,695</u>	<u>52,030</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,695</u>	<u>\$ 52,030</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS

JUNE 30, 2012

	IDEA-B PRIVATE SCHOOL SHARE STIMULUS	TITLE XIX MEDICAID	EDUCATION JOB FUND	2009 DUAL CREDIT INSTRUCTIONAL MATERIALS
ASSETS				
Cash on Deposit	\$ -	\$ 15,772	\$ -	\$ -
Investments	-	-	-	-
Accounts Receivable				
Property Taxes	-	-	-	-
Interest	-	-	-	-
Federal	-	-	-	-
State	-	-	-	404
Due from Other Governments	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	-	-	-	-
TOTAL ASSETS	\$ -	\$ 15,772	\$ -	\$ 404
LIABILITIES AND OTHER CREDITS				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	15,772	-	-
Accrued Interest	-	-	-	-
Due to Activity Funds	-	-	-	-
Due to Other Funds	-	-	-	404
TOTAL LIABILITIES	-	15,772	-	404
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ 15,772	\$ -	\$ 404

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

EXHIBIT B-1
CONTINUED

2008 GO BOND STUDENT LIBRARY FUND	2010 GO BOND STUDENT LIBRARY FUND	INCENTIVES FOR SCHOOL IMPROVEMENT	BEGINNING TEACHER MENTORING	BREAKFAST FOR ELEMENTARY STUDENTS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ -	\$ 1,065	\$ -	\$ 114,284
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	63,092
-	4,735	-	-	22,479	27,618
-	-	-	-	-	-
-	-	-	-	-	1,144
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 4,735</u>	<u>\$ -</u>	<u>\$ 1,065</u>	<u>\$ 22,479</u>	<u>\$ 206,138</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	1,065	-	16,837
-	-	-	-	-	-
-	3,179	-	-	-	3,520
-	1,556	-	-	22,479	87,190
-	4,735	-	1,065	22,479	107,547
-	-	-	-	-	-
-	-	-	-	-	1,144
-	-	-	-	-	97,447
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	98,591
<u>\$ -</u>	<u>\$ 4,735</u>	<u>\$ -</u>	<u>\$ 1,065</u>	<u>\$ 22,479</u>	<u>\$ 206,138</u>

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2012

	CAFETERIA	ATHLETICS	IDEA-B PRESCHOOL	IDEA-B PRIVATE SCHOOL SHARE
REVENUE				
Federal Programs	\$ 392,583	\$ -	\$ 12,492	\$ 1,255
State Programs	-	-	-	-
Local Programs	-	-	-	-
State Equalization	-	-	-	-
Property Taxes	-	-	-	-
Service Revenues	25,702	22,156	-	-
Interest	-	-	-	-
Other revenue sources	-	82	-	-
TOTAL REVENUES	<u>418,285</u>	<u>22,238</u>	<u>12,492</u>	<u>1,255</u>
EXPENDITURES				
Current				
Instruction	-	19,830	12,492	1,255
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	376,318	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Charge	-	-	-	-
TOTAL EXPENDITURES	<u>376,318</u>	<u>19,830</u>	<u>12,492</u>	<u>1,255</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	41,967	2,408	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In/Transfers (Out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	41,967	2,408	-	-
FUND BALANCE June 30, 2011	<u>50,090</u>	<u>4,126</u>	<u>-</u>	<u>-</u>
FUND BALANCE June 30, 2012	<u>\$ 92,057</u>	<u>\$ 6,534</u>	<u>\$ -</u>	<u>\$ -</u>

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

EXHIBIT B-2

USDA FRESH FRUIT & VEGETABLES	IDEA-B RISK POOL	TEACHER/ PRINCIPAL TRAINING	TITLE I STIMULUS	IDEA-B ENTITLMENT STIMULUS	IDEA-B PRESCHOOL STIMULUS
\$ 24,024	\$ 1,695	\$ 71,019	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,024	1,695	71,019	-	-	-
-	1,695	70,661	-	-	-
-	-	358	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,024	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,024	1,695	71,019	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2012

	IDEA-B PRIVATE SCHOOL SHARE STIMULUS	TITLE XIX MEDICAID	EDUCATION JOB FUND	2009 DUAL CREDIT INSTRUCTIONAL MATERIALS
REVENUE				
Federal Programs	\$ -	\$ 75,022	\$ 3,055	\$ -
State Programs	-	-	-	404
Local Programs	-	-	-	-
State Equalization	-	-	-	-
Property Taxes	-	-	-	-
Service Revenues	-	-	-	-
Interest	-	-	-	-
Other revenue sources	-	-	-	-
TOTAL REVENUES	-	75,022	3,055	404
EXPENDITURES				
Current				
Instruction	-	35,210	3,055	404
Support Services	-	-	-	-
Support Services Students	-	39,812	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Principal	-	-	-	-
Interest and Fiscal Charge	-	-	-	-
TOTAL EXPENDITURES	-	75,022	3,055	404
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In/Transfers (Out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE June 30, 2011	-	-	-	-
FUND BALANCE June 30, 2012	\$ -	\$ -	\$ -	\$ -

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

EXHIBIT B-2
CONTINUED

2008 GO BOND STUDENT LIBRARY FUND	2010 GO BOND STUDENT LIBRARY FUND	INCENTIVES FOR SCHOOL IMPROVEMENT	BEGINNING TEACHER MENTORING	BREAKFAST FOR ELEMENTARY STUDENTS	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 581,145
3,992	4,735	165	-	22,479	31,775
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	47,858
-	-	-	-	-	-
-	-	-	-	-	82
<u>3,992</u>	<u>4,735</u>	<u>165</u>	<u>-</u>	<u>22,479</u>	<u>660,860</u>
-	-	165	-	-	144,767
-	-	-	-	-	-
-	-	-	-	-	40,170
3,992	4,735	-	-	-	8,727
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	22,479	422,821
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,992</u>	<u>4,735</u>	<u>165</u>	<u>-</u>	<u>22,479</u>	<u>616,485</u>
-	-	-	-	-	44,375
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	44,375
-	-	-	-	-	54,216
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,591</u>

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--CAFETERIA

Year Ended June 30, 2012

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 310,000	\$ 366,616	\$ 392,583	\$ 25,967
State Programs	-	-	-	-
Local Programs	16,000	16,000	25,702	9,702
TOTAL REVENUE	<u>326,000</u>	<u>382,616</u>	<u>\$ 418,285</u>	<u>\$ 35,669</u>
BUDGETED CASH BALANCE	<u>20,534</u>	<u>46,977</u>		
TOTAL REVENUE & CASH	<u>\$ 346,534</u>	<u>\$ 429,593</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	346,534	429,593	374,349	55,244
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 346,534</u>	<u>\$ 429,593</u>	<u>\$ 374,349</u>	<u>\$ 55,244</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--ATHLETICS

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	30,000	30,000	22,238	(7,762)
TOTAL REVENUE	<u>30,000</u>	<u>30,000</u>	<u>\$ 22,238</u>	<u>\$ (7,762)</u>
BUDGETED CASH BALANCE	<u>5,013</u>	<u>5,013</u>		
TOTAL REVENUE & CASH	<u>\$ 35,013</u>	<u>\$ 35,013</u>		
EXPENDITURES				
Current				
Instruction	\$ 35,013	\$ 35,013	\$ 19,830	\$ 15,183
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 35,013</u>	<u>\$ 35,013</u>	<u>\$ 19,830</u>	<u>\$ 15,183</u>

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

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

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 17,177	\$ 8,837	\$ (8,340)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>17,177</u>	<u>\$ 8,837</u>	<u>\$ (8,340)</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ 17,177</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ 17,177	\$ 12,492	\$ 4,685
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 17,177</u>	<u>\$ 12,492</u>	<u>\$ 4,685</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B PRIVATE SCHOOL SHARE

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 1,324	\$ -	\$ (1,324)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>1,324</u>	<u>\$ -</u>	<u>\$ (1,324)</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL REVENUE & CASH	 <u>\$ -</u>	 <u>\$ 1,324</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ 1,324	\$ 1,255	\$ 69
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 1,324</u>	<u>\$ 1,255</u>	<u>\$ 69</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--USDA FRUIT & VEGETABLE PROGRAM

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 24,024	\$ 24,024	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>24,024</u>	<u>\$ 24,024</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 24,024</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	24,024	24,024	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 24,024</u>	<u>\$ 24,024</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 1,695	\$ -	\$ (1,695)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>1,695</u>	<u>\$ -</u>	<u>\$ (1,695)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 1,695</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 1,695	\$ 1,695	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 1,695</u>	<u>\$ 1,695</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TEACHER\PRINCIPAL TRAINING

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 57,086	\$ 71,019	\$ 35,796	\$ (35,223)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>57,086</u>	<u>71,019</u>	<u>\$ 35,796</u>	<u>\$ (35,223)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 57,086</u>	<u>\$ 71,019</u>		
EXPENDITURES				
Current				
Instruction	\$ 54,959	\$ 70,661	\$ 70,661	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	358	(358)
Support Services Instruction	-	-	-	-
Support Services General Administration	2,127	358	-	358
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 57,086</u>	<u>\$ 71,019</u>	<u>\$ 71,019</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TITLE I STIMULUS

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 27,489	\$ 27,489
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 27,489</u>	<u>\$ 27,489</u>
 BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
 TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
 TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2012

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 54,832	\$ 54,832
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 54,832</u>	<u>\$ 54,832</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 2,873	\$ 2,873
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 2,873</u>	<u>\$ 2,873</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B PRIVATE SCHOOL SHARE STIMULUS

Year Ended June 30, 2012

	ORIGINAL ACTUAL	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ 1,132	\$ 1,132
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 1,132</u>	<u>\$ 1,132</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--MEDICAID TITLE XIX

Year Ended June 30, 2012

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ 50,000	\$ 76,339	\$ 70,328	\$ (6,011)
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>50,000</u>	<u>76,339</u>	<u>\$ 70,328</u>	<u>\$ (6,011)</u>
BUDGETED CASH BALANCE	<u>24,128</u>	<u>24,128</u>		
TOTAL REVENUE & CASH	<u>\$ 74,128</u>	<u>\$ 100,467</u>		
EXPENDITURES				
Current				
Instruction	\$ 56,702	\$ 56,702	\$ 35,210	\$ 21,492
Support Services	-	-	-	-
Support Services Students	17,426	43,765	39,812	3,953
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 74,128</u>	<u>\$ 100,467</u>	<u>\$ 75,022</u>	<u>\$ 25,445</u>

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

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

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ 3,055	\$ 3,055	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>3,055</u>	<u>\$ 3,055</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 3,055</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 3,055	\$ 3,055	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 3,055</u>	<u>\$ 3,055</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--2009 DUAL CREDIT INSTRUCTIONAL MATERIALS

Year Ended June 30, 2011

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	404	-	(404)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>404</u>	<u>\$ -</u>	<u>\$ (404)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 404</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 404	\$ 404	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 404</u>	<u>\$ 404</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--2008 GO BOND STUDENT LIBRARY FUND

Year Ended June 30, 2012

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	3,840	3,993	18,585	14,592
Local Programs	-	-	-	-
TOTAL REVENUE	<u>3,840</u>	<u>3,993</u>	<u>\$ 18,585</u>	<u>\$ 14,592</u>
BUDGETED CASH BALANCE		-		
TOTAL REVENUE & CASH	<u>\$ 3,840</u>	<u>\$ 3,993</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	3,840	3,993	3,992	1
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 3,840</u>	<u>\$ 3,993</u>	<u>\$ 3,992</u>	<u>\$ 1</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--2010 GO BOND STUDENT LIBRARY FUND

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	12,764	12,764	-	(12,764)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>12,764</u>	<u>12,764</u>	<u>\$ -</u>	<u>\$ (12,764)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 12,764</u>	<u>\$ 12,764</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	12,764	12,764	4,735	8,029
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 12,764</u>	<u>\$ 12,764</u>	<u>\$ 4,735</u>	<u>\$ 8,029</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--INCENTIVES FOR SCHOOL IMPROVEMENT

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>166</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 166</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 166	\$ 165	\$ 1
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 166</u>	<u>\$ 165</u>	<u>\$ 1</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--BEGINNING TEACHER MENTORING

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--BREAKFAST FOR ELEMENTARY STUDENTS

Year Ended June 30, 2011

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	23,204	-	(23,204)
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>23,204</u>	<u>\$ -</u>	<u>\$ (23,204)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 23,204</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	23,204	22,479	725
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 23,204</u>	<u>\$ 22,479</u>	<u>\$ 725</u>

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

DEBT SERVICE FUND

DEBT SERVICE FUND - The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

EDUCATIONAL TECHNOLOGY DEBT SERVICE – to receive revenue for the payment of interest and principal on debt incurred in the expansion of technology in the District.

COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
 DEBT SERVICE FUND

June 30, 2012

	<u>DEBT SERVICE</u>	<u>ED TECH DEBT SERVICE</u>	<u>TOTAL NONMAJOR DEBT SERVICE</u>
ASSETS			
Cash on Deposit	\$ 53,826	\$ 26,897	\$ 80,723
Investments	-	-	-
Accounts Receivable			
Property Taxes	2,450	1,420	3,870
Interest	-	-	-
Federal	-	-	-
State	-	-	-
Inventories	-	-	-
Due from Other Funds	-	-	-
TOTAL ASSETS	<u>\$ 56,276</u>	<u>\$ 28,317</u>	<u>\$ 84,593</u>
LIABILITIES AND OTHER CREDITS			
Accounts Payable	\$ -	\$ -	\$ -
Deferred Credits	-	-	-
Accrued Interest	13,602	-	13,602
Due to Activity Funds	-	-	-
Due to Other Funds	-	-	-
TOTAL LIABILITIES	<u>13,602</u>	<u>-</u>	<u>13,602</u>
FUND BALANCE			
Nonspendable	-	-	-
Restricted	42,674	28,317	70,991
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
TOTAL FUND BALANCE	<u>42,674</u>	<u>28,317</u>	<u>70,991</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 56,276</u>	<u>\$ 28,317</u>	<u>\$ 84,593</u>

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

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
 IN FUND BALANCE -- NON-MAJOR GOVERNMENTAL FUNDS
 DEBT SERVICE FUND

Year Ended June 30, 2012

	DEBT SERVICE	ED TECH DEBT SERVICE	TOTAL NONMAJOR DEBT SERVICE
REVENUE			
Federal Programs	\$ -	\$ -	\$ -
State Programs	-	-	-
Local Programs	-	-	-
State Equalization	-	-	-
Property Taxes	138,164	61,694	199,858
Service Revenues	-	-	-
Interest	-	-	-
Other revenue sources	-	-	-
TOTAL REVENUES	<u>138,164</u>	<u>61,694</u>	<u>199,858</u>
EXPENDITURES			
Current			
Support Services General	1,379	672	2,051
Debt Service			
Principal	50,000	-	50,000
Interest and Fiscal Charge	89,415	-	89,415
TOTAL EXPENDITURES	<u>140,794</u>	<u>672</u>	<u>141,466</u>
EXCESS (DEFICIENCY) OF			
REVENUE OVER EXPENDITURES	(2,630)	61,022	58,392
OTHER FINANCING SOURCES (USES)			
Transfers In/Transfers (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(2,630)	61,022	58,392
FUND BALANCE June 30, 2011	<u>45,304</u>	<u>(32,705)</u>	<u>12,599</u>
FUND BALANCE June 30, 2012	<u>\$ 42,674</u>	<u>\$ 28,317</u>	<u>\$ 70,991</u>

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

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

Year Ended June 30, 2012

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	137,950	137,950	137,886	(64)
TOTAL REVENUE	<u>137,950</u>	<u>137,950</u>	<u>\$ 137,886</u>	<u>\$ (64)</u>
BUDGETED CASH BALANCE	<u>203,848</u>	<u>203,848</u>		
TOTAL REVENUE & CASH	<u>\$ 341,798</u>	<u>\$ 341,798</u>		
EXPENDITURES				
Support Services General Administration	\$ 1,394	\$ 1,894	\$ 1,379	\$ 515
Debt Service - Principal	252,454	251,954	50,000	201,954
Debt Service - Interest	87,950	87,950	87,950	-
TOTAL EXPENDITURES	<u>\$ 341,798</u>	<u>\$ 341,798</u>	<u>\$ 139,329</u>	<u>\$ 202,469</u>

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--ED TECH DEBT SERVICE FUND

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	67,166	67,166
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 67,166</u>	<u>\$ 67,166</u>
BUDGETED CASH BALANCE	<u>77,560</u>	<u>77,560</u>		
TOTAL REVENUE & CASH	<u>\$ 77,560</u>	<u>\$ 77,560</u>		
EXPENDITURES				
Support Services General Administration	\$ 1,500	\$ 2,000	\$ 672	\$ 1,328
Debt Service - Principal	76,060	75,560	-	75,560
Debt Service - Interest	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 77,560</u>	<u>\$ 77,560</u>	<u>\$ 672</u>	<u>\$ 76,888</u>

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

CAPITAL PROJECTS FUND

ED TECH EQUIPMENT ACT – To ensure that American children have skills they need to succeed in the information-intensive 21st century, the Federal Government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing teachers with the professional development they need to use new technologies effectively; connecting classrooms to the National Information Infrastructure; and encouraging the creation of excellent educational software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1996, Public Law 104-106.

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
 CAPITAL PROJECTS FUNDS

JUNE 30, 2012

	<u>ED TECH EQUIPMENT ACT</u>
ASSETS	
Cash on Deposit	\$ 1,972
investments	147
Accounts Receivable	
Property Taxes	-
Interest	-
Federal	-
State	-
Due from Other Governments	-
Inventories	-
Due from Other Funds	-
TOTAL ASSETS	<u>\$ 2,119</u>
LIABILITIES AND OTHER CREDITS	
Accounts Payable	\$ -
Deferred Revenue	-
Accrued Interest	-
Due to Activity Funds	-
Due to Other Funds	-
TOTAL LIABILITIES	<u>-</u>
FUND BALANCE	
Nonspendable	-
Restricted	2,119
Committed	-
Assigned	-
Unassigned	-
TOTAL FUND BALANCE	<u>2,119</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,119</u>

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

TOTAL NONMAJOR CAPITAL PROJECTS	TOTAL NONMAJOR SPECIAL REVENUE	TOTAL NONMAJOR DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ 1,972	\$ 114,284	\$ 80,723	\$ 196,979
147	-	-	147
-	-	3,870	3,870
-	-	-	-
-	63,092	-	63,092
-	27,618	-	27,618
-	-	-	-
-	1,144	-	1,144
-	-	-	-
<u>\$ 2,119</u>	<u>\$ 206,138</u>	<u>\$ 84,593</u>	<u>\$ 292,850</u>
\$ -	\$ -	\$ -	\$ -
-	16,837	-	16,837
-	-	13,602	13,602
-	3,520	-	3,520
-	87,190	-	87,190
<u>-</u>	<u>107,547</u>	<u>13,602</u>	<u>121,149</u>
-	1,144	-	1,144
2,119	97,447	70,991	170,557
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,119</u>	<u>98,591</u>	<u>70,991</u>	<u>171,701</u>
<u>\$ 2,119</u>	<u>\$ 206,138</u>	<u>\$ 84,593</u>	<u>\$ 292,850</u>

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
 IN FUND BALANCE --NON-MAJOR GOVERNMENTAL FUNDS
 CAPITAL PROJECTS FUNDS

JUNE 30, 2012

	<u>ED TECH EQUIPMENT ACT</u>
REVENUE	
Federal Programs	\$ -
State Programs	-
Local Programs	-
Property Taxes	-
Service Revenues	-
Interest	175
Other revenue sources	-
TOTAL REVENUES	<u>175</u>
EXPENDITURES	
Current	
Instruction	-
Support Services	-
Support Services Students	-
Support Services Instruction	-
Support Services General Administration	-
Support Services School Administration	-
Central Services	-
Operation and Maintenance of Plant	-
Student Transportation	-
Other Support Services	731
Food Services Operations	-
Capital Outlay	89,394
Debt Service	
Principal	-
Interest and Fiscal Charge	-
TOTAL EXPENDITURES	<u>90,125</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(89,950)
OTHER FINANCING SOURCES (USES)	
Transfers In/Transfers (Out)	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>
NET CHANGE IN FUND BALANCE	(89,950)
FUND BALANCE June 30, 2011	<u>92,069</u>
FUND BALANCE June 30, 2012	<u>\$ 2,119</u>

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

TOTAL NONMAJOR CAPITAL PROJECTS	TOTAL NONMAJOR SPECIAL REVENUE	TOTAL NONMAJOR DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ -	\$ 581,145	\$ -	\$ 581,145
-	31,775	-	31,775
-	-	-	-
-	-	199,858	199,858
-	47,858	-	47,858
175	-	-	175
-	82	-	82
<u>175</u>	<u>660,860</u>	<u>199,858</u>	<u>860,893</u>
-	144,767	-	144,767
-	-	-	-
-	40,170	-	40,170
-	8,727	-	8,727
-	-	2,051	2,051
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
731	-	-	731
-	422,821	-	422,821
89,394	-	-	89,394
-	-	50,000	50,000
-	-	89,415	89,415
<u>90,125</u>	<u>616,485</u>	<u>141,466</u>	<u>848,076</u>
(89,950)	44,375	58,392	12,817
-	-	-	-
-	-	-	-
(89,950)	44,375	58,392	12,817
<u>92,069</u>	<u>54,216</u>	<u>12,599</u>	<u>158,884</u>
<u>\$ 2,119</u>	<u>\$ 98,591</u>	<u>\$ 70,991</u>	<u>\$ 171,701</u>

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL-- ED TECH EQUIPMENT ACT--CAPITAL PROJECTS FUND

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	229	229
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 229</u>	<u>\$ 229</u>
 BUDGETED CASH BALANCE	<u>86,944</u>	<u>92,016</u>		
 TOTAL REVENUE & CASH	<u>\$ 86,944</u>	<u>\$ 92,016</u>		
 EXPENDITURES				
Other Support Services	\$ -	\$ -	\$ 731	\$ (731)
Capital Outlay	86,944	92,016	89,394	2,622
TOTAL EXPENDITURES	<u>\$ 86,944</u>	<u>\$ 92,016</u>	<u>\$ 90,125</u>	<u>\$ 1,891</u>

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

OTHER MAJOR FUND INFORMATION

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--BOND BUILDING--CAPITAL PROJECTS FUND

Year Ended June 30, 2012

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Programs	\$ -	\$ -	\$ -	\$ -
State Programs	-	-	-	-
Local Programs	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
 BUDGETED CASH BALANCE	 <u>680,351</u>	 <u>715,085</u>		
 TOTAL REVENUES & CASH	 <u>\$ 680,351</u>	 <u>\$ 715,085</u>		
 EXPENDITURES				
Other Support Services	\$ -	\$ -	\$ -	\$ -
Capital Outlay	680,351	715,085	39,473	675,612
TOTAL EXPENDITURES	<u>\$ 680,351</u>	<u>\$ 715,085</u>	<u>\$ 39,473</u>	<u>\$ 675,612</u>

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

AGENCY FUNDS

AGENCY FUND--To account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -- AGENCY FUNDS

Year Ended June 30, 2012

	Balance 6/30/2011	ADDITIONS	DEDUCTIONS	Balance 6/30/2012
ASSETS				
Cash				
District Board Scholarship	\$ 1,675	\$ 456	\$ -	\$ 2,131
District Savings/Interest Account	1,197	-	-	1,197
Dist-Library Funds	527	-	-	527
Dist-Exceptional Programs	450	2,395	2,369	476
Buckland's Gang	341	-	-	341
EVLC-Book Deposits	834	-	-	834
EVLC-Grants	992	-	-	992
Estancia High School	46,169	126,542	115,838	56,873
Estancia Middle School	13,662	26,976	23,968	16,670
Estancia Elementary School	17,749	26,979	23,258	21,470
Total Cash	<u>83,596</u>	<u>183,348</u>	<u>165,433</u>	<u>101,511</u>
Due from:				
Idea-B Private School Share	-	-	341	(341)
2010 GO Bond Student Library Fund	-	-	3,179	(3,179)
Total Due from	<u>-</u>	<u>-</u>	<u>3,520</u>	<u>(3,520)</u>
TOTAL ASSETS	<u>\$ 83,596</u>	<u>\$ 183,348</u>	<u>\$ 168,953</u>	<u>\$ 97,991</u>
LIABILITIES				
Due to Student groups	<u>\$ 83,596</u>	<u>\$ 183,348</u>	<u>\$ 168,953</u>	<u>\$ 97,991</u>
TOTAL LIABILITIES	<u>\$ 83,596</u>	<u>\$ 183,348</u>	<u>\$ 168,953</u>	<u>\$ 97,991</u>

OTHER SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE 1

BANK SUMMARY

JUNE 30, 2012

Bank	ACCT TYPE	FUND	BANK BALANCE	OUTSTANDING (CHECKS) DEPOSITS	NET CASH BALANCE
Wells Fargo Bank	Checking	Multi Fund	\$ 2,560,983	\$ (515,471)	\$ 2,045,512
	Checking	Athletics	6,824	(290)	6,534
	Checking	Activity	100,073	(2,082)	97,991
Total Wells Fargo Bank			<u>2,667,880</u>	<u>(517,843)</u>	<u>2,150,037</u>
New Mexico State Treasurer	LGIP	Operational *	242,721	-	242,721
New Mexico State Treasurer	LGIP	Operational *	119	-	119
New Mexico State Treasurer	LGIP	Ed Tech. Equip. Act *	-	-	-
New Mexico State Treasurer	LGIP	Ed Tech. Equip. Act *	147	-	147
			<u>242,987</u>	<u>-</u>	<u>242,987</u>
Total All Accounts			<u>\$ 2,910,867</u>	<u>\$ (517,843)</u>	<u>\$ 2,393,024</u>

* Interest Bearing

The credit rating of the investment pool at the New Mexico State Treasurer is as follows:

New MexiGrow LGIP	AAA _m rated	<u>\$ 242,987</u>	50-day WAM
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SCHEDULE OF PLEDGED COLLATERAL

JUNE 30, 2012

	Total Deposits	FDIC Insurance	Uninsured Deposits	Collateral Required	Collateral Pledged	Uninsured & Uncollateralized Deposits
Wells Fargo Bank	\$ 2,667,880	\$ 2,667,880	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2012

	Operational	Transportation	Food Services	Athletics
Audited Net Cash				
JUNE 30, 2011	\$ 1,120,271	\$ 13,323	\$ 46,977	\$ 4,126
Investments on hand/Loans	-	-	-	-
TOTAL CASH BALANCE				
JUNE 30, 2011	1,120,271	13,323	46,977	4,126
Add: Prior year void checks	-	-	-	-
2011-2012 Revenue	7,214,023	456,986	418,285	22,238
Transfers In & Adjustments	325,521	-	-	-
TOTAL AVAILABLE CASH	8,659,815	470,309	465,262	26,364
Net Change				
2011-2012 Expenditures	7,444,856	470,309	374,349	19,830
Transfers Out & Adjustments	431,259	-	-	-
	7,876,115	470,309	374,349	19,830
NET CASH, JUNE 30, 2012	783,700	-	90,913	6,534
Cash On hand	-	-	-	-
TOTAL CASH, JUNE 30, 2012	<u>\$ 783,700</u>	<u>\$ -</u>	<u>\$ 90,913</u>	<u>\$ 6,534</u>

SCHEDULE 3

Federal Projects	Local/State Account	SB-9	Ed Tech Equip Act	Debt Service	Activities
\$ 20,466	\$ 294,498	\$ 194,605	\$ 90,672	\$ 55,269	\$ 83,596
-	-	-	-	-	-
20,466	294,498	194,605	90,672	55,269	83,596
-	-	-	-	-	-
610,053	168,085	308,472	229	137,886	183,348
405,817	27,618	-	1,343	-	-
1,036,336	490,201	503,077	92,244	193,155	266,944
749,427	68,698	285,042	90,125	139,329	165,433
271,137	14,593	-	-	-	3,520
1,020,564	83,291	285,042	90,125	139,329	168,953
15,772	406,910	218,035	2,119	53,826	97,991
\$ 15,772	\$ 406,910	\$ 218,035	\$ 2,119	\$ 53,826	\$ 97,991

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE 3
 continued

BANK RECONCILIATION

JUNE 30, 2012

	Instructional Materials	Bond Building	Ed Tech Debt Service
Audited Net Cash			
JUNE 30, 2011	\$ 2,572	\$ 715,084	\$ -
Investments on hand/Loans	-	-	-
TOTAL CASH BALANCE			
JUNE 30, 2011	2,572	715,084	-
Add: Prior year void checks	-	-	-
2011-2012 Revenue	34,802	-	67,166
Transfers In & Adjustments	-	-	-
TOTAL AVAILABLE CASH	37,374	715,084	67,166
Net Change			
2011-2012 Expenditures	22,658	39,473	672
Transfers Out & Adjustments	-	-	39,597
	22,658	39,473	40,269
NET CASH, JUNE 30, 2012	14,716	675,611	26,897
Cash On hand			
TOTAL CASH, JUNE 30, 2012	\$ 14,716	\$ 675,611	\$ 26,897

Woodard, Cowen & Co.

Certified Public Accountants

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

Hector H. Balderas
New Mexico State Auditor
The Board of Education
Estancia Municipal Schools
Estancia, New Mexico

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of the Estancia Municipal School District, as of and for the year ended June 30, 2012, and have issued our report thereon dated October 5, 2012. 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

Management of Estancia Municipal Schools is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Estancia Municipal School 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 Estancia Municipal School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Estancia Municipal School District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Portales: 305 S. Avenue B or PO Box 445, Portales NM 88130 – Phone 575-356-8564 Fax 575-356-2453
Clovis: 116 E. Grand Avenue or PO Box 1874, Clovis NM 88101 – Phone 575-762-3811 Fax 575-762-3866

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Estancia Municipal School 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that are required to be reported pursuant to *Government Auditing Standards* paragraph 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 item 2012-1.

The Estancia Municipal School 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 Estancia Municipal School District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Estancia Municipal School Board, others within the District, the New Mexico Public Education Department, the Office of the State Auditor, the New Mexico Legislature, and applicable federal grantors and is not intended to be and should not be used by anyone other than these specified parties.

Woodward, Cowen & Co.

October 5, 2012

Woodard, Cowen & Co.

Certified Public Accountants

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

Mr. Hector H. Balderas, State Auditor
The Board of Education
Estancia Municipal Schools
Estancia, New Mexico

Compliance

We have audited Estancia Municipal Schools compliance 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 Estancia Municipal School's major federal programs for the year ended June 30, 2012. Estancia Municipal School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Estancia Municipal School's management. Our responsibility is to express an opinion on Estancia Municipal School'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 Estancia Municipal School'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 on Estancia Municipal School's compliance with those requirements.

In our opinion Estancia Municipal Schools complied, in all material respects, with the 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, 2012.

Internal Control over Compliance

The management of Estancia Municipal Schools is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Estancia

Municipal Schools internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Estancia Municipal School's internal control over compliance.

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

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.

This report is intended solely for the information and use of management, the Estancia Municipal School Board, others within the District, the New Mexico Public Education Department, the Office of the State Auditor, the New Mexico Legislature, and applicable federal grantors and is not intended to be and should not be used by anyone other than these specified parties.

October 5, 2012

Woodward, Cowen & Co.

SINGLE AUDIT SECTION

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2012

I. SUMMARY OF AUDITORS RESULTS:

Report on Financial Statements	Unqualified
Significant Deficiencies on GAGAS	None
Other matters required to be reported	2012-1
Material Noncompliance	None
Questioned Cost	None
Type A & Type B dollar threshold	\$300,000
Entity Risk	Low Risk
Major Federal Programs	Child Nutrition Cluster National School Lunch Program Free & Reduced 10.555 Commodities 10.555
Significant Deficiencies on Internal Control over Major Programs	None
Material weaknesses identified	None
Report on Compliance with Major Programs	Unqualified
Findings reportable under 510(a) of Circular A-133	None

II. FINANCIAL STATEMENT FINDINGS

Control

None

Compliance

2012-1 Overspent Budget (Other)

Condition: Expenditures exceeded the approved budget amounts for the following funds:

<u>Fund</u>	<u>Function</u>	<u>Amount</u>
Ed Tech Equipment Act	31900	\$ 731

Criteria: Any funds expended by the District shall have an approved budget for the expenditure per Chapter 22 Article 8 of NMSA 1978.

Cause: The District was not notified, by the New Mexico State Treasurer, of a loss on investments for June30, 2012 until after the end of the fiscal year. The New Mexico Public Education Department instructed the District on which function to post the loss to. That particular function did not have any budget for the year and it was past the date in which BAR's are allowed and approved by the Public Education Department.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

JUNE 30, 2012

II. FINANCIAL STATEMENT FINDINGS (continued)

Effect: Violation of state statutes regarding expenditures could result in a loss of future funding or repayment of funding already received and expended.

Recommendation: The District should be more aware of the intentions of the State Treasurer with respect to losses that are directly related to the District's investments.

Response: The District concurs with the recommendation and will maintain better communication with the State Treasurer in the future.

III. FEDERAL PROGRAM FINDINGS

None

IV. PRIOR YEAR AUDIT FINDINGS

2010-1	Disbursements	Resolved
2011-1	ERB Reporting	Resolved

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2012

	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM EXPENDITURES
<u>US DEPARTMENT OF EDUCATION</u>			
Passed Through the State Department of Education			
Title I	84.010	24101	\$ 302,767
IDEA-B - Entitlement	84.0270	24106	258,098
IDEA-B - Risk Pool	84.0270	24120	1,695
IDEA-B - Preschool	84.173	24109	12,492
IDEA-B - Private School Share Stimulus (ARRA)	84.391	24115	1,255
Title II - A Teacher/Principal Training	84.367A	24154	71,019
Education Jobs Fund	84.410	25255	3,055
TOTAL PASSTHROUGH GRANTS			<u>650,381</u>
TOTAL DEPARTMENT OF EDUCATION			<u>\$ 650,381</u>
<u>US DEPARTMENT OF AGRICULTURE</u>			
Passed Through the State Department of Education			
<1>National School Lunch Program	10.555	21000-8602	\$ 359,954
Forrest Reserve	10.665	11000	16,313
Fresh Fruit and Vegetable Programs	10.582	24118	24,024
			<u>400,291</u>
Passed Through New Mexico State			
Department of Human Services			
<1>Non-Monetary Assistance	10.565	21000-8904	32,629
TOTAL DEPARTMENT OF AGRICULTURE			<u>\$ 432,920</u>
<u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed Through the State Department of Education			
Title XIX Medicaid	93.7780	25153	\$ 75,022
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 75,022</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u>\$ 1,158,323</u>

<1> Major Program

Note 1 This schedule is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

Note 2 Non-Monetary assistance is reported in the schedule at the fair market value of the commodities received.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

OTHER DISCLOSURES

Year Ended June 30, 2012

OTHER DISCLOSURES

PREPARATION OF FINANCIAL STATEMENTS

We prepared the draft financial statements based on management's chart of accounts and trial balances and any adjusting, correcting, and closing entries have been approved by management. We also have prepared the draft footnotes based on the information determined, provided by and approved by management. These services are allowable under SAS 115.

EXIT CONFERENCE

An Exit Conference was held on October 5, 2012. Present were:

Stella Chavez
Kendra Otis
Sylvia Chavez
Carol Gonzeles
Audie Brown
D. Brent Woodard, CPA
Martin Mackechnie

Audit Committee – Community Finance
Audit Committee – Board Member
Audit Committee - Parent
Finance Director
Superintendent
Auditor
Auditor